Tuesday, 18 November 1986

The PRESIDENT (the Hon. R. A. Mackenzie) took the chair at 3.3 p.m. and read the prayer.

ROAD SAFETY 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.

SOUTH MELBOURNE LAND BILL (No. 2)

This Bill was received from the Assembly and, on the motion of the Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands), was read a first time.

FISHERIES (MASTER FISHERMAN'S LICENCES) BILL

This Bill was received from the Assembly and, on the motion of the Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands), was read a first time.

LAND (AMENDMENT AND MISCELLANEOUS MATTERS) BILL

This Bill was received from the Assembly and, on the motion of the Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands), was read a first time.

LAND TAX (AMENDMENT) BILL (No. 2)

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

EDUCATION (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.

QUESTIONS WITHOUT NOTICE

POLICE STRENGTH IN BENDIGO DISTRICT

The Hon. N. B. REID (Bendigo Province)—Will the Minister for Conservation, Forests and Lands give an assurance that she will make the strongest possible representations to the Minister for Police and Emergency Services that additional police staffing and resources will be made available in Bendigo following the disclosure that additional police had to be brought into the area from other parts of the State to achieve the arrests overnight of thirteen persons on drugs and firearms charges?

If she will not give that assurance, what other action will she take to ensure that the Victoria Police receive the additional staff and resources needed in their efforts to combat drugs in Bendigo and north-central Victoria?

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—I am amazed that Mr Reid persists with that line of questioning when it is clearly not in the best interests of the image of Bendigo, which he is supposed to represent, and when it is clear that the Police Force and the community in Bendigo have never been better off and better protected than by a Labor Party Government.
If Mr Reid cannot get his colleagues to ask these embarrassing questions in the Lower House, I shall direct the question to the Minister for Police and Emergency Services on his behalf.

**DRUG PROBLEM IN BENDIGO**

The Hon. B. P. Dunn (North Western Province)—I refer the Attorney-General to his answer to a question from the National Party on 28 October in which he chastised the National Party, particularly Mr Wright, over our suggestions that a major drug problem existed in the Bendigo area. The honourable gentleman will recall that day very well!

Given the police raids last night and today in which a quantity of heroin, amphetamines and hashish was seized and a number of arrests were made, is the Attorney-General now prepared to concede that a significant drug problem exists in the area and will the Government dedicate the fullest possible resources towards combating that problem?

The Hon. J. H. Kennan (Attorney-General)—Certainly I correctly chastised the National Party on that day. Members of the National Party are interested only in bagging Bendigo. This Government has done more for Bendigo in the provision of police and other services than previous conservative Governments have done in a generation. That is well known to members of the National Party and all these conservatives are prepared to do is to rubbish Bendigo and make attacks on the town of Bendigo in this place. Every time the National Party raises this issue, I shall make the same point. All that members of the opposition parties do is run down a major town in their own constituencies.

They know the record of Mr David Kennedy, the honourable member for Bendigo West in another place, and the tremendous results that he has achieved in Bendigo. No other local member of Parliament in the history of Bendigo ever has done for Bendigo, through the State Government, what David Kennedy has done.

Honourable members interjecting.

The Hon. J. H. Kennan—Mr President, I can understand why members of the opposition parties are shamefaced about what they are trying to do. They are trying to dissociate themselves from the Government's success in Bendigo. I expect that Mr Wright will try to bag Mildura next—what other town is he going to bag?

**LAND CONSERVATION COUNCIL RECOMMENDATIONS**

The Hon. B. A. Murphy (Gippsland Province)—I direct a question to the Minister for Planning and Environment but, before doing so, I congratulate him on the successful trip he made recently to the Gippsland area in company with Mrs McLean and me in which the honourable gentleman undertook his responsibility as the Minister responsible for Aboriginal affairs. The people of Gippsland appreciate the many visits that he has made to Gippsland, right through Bairnsdale, Lakes Entrance, Cann River and Orbost. At the time of his visit the Minister inspected the Errinundra area, where he was recognised and was likened to one of the shining gums of the forest area. He is regarded as one of the tall timbers in this place.

Will the honourable gentleman advise the House whether he is aware of the Land Conservation Council's final recommendations for east Gippsland?

The Hon. J. H. Kennan (Minister for Planning and Environment)—I thank Mr Murphy for his usual lively, eloquent and well judged question. As Mr Murphy indicated, the areas of east Gippsland around Rodger River and the Bowen Range are some of the most sensitive areas, environmentally, in Victoria. In particular, the Rodger River area provides some of the finest last examples of pristine forest in this country.

I am pleased to be able to report that the Chairman of the Land Conservation Council, Mr David Scott, today issued an interim statement which outlined the major findings of
the Land Conservation Council for the use of public land in east Gippsland. The recommendations to the State Government will include, firstly, the addition of the Rodger River/Bowen Range area to the Snowy River National Park; secondly, a new national park on the Errinundra plateau; thirdly, the addition of the Mount Kaye area and Jones Creek to the existing Coopracambra Park, with the entire combined area becoming a national park; fourthly, a new coastal park between Marlo and Cape Conran; and, fifthly, further smaller additions to various east Gippsland parks and reserves.

I understand that the areas which have been included in the final recommendations of the Land Conservation Council are comprised of areas of national botanical and zoological significance and that they also contain some of the least disturbed stream catchments in Victoria.

The Government will consider those recommendations. The House will be aware of the Government's commitment to new national parks in this area, and I expect to receive the final report of the council sometime in December. I should like to acknowledge at this time the outstanding work of the Land Conservation Council over a period of many years. I have nothing but the highest regard for the diligence and integrity of the council.

It is interesting to speculate on what Victoria would have been like environmentally had there been no Land Conservation Council over the past fifteen or sixteen years. The Government will be considering the final recommendations in context and it is looking forward to the support of the Opposition for any Government action based on the recommendations, rather than obstruction. The Government should like to take up that point on the issue of the alpine national park recommendation, and I am sure it can be assured of Mr Reid's support, and others', in respect of any move for more national parks in the east Gippsland area.

**YOUTH TRAINING CENTRES AND RECEPTION CENTRES**

The Hon. ROSEMARY VARTY (Nunawading Province)—In view of the fact that the staff of the Winlaton Youth Training Centre and the Allambie Reception Centre are to hold a stop-work meeting on Friday to discuss possible strike action, and that other centres plan to follow this with similar stop-work meetings, what action has the Minister for Community Services taken to address the concerns of staff at youth training centres and reception centres?

The Hon. C. J. HOGG (Minister for Community Services)—I thank Mrs Varty for the question because it has given me information that I did not possess a few moments ago. I was at a meeting with the Victorian Public Service Association yesterday discussing other concerns, but no mention was made of possible stop-work meetings on Friday at Winlaton or Allambie.

I shall make inquiries during the afternoon, because I was only aware that activity was going on in the context of a planned Statewide redevelopment which looks at providing community alternatives for some of the clients currently in institutions. I have said to this House many times that I think there is broad bipartisan agreement that some young people in those institutions would be better catered for in a community-based setting—for example, in foster care, a family group home or in some setting other than an institution.

The department is attempting, through a wide network of reception and foster care in all regions and by placing resources in family group homes and community alternatives, to ensure that residential options are available for young people. There is no thought of putting young people into the community without the resources needed to support them.

Whenever there is change in any kind of institution there is an industrial concern, which is understandable to a large degree. I assure honourable members that considerable departmental thought has been given to those industrial concerns and a number of arrangements have been made in the past for the small amount of deinstitutionalisation
that has gone on until now. In the light of Mrs Varty’s question, I shall find out what the
concerns are vis-a-vis Winlaton and Allambie.

**DRUG PROBLEM IN BENDIGO**

The Hon. K. I. M. Wright (North Western Province)—I refer the Attorney-General
to the question I asked on 29 October in which I referred to the serious drug problem in
the Bendigo area. I asked the Minister then whether he agreed to my suggestion that a 25-
member special squad be created to combat the drug problem in provincial centres. Now
that the Minister for Police and Emergency Services has supported that suggestion and is
taking it up with the Chief Commissioner of Police, will the Attorney-General also put his
support behind the suggestion?

The Hon. J. H. Kennan (Attorney-General)—I understand that the Minister for
Police and Emergency Services said he would give consideration to this issue. It is clearly
a matter for him and I do not have anything to add to what the Minister obviously said
today in another place.

**YOUTH EMPLOYMENT WITHIN DEPARTMENT OF
CONSERVATION, FORESTS AND LANDS**

The Hon. C. F. Van Buren (Eumemmerring Province)—Can the Minister for
Conservation, Forests and Lands advise the House on her commitment to the employment
of youth within her department?

The Hon. J. E. Kirner (Minister for Conservation, Forests and Lands)—I thank the
honourable member for his interest in the employment area. I am delighted with the
success of the Government’s youth guarantee work study scheme in my department. It
has been successful in various other departments, including education, railways and health.

The Hon. M. A. Birrell—Health! You are the only one who says that.

The Hon. J. E. Kirner—I am the only good judge. Young people eligible for the
scheme are aged between fifteen and nineteen years and have to be unemployed for a
period of at least six months. The department’s objective is to employ those young people
for three days a week and to train them for two days.

The Hon. D. M. Evans—Does the department give them a job after the training period?

The Hon. J. E. Kirner—I will come to that later, Mr Evans. The Department of
Conservation, Forests and Lands employed 100 young people under the scheme who have
been trained, including training in technical and further education colleges, and I am
looking forward to presenting them with their certificates towards the end of the month.

The department has trained 50 young men and 50 young women and I was particularly
pleased with the numbers who actually stayed on in training and in the jobs. In fact, of the
initial 100 trainees, eighteen opted to go back to full-time study. Some of those have
entered employment directly and all have gained better opportunities because of the
training they have had within my department. Approximately 76 of the remaining 82
young people are to be employed in the department. They will be employed in construction
maintenance jobs, ranger assistant’s jobs and office training jobs. The remaining four
trainees, who are unable to immediately take up employment opportunities, will continue
in training in my department.

It is easy, of course, to talk about statistics and it is probably much better to give
examples of young people who really benefit from this scheme. A young woman named
Cathy commenced in a regional office as a clerical officer-receptionist.

The Hon. N. B. Reid—Has this statement been issued in Williamstown!
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The Hon. J. E. KIRNER—A number were employed in the Bendigo region too, Mr Reid. Cathy wanted to work as a ranger. She did not have the qualifications or experience, but because of her experience in the outdoors she has been employed as a park assistant at the Ferntree Gully National Park.

The scheme demonstrates the Government's commitment to the employment of young people and has been particularly successful since my department commenced employing these young people.

NURSES' DISPUTE

The Hon. M. A. BIRRELL (East Yarra Province)—I refer the Minister for Health to the impact of the current health crisis and the question that he could not answer last week. Of the 14,750 public hospital beds in Victoria, how many beds are unavailable for use today?

The Hon. D. R. WHITE (Minister for Health)—In monitoring the situation I am able to indicate to the House that all public hospitals in Victoria are open and remain open; that there is adequate provision for intensive care beds and coronary care beds; and that people in need of admittance through accident or other reasons can gain admission.

Over the past week, the Coordinator of Critical Care Services, Dr Bernard Clarke, has indicated that the situation has become more difficult in some general wards for surgical and medical patients. Hospitals under greatest difficulty in that regard at present are Dandenong and District, Western General and Prince Henry's hospitals.

In general, the situation is manageable. In monitoring the situation, the Government has not attempted to obtain statistical material on the number of unavailable beds nor does it intend to do so. The Government is monitoring the situation in terms of the need for volunteers and to keep the hospitals open.

Members of the medical profession, particularly resident medical officers, have offered excellent support. Registered nurses who have remained at work, together with volunteers and State enrolled nurses, have also offered their support. The Government looks forward to the case proceeding before the Full Bench of the Industrial Relations Commission tomorrow.

DHURRINGILE PRISON

The Hon. W. R. BAXTER (North Western Province)—I direct a question to the Attorney-General, who is responsible for corrective services in Victoria. Is it a fact that instructions have recently been given that Dhurringile Prison officers should not have access to firearms for security purposes and is the Attorney-General aware of the alarm that that report has created in the Tatura district? Does it not strike him as contradictory that members of the Police Force guarding Parliament House carry firearms, while prison officers at Dhurringile Prison are to be denied access to guns which may be necessary to protect my constituents?

The Hon. J. H. KENNAN (Attorney-General)—I thank Mr Baxter for his question and I agree, with respect to some honourable members, that it is appropriate for police officers in this building to carry guns.

However, at Dhurringile Prison a much tighter classification system operates for residents than for the security system covering members of Parliament and their guests. It is only proper that such security arrangements should be taken in this place when anyone can enter or leave Parliament House at any time while either House is sitting.

Current firearm arrangements at Dhurringile Prison work extremely well. For some time two pistols have been locked away in a cupboard. Dhurringile is a low-security prison with absolutely no need for officers to carry firearms. The institution is not the type of
institution that is managed by the use of firearms. The prison is not the type of institution that is managed by the use of firearms. Given the type of institution that it is and the open country surrounding it, the carriage and use of firearms may well endanger the public.

The House should be aware that officers of the United Kingdom prison service are unarmed, despite a large number of dangerous prisoners in those institutions. Officers guarding those prisons have no firearms at all. There is nothing unusual about not having firearms in low-security institutions and firearms in many European prisons have been done away with.

**ABORIGINAL WELFARE PROGRAMS**

The Hon. JEAN McLEAN (Boronia Province)—Can the Minister for Community Services inform the House of developments concerning local Aboriginal communities managing their own extended care programs?

The Hon. C. J. HOGG (Minister for Community Services)—As honourable members will be aware, the Government is committed to the policy of local Aboriginal agencies developing and managing their own welfare programs in areas of demonstrated need. The Government believes Aboriginal children specifically have a much better chance of having their needs met if decisions about them are made by locally-based Aboriginal multi-service agencies that are in tune with local culture, values, networks and needs.

In keeping with this policy, a family group home was established under the auspice of the Sunraysia and District Aboriginal Cooperative in Mildura in July 1985, and in January of this year two department family group homes were transferred to the Rumbalara Aboriginal Cooperative in Shepparton.

Also in 1985-86, a pilot Aboriginal extended care program commenced in Swan Hill to meet a demonstrated foster care need for the local Aboriginal community. The program is operated by the Swan Hill Aboriginal Welfare Group and has been an overwhelming success. The Government will fund this program from January 1987. When I say it has been an overwhelming success, I mean that it has been praised, not only by the local Aboriginal families and groups but also by the major providers of welfare in the area.

There are currently two Aboriginal family group homes in east Gippsland that have been operated by Kilmany Family Care Inc. Those are two family group homes that Mr Murphy has known a great deal about. For some time, Kilmany has been asking that these family group homes be transferred to Aboriginal control. The Aboriginal community has also been requesting that. I am happy to say that, in the past month, resources have been identified to enable those homes to be transmitted to Aboriginal community control by the beginning of next year.

I am pleased that we have been able to achieve these initiatives, especially at a time when Budget constraints have been extraordinarily stringent. I believe it marks a very real and absolutely genuine commitment to Aboriginal programs by Community Services Victoria, and I believe that underlines a commitment to Aboriginal programs as an area of priority for this Government.

**RAILWAY LAND IN FITZROY**

The Hon. A. J. HUNT (South Eastern Province)—The Minister for Planning and Environment will doubtless be aware of the report of the Royal Park to Fitzroy Former Railway Line Working Party that was released by the State Government last week, which recommends that that railway land go to the Ministry of Housing or to private commercial or industrial use. Is he aware that the City of Fitzroy opposes that report on the ground that the per capita amount of open space in the city is already unduly low and that this land ought to be preserved as parkland? Will the Minister support the City of Fitzroy in the retention of what it considers as necessary public open space, and will he meet with a deputation from the city?
The Hon. J. H. KENNAN (Minister for Planning and Environment)—I congratulate Mr Pullen and his committee for their excellent work in bringing in extremely balanced recommendations. They have recommended that the bulk of the land, in fact, be open space, with more available for housing. I think that is a responsible approach. I am, of course, prepared to listen to views to the contrary, as I shall no doubt receive in the coming months.

SOUTH MELBOURNE COMMUNITY CHEST

The Hon. M. J. SANDON (Chelsea Province)—Can the Attorney-General inform the House of the outcome of his inquiries into the South Melbourne Community Chest?

The Hon. J. H. KENNAN (Attorney-General)—I thank Mr Sandon for his question. Mr Macey has raised this matter with me on a number of occasions.

Honourable members will be aware that the South Melbourne Community Chest is a longstanding charity. It is the successor of the South Melbourne Patriotic Fund, and was formed in 1945. Since its formation, it has donated to the City of South Melbourne a large number of properties, including the Claremont Home for the Aged and the Montague Youth Centre. It has helped to establish the South Melbourne Elderly Citizens Club, the meals-on-wheels service, playgrounds and the dental clinic. Over the past nine years it has distributed more than $125,000 to charitable organisations within South Melbourne. It raises money through appeals, doorknocks, luncheons, art shows and other activities.

The chest conducts a Voluntary Helpers Shop; it provides funds, clothing and goods to those in need. More than 30 senior citizens work voluntarily in the shop. The chest also runs an eighteen-seat bus for use by community organisations.

Mr Macey saw fit in this place to attack the operation and undermine the public confidence in it without proper information. I have since received a report from my officers. The Commissioner for Corporate Affairs and the Controller of Fund Raising have been consulted and they have been unable to find anything untoward in the conduct of the chest.

Mr Macey raised in this place what he alleged was an excessive proportion of receipts spent on administrative expenses. An examination of this, together with all accounts in recent years, shows that that is a very superficial approach and that there is nothing untoward in the operation of the South Melbourne Community Chest.

I do not intend to take any further action, but I do note that Mr Macey in a letter to the South Melbourne Community Chest, dated 1 July 1985, offered the use of his office and his electorate assistants to the chest to help with administration; and he also offered to increase the chest's fundraising activities by entertaining South Melbourne business people at Parliament House. The council of the chest declined the offer of administrative help because it wanted to remain a non-political organisation. Mr Macey did not take kindly to this. He stood for election to the governing council, but was defeated at the elections in September 1985. He stood again this year and was again defeated.

Mr Macey has made a number of attacks on the chest. He has suggested that the provision of space at a peppercorn rent by the South Melbourne council was an inefficient use of council property, but it was Mr Macey himself who, as a councillor of the City of South Melbourne, seconded the motion to provide this space to the community chest. If Mr Macey is concerned, he should raise the matter with the South Melbourne City Council.

I am very disappointed that Mr Macey has——

Honourable members interjecting.

The Hon. J. H. KENNAN—Here we have a typical situation, Mr President, of people who cannot take the heat. Mr Macey raised the matter twice but he does not want to hear
the result of the inquiries that I initiated at his request. It is a great pity that he has seen fit to undermine the public confidence in an outstanding and worthwhile organisation. He has twice sought to make it a political issue and he has undermined a worthwhile organisation. It is obvious that members of the Opposition do not like the answer.

**PERSONAL EXPLANATION**

The Hon. REG MACEY (Monash Province)—Mr President, I reject any suggestion that I sought to undermine the credibility or the public acceptance of the South Melbourne Community Chest. Indeed, the reverse was true. I believe my motives cannot be challenged on the basis of the support I offered to the chest and I indicate that I will seek to raise this matter later on the motion for the adjournment of the sitting.

In accordance with Standing Order No. 132, I ask for your support in requesting the Attorney-General to withdraw the suggestion that I sought to undermine the credibility or the integrity of the community chest. He imputed improper motives to me and I ask that you so rule under Standing Order No. 132.

The Hon. J. H. Kennan—You are a disgrace and a sham!

The President—Order! Standing Order No. 132 reads:

No Member shall digress from the subject-matter of the question under discussion, nor comment upon any expressions said to have been used in the Assembly in the same Session; and all imputations of improper motives and all personal reflections on Members shall be considered highly disorderly.

Would the honourable member indicate the particular words to which he refers?

The Hon. REG MACEY—The imputation of improper conduct, in saying that I raised the matter in the House with the view of undermining the credibility or the integrity of the community chest; in other words, suggesting that I had an improper motive.

The Hon. D. R. WHITE (Minister for Health)—On a point of order, Mr President, when this matter was raised in the debate on the motion for the adjournment of the sitting on not one but more than one occasion by Mr Macey, in respect of the activities of the South Melbourne Community Chest and its day-to-day practice, he alleged that a disproportionate amount of money had been spent on administrative costs as compared with other costs.

In saying that, he was quite clearly undermining the standing of the South Melbourne Community Chest. At no stage did the Attorney-General use the words “improper conduct”. He said that Mr Macey was undermining the standing and credibility of the South Melbourne Community Chest. He reached that conclusion after obtaining advice from his officers in the Law Department, who indicated that the allegation made by Mr Macey could not be substantiated. In rejecting the allegation about the day-to-day activities of the South Melbourne Community Chest, it is fit and proper to say that the allegation was unsubstantiated and that Mr Macey’s attempt to undermine the community chest was not right. Therefore, there is no basis for seeking to have the Attorney-General withdraw the word “undermine”.

The Hon. R. I. KNOWLES (Ballarat Province)—On the point of order, Mr President, in answering the question the Attorney-General placed great emphasis on the fact that Mr Macey had stood for election to the governing council of the South Melbourne Community Chest, had not been successful and had then offered support. The Attorney-General then went on to impugn Mr Macey’s motives for raising the matter in the House. That is the aspect to which Mr Macey has taken objection.

The Hon. D. R. White—He took objection to the word “undermine”.

The Hon. R. I. KNOWLES—The Attorney-General made it clear to the House that Mr Macey was using the forms of this place to get back at the South Melbourne Community Chest, given that he had not been elected to its governing council. The Attorney-General
clearly impugned the motives of Mr Macey in raising the issue in the House. That is the matter to which Mr Macey has taken objection and for which he has sought a withdrawal.

The Hon. J. H. KENNAN (Attorney-General)—On the point of order, Mr President, you will be aware that I recited a number of facts: I recited the fact that Mr Macey had raised these issues with me and asked me to institute inquiries; I recited the facts relating to the performance and record of this outstanding charitable body for more than 40 years; I recited the fact that Mr Macey had offered support through his political office; I recited the fact that he had stood for election to the governing council in 1985 and had been beaten; I recited the fact that he stood in 1986 and had been beaten; and I recited the fact that, as a result of what he had done, public confidence has been undermined.

I have reports from the South Melbourne Community Chest that the level of its fundraising has fallen since Mr Macey got the press up to Parliament House to report his attack. That is the fact of the matter. The effect of what he did was to undermine the fundraising capacity of one of the best charitable organisations in the State.

I would accept on his part, as would the people of South Melbourne and the recipients of the good work of this organisation, a full and frank apology from Mr Macey for what he has done. On behalf of the people of South Melbourne, especially those in need, I am prepared to accept any offer that Mr Macey likes to make, to make up the shortfall.

The PRESIDENT—Order! The Attorney-General is debating the point of order.

The Hon. A. J. HUNT (South Eastern Province)—On the point of order, Mr President, the allegation that Mr Macey "sought to undermine" the South Melbourne Community Chest is the clearest possible evidence of an imputation of improper motives and must be withdrawn pursuant to the Standing Orders.

The Hon. HADDON STOREY (East Yarra Province)—On the point of order, Mr President, in the way the Attorney-General addressed the point of order, he confessed that his original statement was directed personally at Mr Macey. The issue that you, Mr President, are being asked to consider is whether the Attorney-General made imputations about Mr Macey or whether the Attorney-General simply stated some facts.

The Attorney-General claimed that he stated some facts, but if you, Sir, remember the words that were used, you will recall that he stated that Mr Macey "sought to undermine" the South Melbourne Community Chest. In claiming that, the Attorney-General departed from stating facts and drew conclusions about the motives of Mr Macey. Within the rules that you are examining, Mr President, that clearly represents a personal imputation and constitutes a personal reflection upon an honourable member. It does not matter how much the Attorney-General referred to other facts; by using those words, he offended against the Standing Order.

The Hon. M. A. BIRRELL (East Yarra Province)—On the point of order, Mr President, Standing Order No. 132 states that:

... all imputations of improper motives and all personal reflections on Members shall be considered highly disorderly.

In his attack on my colleague, Mr Macey, the Attorney-General said that my colleague had "sought to undermine" a body, and Mr Macey says that he has not done so. The Attorney-General also implicitly attacked the motives of Mr Macey and improperly tried to portray those motives as dishonourable and as not being the motives he intended them to be.

There can be no clearer example of a breach of Standing Order No. 132. If these vital safeguards are to have any respect at all, the Attorney-General should immediately withdraw his comments in line with that Standing Order.

The PRESIDENT—Order! Having listened to the points of view put forward by honourable members and from my recollection of what was said by the Attorney-General
in answering the question, in my view, the point of order hinges on whether the Attorney-General said that Mr Macey “sought to undermine” the South Melbourne Community Chest or whether the actions of Mr Macey actually brought about the undermining of that organisation.

The Hon. B. A. Chamberlain—The former rather than the latter.

The PRESIDENT—If, indeed, the Attorney-General said that Mr Macey had “sought to undermine” the community chest, that would be out of order. However, my recollection is that the Attorney-General said that the action of Mr Macey, in raising the matter in this Chamber, had the effect of undermining the organisation. Mr Macey could have done that unwittingly; the Attorney-General did not claim that Mr Macey did it wittingly.

My recollection of what the Attorney-General said was that Mr Macey’s actions had the effect of undermining the community chest rather than stating that Mr Macey sought to undermine the organisation. Whether, in the view of the Attorney-General, Mr Macey did unwittingly undermine the community chest is a different question. Under those circumstances, there is no point of order. The time for questions without notice has expired.

The Hon. B. A. MURPHY (Gippsland Province)—I wish to raise a point of order about an interjection Mr Birrell made earlier.

The PRESIDENT—Order! That is out of order.

The Hon. A. J. HUNT (South Eastern Province)—On a further point of order, Mr President, where there is doubt as to the words used, there is power to ask for them to be read back by Hansard. May I respectfully suggest that that now be done.

The PRESIDENT—Order! When the Hansard record becomes available, if I discover that my recollection is incorrect or if I have misunderstood what the Attorney-General said, I shall allow it to be raised in those circumstances.

TRUSTEE (AMENDMENT) BILL

The Hon. J. H. KENNAN (Attorney-General), by leave, moved for leave to bring in a Bill to amend Part I of the Trustee Act 1958 and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

MINISTERIAL STATEMENT

Director of Public Prosecutions

The Hon. J. H. KENNAN (Attorney-General)—I wish to make a Ministerial statement on the occasion of the tabling of the annual report of the Director of Public Prosecutions for 1985–86.

The Director of Public Prosecutions is to be congratulated for the very thorough way in which he has presented this report. In this report members of Parliament and the public will find considerable assistance in understanding the role of the Director of Public Prosecutions.

The report indicates that the Office of the Director of Public Prosecutions is now fully staffed. The report indicates a number of important initiatives, especially the establishment of a specialist squad created to focus expertise in the handling of major drug trials.

The Hon. H. R. Ward—This remarkable statement should be heard by more members of the House. Mr President, I direct attention to the state of the House.

A quorum was formed.
The Hon. J. H. KENNAN—I am pleased also to note the initiatives of the Director of Public Prosecutions in establishing this special group in the context of the measures taken by Federal and State Governments to address the growing problems associated with drug abuse. The report notes that the group has participated in three preliminary hearings involving thirteen accused persons and has obtained restraining orders against twenty persons for property in excess of $1 million.

The Director of Public Prosecutions has used the provisions of the Drugs, Poisons and Controlled Substances Act for the restraining of alleged profits of crime through drug trafficking, and the report indicates that the restraining orders obtained by the Office of the Director of Public Prosecutions involve property in excess of $1 million. That is what is known as a six-figure story.

The report also indicates a pleasing increase in the productivity of the office in the preparation of cases. The report further indicates a reduction of 9 per cent in the median number of days between the completion of a preliminary hearing and the date upon which a case is prepared and ready to proceed to trial.

The statistics mentioned in the report also indicate that there has been some success in reducing the number of cases awaiting trial in the Supreme Court and the County Court. As at 30 September 1985, 56 criminal cases were awaiting hearing in the Supreme Court and this number had fallen to 27 by 30 June 1986. Similarly, in the County Court, to 30 September 1985, the backlog of cases awaiting trial was 756 and by 30 June 1986 this number had fallen to 690.

The reduction of some 95 cases in the Supreme Court and County Court lists between September 1985 and June 1986 is very pleasing and represents a reduction of 15 per cent in the number of cases awaiting trial in that time. However, there will need to be further reductions before the backlog is down to an acceptable level and, as the Director of Public Prosecutions points out, it may be necessary to appoint additional judges. To this end, the Government has funded extra space for the County Court in the new barristers chambers building and it is anticipated that during 1987, as a result of the extra space becoming available, at least three additional criminal courts will be available in the County Court, which will lead to a significant reduction in the backlog.

In addition, I anticipate that during 1987 judges in the Supreme Court and the County Court will give more attention to case management as a result of work being done by the Courts Advisory Council. We are still not making use of available court space in the higher courts as efficiently as we might and there exists considerable scope for further delay reduction even within the existing resources.

In conclusion, I congratulate the Director of Public Prosecutions for the extraordinary work he has done in the period under review. Not only has he taken administrative responsibility for this significant office and personally shouldered enormous burdens in a large number of extremely difficult cases, but also he has been involved in chairing various committees relating to such things as police powers, section 460 of the Crimes Act, committal hearings and so on.

The Hon. B. A. Chamberlain—you should take notice of section 460.

The Hon. J. H. KENNAN—we have taken notice, and we have implemented a pilot study for tape recordings in conjunction with the police, as recommended.

The Director of Public Prosecutions has discharged his responsibilities with outstanding dedication, and I congratulate him and all his officers for the work done.

The Hon. B. A. CHAMBERLAIN (Western Province)—The Opposition wishes to be associated with the personal comments made by the Attorney-General about the Director of Public Prosecutions. I move:

That the Ministerial statement be taken into consideration on the next day of meeting.
The motion was agreed to.

PAPERS

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

Director of Public Prosecutions Office—Report and financial statements for the year 1985-86.
Housing Director—Report for the year 1985-86.
Law Department—Report and financial statements for the year 1985-86.
Property and Services Department—Report and financial statements for the year 1985-86.
Statutory Rules under the following Acts of Parliament—
  Liquor Control Act 1968—No. 275.
  Registration of Births Deaths and Marriages Act 1959—Nos 273 and 283.

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

EDUCATION (AMENDMENT) BILL

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

That this Bill be now read a second time.

Its purpose is to amend both the Education Act 1958 and the Post-Secondary Education Act 1978 and to repeal the State Schools (Bush Fire Relief) Act 1943.

The major changes to the Education Act are contained in clauses 7 and 8. These create a single Teacher Registration Board to replace the three divisional teacher registration boards and the Teacher Registration Council. The new body will assume the duties and powers of bodies it replaces other than the power to hear appeals on matters of registration, which will become the responsibility of the Teaching Service Appeals Board.

This amendment rationalises the teacher registration authorities and will facilitate a close examination of the value of separate registration requirements for primary, secondary and technical school teachers. Although there may always be soundly-based differences in these requirements, it is important to ensure that any such differences are not simply the result of historical development.

There are three other amendments to the Education Act. Clause 4 provides for the automatic application of Treasury regulations to the calling of public tenders for works by school councils. Clause 6 clarifies the registration requirements for teachers in registered schools by requiring teachers of all subjects, other than instrumental music, choral music, voice production and religion, to be registered as teachers by the Registered Schools Board. Clause 5 proposes certain machinery amendments consequential upon the passage of the Youth Affairs Act 1986.

Clause 9 further provides for the repeal of the State Schools (Bush Fire Relief) Act 1943 and for the transfer of funds held in trust under that Act. The purpose of the fund was to assist State school children affected by bushfires. The fund was established with residual
funds from an appeal following the 1939 bushfires and these funds have continued to grow over the years through interest earned by their investment.

There have been very few disbursements from the fund since its inception, as such payments relate directly to the occurrence of a serious bushfire. Even with the tragic 1983 bushfires, the response to the public appeal to assist victims of the fires was so magnificent that it was unnecessary to use any of the moneys held in the fund.

The Treasurer keeps an account entitled the Victorian Natural Disaster Relief Account, which is used for the relief of natural disasters generally and it appears appropriate that the Act be repealed and the moneys standing to the credit of the fund be transferred to this account. This transfer will enable the moneys to be used with a greater degree of flexibility.

An examination of the Post-Secondary Education Act 1978 raised doubts that principal, vice-principal and head of division officers were included in the Technical and Further Education Teaching Service. Subsequent legal advice has confirmed these doubts, and clauses 11 to 15 are designed to validate past appointments and ensure the validity of future appointments. I commend the Bill to the House.

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

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

**ROAD SAFETY BILL**

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

That this Bill be now read a second time.

On 11 June 1986, the Minister for Transport released for public comment draft proposals for a Road Safety Bill, which form the basis of the present Bill. More than 100 submissions were received in response to the draft proposals, mainly from representative bodies covering a wide range of public opinion. The submissions were carefully considered and, where necessary, follow-up meetings were held to expose proposals in greater detail. As a result, the Bill contained a number of changes from the original proposals.

Further submissions were received after the introduction of the Bill, as a result of which further amendments were made in the Legislative Assembly. I will refer to the more important of these shortly.

**PURPOSES OF THE BILL**

The main purposes of the Bill are:

- to provide for safe, efficient and equitable road use;
- to improve and simplify procedures for the registration of motor vehicles and the licensing of drivers; and
- to ensure the equitable distribution within the community of the costs of road use.

Modern traffic legislation is unique in that probably no other single activity in society has generated such a wide array of rules. What originated as a set of practical rules to control the activities of motorists has developed into a formidable mass of statute law and regulations to the extent where it is virtually impossible to estimate the number of traffic offences which may be committed by a motorist, and the problem is compounded. In Victoria, the principal source of traffic law at present is the Motor Car Act 1958. Since coming into operation on 1 April 1959, this Act has been amended by some 120 subsequent Acts. Coupled with the Act, there are some 250 pages of regulations made under the Act.

The Bill essentially re-enacts the provisions of the Motor Car Act but places the emphasis on establishing the purposes of the legislation and setting out the major legislative requirements.
The provisions of the Transport Act 1983 relating to road safety, particularly those dealing with road traffic regulation and the traffic infringement notice system, have also been incorporated in the Bill so that all regulatory provisions relating to road safety will be located in the one Act. The submissions received in response to the draft proposals commented very favourably on this aspect.

FORM OF THE BILL

The Bill is divided into nine Parts and has four schedules. Part 1 is general. Part 2 deals with registration to ensure various matters, such as the design and construction of motor vehicles, the use of motor vehicles and trailers to be regulated for safety and so on, and to provide a method of establishing the identity of a motor vehicle.

Part 3 provides for the licensing of drivers to ensure that people are competent drivers and are aware of safe driving practices and so on. Part 4 deals specifically with recreation vehicles and so on. Part 5 deals with the important topic of driving offences involving alcohol or other drugs. Part 6 defines a number of specific offences connected with driving of motor vehicles and sets out procedures for the apprehension and prosecution of offenders.

Part 7 sets out certain requirements relating to parking and traffic infringements. Part 8 contains a number of general provisions relating to delegations, service of notices, regulations, fees and a number of other miscellaneous matters.

REGULATIONS TO BE MADE UNDER THE BILL

Much of the detail presently contained in the Motor Car Act will be dealt with in regulations made under the Bill, such as the procedures for registration and transfers and so on. A full set of draft regulations has been prepared and widely circulated. The regulations will need to satisfy the detailed requirements as to consultation and other matters introduced by the Subordinate Legislation (Review and Revocation) Act 1984.

The Hon. D. M. EVANS (North Eastern Province)—On a point of order, Mr Deputy President, I note in following the material being read by the Attorney-General that, in fact, only parts of the second-reading speech notes are being read.

My understanding is that the document presented to honourable members would not be recorded in Hansard and that only the remarks made by the Attorney-General would be recorded. Therefore, the explanation of the Bill as recorded in Hansard will not be complete. Therefore, I ask that the Attorney-General either read the whole of the explanation of the Bill or that he seek leave to have it incorporated in Hansard.

The Hon. J. H. KENNAN (Attorney-General)—I seek leave to have the whole of the second-reading speech incorporated in Hansard.

The Hon. B. A. Chamberlain—Leave is refused.

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs) (By leave)—Mr Deputy President, on the matter of the incorporation of second-reading speeches in Hansard, may I indicate that there has been such a practice from time to time—and I remember very well it being practised during the period of the previous Liberal Government. At that time, Mr Hunt, as Leader of the House, would indicate on occasions that he would speak on the second reading of a Bill and would use portions of the second-reading speech but would seek leave to have the whole of the speech incorporated in Hansard. It was not an uncommon practice.

The Hon. B. A. Chamberlain—No, I am sorry, he did not.

The Hon. E. H. WALKER—That was not uncommon. I remember, in particular, that Mr Hunt, as the Leader of the Government at that time, would speak to some notes without, in fact, necessarily reading them out in full as they were printed. I also recall that on one occasion, when questioned by me, Mr Hunt moved, by leave, to have the whole speech incorporated in Hansard.
That is a practice that has been followed previously, and it is a quite proper approach. I indicate that there will be some discussions between the Leader of the House, the President and the Clerks in this House about the management of second-reading speeches. We have not reached that point yet, but I was sitting next to Mr Chamberlain just now discussing the fact that we would like to review the way in which second-reading speeches are handled in this House.

It is not an unusual practice to refer to notes, without reading them verbatim, when a Minister moves the second reading of a Bill and then to have the whole second-reading speech incorporated in *Hansard* with the approval and agreement of the Leaders of the other parties.

*The Hon. B. A. CHAMBERLAIN* (Western Province) *(By leave)*—The Leader of the House has raised an important issue. As it happens, the Leader of the House and I were discussing that very issue when Mr Evans raised the point of order, because it is one for the House to consider properly, through the Standing Orders Committee, and we would support a motion to that effect.

As to the practice of the Honourable Alan Hunt, I clearly recall that Mr Hunt never liked to read second-reading notes and so he used to give his own. In other words, he would stand up and speak to the Bill and what he said was reported in *Hansard*.

I have no recollection of him seeking leave to incorporate his written second-reading notes in *Hansard*. What he used to do was to substitute his oral speech for the prepared notes in support of the Bill. I do not believe there is a precedent for this issue.

*The Hon. E. H. Walker*—I would not argue with that.

*The Hon. B. A. CHAMBERLAIN*—We are more than happy for the Standing Orders Committee to consider that issue.

*The Hon. J. E. KIRNER* (Minister for Conservation, Forests and Lands) *(By leave)*—There is, in fact, a precedent. I refer to the Zoological Parks and Gardens (Amendment) Bill where by agreement, I read sections of it in the House and I had the rest of it incorporated in *Hansard*.

I should think that it would not be beyond the bounds of the House to accept on this occasion, with a long Bill, that the second-reading notes be incorporated, and what the Attorney-General actually states be reported in *Hansard* as was done with the Zoological Parks and Gardens (Amendment) Bill.

*The Hon. W. A. LANDERYOU* (Doutta Galla Province) *(By leave)*—I enter the debate to indicate that it is my recollection that Mr Hunt, on each and every occasion he sought to address the House on a Bill with which he was familiar, although he had the notes which were distributed, usually addressed the House in respect of what was his knowledge of the Bill.

On occasions, even the Leader of the House before him would have matters incorporated, usually by agreement—made prior to the matter being called on in the House—with the Leader of the Opposition and the Leader of the National Party.

It does seem to me, in the context of the matter having been discussed by all the major parties, rather small-minded that on this occasion, despite the fact that Mr Chamberlain is absolutely correct and I would be as one with him in fact if what was being said was that the procedure be permanent and that it was not to be reviewed by the Standing Orders Committee taking a considered view into account on this occasion; it is obviously a laborious task to read such technical matters.

I should have thought that this point was being made to give the Attorney-General the opportunity of proceeding along a very sensible line: if a Bill is accompanied by a lengthy second-reading speech which has been prepared by a bureaucratic process, it should be...
debated on those notes but honourable members should not have to listen to long-winded technical speeches.

The Hon. B. P. Dunn—it is only thirteen pages!

The Hon. W. A. LANDERYOU—I accept that, but it does seem to me to be a more efficient and competent way of handling the Bill. I am expressing a value judgment in terms of the second-reading notes. However, I do take the point of the Leader of the Government and I appeal to the Leader of the Opposition in this instance to allow the matter to go through.

Mr Chamberlain is correct in precise terms in his contribution. He should not persist with his objection but allow the Attorney-General to proceed. This would be in good faith and with goodwill towards the Standing Orders Committee. I, as a member of that committee, give the House an assurance that I shall listen with keenness to any objection to that procedure becoming a custom in the future but on this occasion the House should allow the Attorney-General to do what many have done before him.

The Hon. R. J. Long interjected.

The Hon. W. A. LANDERYOU—we should not make judgments on principles based on personalities.

The DEPUTY PRESIDENT (the Hon. G. A. Sgro)—Order! The Attorney-General has asked for leave to incorporate the second-reading notes and leave has been refused. I ask that the Attorney-General be allowed to read it in full.

The Hon. J. H. KENNAN (Attorney-General)—Thank you, Mr Deputy President. A typically enlightening debate from the Opposition!

UNLICENSED DRIVERS AND UNREGISTERED VEHICLES

If there is to be safe, efficient and equitable road use, even by members of the Opposition, it is necessary that drivers and vehicles comply with the standards set by the legislation.

Unhappily, let me just say this by way of excursus.

Honourable members interjecting.

The Hon. J. H. KENNAN—you have asked for it and you are going to cop it. In order to get proper road use and proper road rules, commonsense and goodwill needs to be applied, particularly commonsense. What is singularly lacking in the Liberal Party in this place is any semblance of common sense or decent behaviour at all.

An honourable member interjected.

The Hon. J. H. KENNAN—but the National Party raised it and it was quite prepared to be sensible about it. It is interesting to note that small-mindedness still rules the Liberal Party. The Government is concerned with the number of unlicensed drivers and the number of unregistered vehicles on the road. This antisocial behaviour must be eliminated so far as possible and the Bill does this in a number of ways.

The penalties for offences in these areas have been substantially increased. For example, an unlicensed driver may now be liable to a penalty of up to $2500.

SOCIAL DEVELOPMENT COMMITTEE'S MAJOR REVIEW OF ROAD SAFETY

In 1984, a major review of road safety in Victoria was completed by the Social Development Committee and 24 recommendations were made. The majority of the countermeasure program to meet the recommendations is already in place and virtually all of the recommended measures should be in effect by the end of this year.

The program of research recommended by the committee was intended to ensure that at the end of the five-year period, information would be available on which the next set of
The Government is determined to continue its all-out attack on Victoria's road toll so that the momentum of recent years is not lost. Measures taken so far have been highly successful to the extent that Victoria has a reputation as a world leader in safety measures. The Victorian fatality rate per 10,000 vehicles for 1985 was 2.8 which is the equal lowest ever and is below the corresponding average rate of 3.4 for the rest of Australia.

Nevertheless, the road toll for 1985 was still 682 deaths which was an increase over the preceding year. This disturbing trend is continuing in that the road toll so far this year has continued at about the same level as that for the corresponding period in 1985.

The community is appalled at the size of the road toll and legislative countermeasures must be introduced. For the purpose of identifying appropriate countermeasures, discussions have been held.

**BREATH TESTS**

One of the important road safety initiatives provided for in the Bill is that the police be allowed to require any motorist to undergo a preliminary breath test. At present, the police may only require a driver to undergo a preliminary breath test at a preliminary breath testing station or if a member of the Police Force has reasonable grounds for believing that the ability of a driver is impaired by having consumed intoxicating liquor or that a person has within the last 2 hours driven a motor car which has been involved in an accident. The time limit within which a preliminary breath test may be administered will also be extended from 2 hours to 3 hours.

RTA officers currently have no power to administer preliminary breath tests and the Bill provides for these tests to be administered by authorised officers. This will only be done in conjunction with the enforcement activities of these officers.

Authorised RTA officers while intercepting the drivers of commercial passenger or goods vehicles from time to time suspect that drivers may be driving under the influence of alcohol.

An analysis of compulsory blood tests on drivers involved in serious casualty accidents showed that 12.7 per cent of truck drivers and 9.1 per cent of taxi drivers were over the 0.5 per cent limit. While this is lower than the comparable figure of 29 per cent for noncommercial drivers, nevertheless it demonstrates that there is a serious problem requiring attention.

In recent cases where police assistance was available to test commercial drivers, blood alcohol readings up to as high as 0.2 per cent have been obtained. The seriousness of commercial drivers being on the road with BAC readings as high as this warrants an extension of the power to administer preliminary breath tests to authorised RTA officers, to be exercised only in the limited circumstances referred to.

It is not the intention that RTA officers should exercise general police powers with respect to preliminary breath tests, and I am sure you will agree with that point, Mr Deputy President.

**TECHNICAL DEFENCES AGAINST DRINK-DRIVING CHARGES**

The Bill contains provisions designed to prevent technical defences against drink-driving charges. In a recent decision, the Circuit Court decided that it was permissible for expert evidence to be given that breathalysers could give incorrect readings. In an interview given following that decision the Premier referred to "Smart esoteric points of law that lead to a diminution in the capacity of the police to see that our roads are free of motorists who are affected by drink." He said that "If it was necessary to legislate to tidy this up we would do it".
In looking at the issue of technical defences against drink-driving charges, the social problem to be dealt with must be kept steadily in mind, that would include the alcoholic content of wines from other countries. The Law Reform Commission in its report No. 4 on alcohol, drugs and driving, made the following point:

We should not be blinded by formulae, percentages, calculations and so on. The primary focus of alteration must be upon the provision of a law which will express the community’s standards and discourage drivers from endangering themselves and their fellows by driving after consuming alcohol or other drugs. Lengthy disputes about percentages and calculations frequently appear to have little to do with the social issue that is at stake here.

In other States the relevant legislation provides for breathalysers, in general, to be taken to give accurate readings and for readings from a breathalyser not to be changed by subsequent evidence. It is essential that Victorian drink-driving legislation follows the approach taken in other States.

Following consultation with various organisations, including the police and so on, the blood alcohol content offence will be expanded to include exceeding a prescribed reading on an approved breath analysis instrument. The only grounds on which a breath analysis reading for the purposes of that offence may be challenged will be that the particular instrument was operated improperly or was defective.

Motorists will need to be aware that the new offence is being over the legal limit at the time of being tested. Consequently, a motorist who drinks after being involved in an accident but before being tested cannot use this to subvert the possibility of a conviction as at present and runs the risk that the penalty may be substantially increased by a higher reading when tested. The seriousness of the offence of drink-driving is such that measures such as these are warranted.

In order to ensure that new provisions do not result in injustice, the Minister in another place introduced two significant amendments which were adopted by the Legislative Assembly. The first of these gives a driver the right to ask for a second breath test to be carried out immediately, if the driver is dissatisfied with the result of the first reading. The other amendment enables a person charged with drink-driving offences who has not been caught behind the wheel or involved in an accident to give evidence of alcohol consumption after the cessation of driving.

IMMEDIATE LICENCE SUSPENSION

The explanatory notes which accompanied the draft proposals stated:

Drivers who are detected with a BAC content of 0-15 per cent may be referred for medical assessment to determine their fitness to continue to hold a drivers licence. Should they fail this assessment, their licence may be suspended. This procedure can be used as necessary to ensure that drivers who are involved in serious accidents and who have a very high BAC are prevented from driving pending their case coming to court.

In light of the comments received, the Bill has been amended to provide far more effective procedures to get the driver with the high blood alcohol reading off the road as quickly as possible. A driver detected with a blood alcohol concentration of 0-15 per cent or above will be required to surrender his licence to the police immediately and the suspension will be recorded on the driver licence records.

Licence surrender in accordance with these procedures may also be required by an RTA officer in conjunction with the enforcement activities of these officers in relation to traffic laws and loading requirements for drivers of commercial passenger and goods vehicles.

The driver will have a right of appeal to a court to have this interim licence suspension lifted but, unless the appeal is successful, the driver will not be able to drive.

The driver who fails to stop or who leaves the scene of an accident in the hope of avoiding detection of a drink-driving offence will face substantially increased penalties.

The owner of a vehicle will be required to provide information to identify the driver, notwithstanding that the owner was driving at the time. The removal of the privilege against self-incrimination is justified by the current difficulties being encountered by the
police in identifying hit-run drivers. For example, following a recent hit-run incident involving a fatality, the registered owner of the vehicle attended at the police station but, when interviewed, refused to provide any information other than his name.

The need for measures such as these is evidenced by the cases of irresponsible drivers with very high blood alcohol concentrations detected by the police. By way of example, in 1984 a driver was detected with a blood alcohol concentration of 0.245 per cent. Approximately 24 hours later, the same driver was involved in a fatal accident and when tested had a blood alcohol concentration of 0.25 per cent.

DRUGS

In February 1986 the Minister for Transport established a working party to examine and report on the extent to which drugs other than alcohol are a factor in road accidents in Victoria. The working party reported in June and the report has since been made public. In accordance with the report, the Bill has not altered the current position under the Motor Car Act with regard to drugs. Other measures are needed to deal with the question of drugs but these require further development.

INCREASED PENALTIES

In line with the approach adopted in the Transport Accident Bill, the Bill provides for stiffened penalties for a range of antisocial traffic offences. The broad result will be a 50 per cent increase in "on-the-spot" fines for safety-related traffic infringement notices, including red light and speed camera offences. For a range of traffic offences outside the ambit of traffic infringement notices, for example, reckless driving, drunken driving, bad driving—maximum fines have also been increased. Since the introduction of the Transport Accident Bill the opportunity has been taken of regrading the penalties for particular offences according to the degree of risk to safety involved. The results of this regrading are reflected in the Bill and the draft regulations.

EXCEEDING SPEED LIMITS BY MORE THAN 30 KM/H

The Government recently legislated to make licence suspension or cancellation mandatory following conviction for a speeding offence involving exceeding the relevant speed limit by 30 kilometres an hour or more. This was done because of the seriousness with which the Government views excessive speeding on our roads.

Motorists should be aware that under clause 28, it will no longer be possible for courts to avoid suspending or cancelling a licence by the imposition of a bond. Licence suspension or cancellation will be mandatory for speeding offences where a speed limit is exceeded by 30 kilometres an hour or more. It will continue to be mandatory for other serious offences including certain drink-driving offences.

The Opposition in the Legislative Assembly sought to extend the 30 kilometre an hour limit to 35 kilometres an hour. The Government is not prepared to accept such an amendment because of the implications for road safety. However, the Government has established a working party on speed limits and has accepted an interim report which proposes an increase in the maximum speed to 110 kilometres an hour on rural freeways of appropriate design standard. These will in due course be zoned by appropriate signs.

GRADUATED LICENSING SCHEME

One of the Social Development Committee's recommendations was the introduction of a graduated licensing scheme to enable new drivers to gain their critical early experience as safely as possible. The scheme would involve certain driving restrictions being imposed on probationary drivers to reduce accidents involving inexperienced drivers. Details of the additional driving restrictions during the probationary licence phase were to be developed from research by the Road Traffic Authority. The authority has now completed
this research and has recommended an integrated package of measures which include the
following features:

- the duration of the probationary licence will be reduced from three years to two years. However, probationary drivers will now be required to display "P" plates for the whole of the two-year probationary period;

- the zero blood alcohol requirement for first year probationary drivers will be extended to cover the whole of the probationary period. This has been done on the basis of a preliminary evaluation covering the first six months operation of the existing legislation. This indicates a reduction of about 18 per cent for first-year drivers in serious night-time casualty accidents. Moreover, research has shown that drivers in the second year of a probationary licence who are involved in casualty crashes are 30 per cent more likely to have been drinking than first-year drivers;

- the penalties on probationary drivers convicted of safety-related offences will be altered, so that the three-month period of mandatory licence cancellation will be reduced to a one-month suspension by the probationary period and associated conditions will be extended for six months. In addition, the range of safety-related offences which result in the suspension will be extended; and

- the present 80 kilometres per hour limit for learner drivers and first-year probationary drivers will be abolished. Although, on the other hand, Victoria has had this requirement for many years, there is no evidence that it has been an effective safety measure. On the other hand, the presence of a vehicle travelling at a significantly slower speed than the surrounding traffic flow can be a hazard and should be avoided unless there are overriding safety considerations.

These components of the graduated licensing scheme are provided for in the Bill.

The Road Traffic Authority also recommended a night-time driving curfew from 10 p.m. to 5 a.m. for learners and first-year drivers who are under the age of 25 years at the time of obtaining their probationary licence. Although the authority’s recommendation provided for exemptions to be granted where drivers have to use their vehicles for employment or educational reasons, the Government remains concerned at the potential impact of such a curfew on the mobility of young persons. The Government is also concerned that there may be difficulties with the administration and enforcement of such a scheme.

The Government, therefore, has decided not to adopt this component of the graduated licence package at this stage, but may refer the issue to the Parliament’s Social Development Committee for further consideration as a late road safety reference.

In raising the question of additional driving restrictions during the probationary licence phase, the committee indicated that the proposal would have lower priority if the scheme allowed any solo driving below the age of eighteen years. This qualification is reinforced by research which presents the estimated accident outcomes of reductions in the Vic. licensing age, based on data from all other “Aussie” States. The research demonstrated that a reduction in the Victorian licensing age to seventeen years would produce:

- an additional 30 to 50 fatal accidents annually; and
- an additional 650 to 700 injury accidents annually.

A further reduction to sixteen years would approximately double the above outcomes.

It was further demonstrated that even with quite severe restrictions on the driving of those below the current licensing age, there would still be a net increase in casualty accidents. The only graduated licensing options that return a clear safety benefit, and thus meet the objective of reducing the young driver accident problem, are those which retain eighteen years as the licensing age and implement further measures.
ELDERLY DRIVERS

The Government has also given consideration to the need for additional retesting procedures for old people. At present the primary check on the medical condition of drivers occurs at the point of initial licensing when applicants for learner permits or licences are asked about specific impairments and treatments. Post licensing action depends primarily upon the receipt of information from various sources that a person is not well enough to drive.

A major study of the accident involvement rates of elderly drivers was carried out by the Road Traffic Authority. This study showed that:

on the basis of the number of people in each age group in the population older drivers are underinvolved in accidents;

using the number of licences held in each age group as the form of comparison, older drivers are also underinvolved in accidents;

when the distance travelled by older drivers is taken into account they are overinvolved in accidents compared to drivers other than those holding probationary licences. This overinvolvement starts at age 65 years but does not become marked until age 75 years; and

the absolute number of accidents to drivers aged 75 years and over is quite low; 326 drivers aged 75 and over were involved in casualty accidents in 1984. This represents 1.39 per cent of the total.

On the basis of a comparison of accident rates by age in other States, it did not appear that the licence retesting programs currently operating in other States were any more successful.

The substantial costs to the public of a formal retesting system are unlikely to be offset by significant benefits.

The Government has, therefore, accepted the authority's recommendation.

MOTORCYCLE LICENCES

Under the Bill, there will no longer be separate licences. This initiative will benefit motorcyclists. Licence costs will be reduced. Motorcyclists will require only one licence document.

REGULAR ROADWORTHINESS INSPECTIONS OF VEHICLES

Although driver behaviour must be controlled if Victoria's road toll is to be reduced, it is also necessary to ensure that vehicles on the road are safe and roadworthy. In releasing the draft proposals for a Bill for public comment in June 1986, the Minister for Transport indicated that the Government had received a number of submissions, including a submission from the Road Trauma Committee, arguing for compulsory regular inspections.

The Road Traffic Authority has indicated that, based on the evidence available at present, annual roadworthiness inspections, other than for public transport vehicles and large commercial vehicles, are not cost beneficial. Only about 1 in 200 casualty accidents would be avoided by the introduction of such a scheme and the cost of the scheme to the community would be in the vicinity of $66 million per annum. The most effective measure from a range of possible options would be to increase the number of roadside inspections particularly if this were carried out as part of a series of combined licence check and breath testing operations.

The Government, therefore, proposes to adopt measures of the latter kind which, together with tyre defect campaigns, a tightening up of the procedures for inspection of commercial vehicles and the requirement for a roadworthiness certificate on transfer of ownership, should result in a marked improvement in the general roadworthiness of
vehicles on the roads. The Road Traffic Authority has been requested to keep the effectiveness of these procedures under review.

REGISTRATION AND TRANSFER OF REGISTRATION PROCEDURES

The Bill proposes a number of other changes to the present procedures relating to the registration of vehicles.

Where a car is being registered in Victoria for the first time, the current procedures require certain matters. If a vehicle is being sold it cannot be registered. The purchaser of the vehicle then has the burden to make changes. This is so notwithstanding that, in many cases, an intending purchaser has no practical means of ensuring before purchase that a vehicle is capable of being registered.

New vehicle registrations will be facilitated by enabling new car dealers to perform functions under delegation from the RTA.

Changes will be made to the current procedures for transfer of registration—

The Hon. D. M. EVANS (North Eastern Province)—On a point of order, earlier I drew the attention of the House to the fact, that by missing out substantial sections of the second-reading notes as distributed and that form part of the second-reading speech, the House will not have the benefit of having those matters recorded in Hansard, unless the full document is recorded in Hansard.

I note that in reading the second-reading notes the Attorney-General has missed out significant sections of the distributed copy of the second-reading speech. I point out that those matters cannot be recorded in Hansard as part of the consideration of the Bill in question. I ask again, therefore, whether the Minister will either read out the second-reading notes in full as they are distributed in the House or seek leave to have the notes incorporated in Hansard so that honourable members may have the benefit of the speech being accurately recorded in Hansard for posterity.

The Hon. D. R. WHITE (Minister for Health)—On the point of order, the Attorney-General or any Minister is not bound by any rule other than the fact that, in respect of the second-reading speech, he or she can read or debate the introduction of the Bill however he or she sees fit. The Attorney-General is not bound to read any particular words and Ministers can reflect the spirit of the Bill as they see fit. I point out that on many occasions under the previous Administration, the former Leader of the Opposition, Mr Hunt, did not use any second-reading notes at all on the introduction of a Bill.

The PRESIDENT—Order! I understand that while I was absent from the chair, the Attorney-General asked leave of the House to have the second-reading notes incorporated in Hansard and that leave was refused.

With respect to the point of order raised by Mr Evans, there is no point of order and the Attorney-General can read the second-reading speech in his own manner and not adhere to the notes provided, in an attempt to try to abbreviate what is quite a lengthy speech. Honourable members have the original copy anyway. There is no point of order.

The Hon. J. H. KENNAN (Attorney-General)—To overcome this problem and to ensure that an accurate, technical and physical description of the vehicle is provided for registration purposes, the vendor of a vehicle being registered in Victoria for the first time will be required to obtain a preregistration certificate from a qualified person. Responsible manufacturers and importers of vehicles as well as approved automotive engineers will be authorised.

New vehicle registrations will be facilitated by enabling approved new car dealers to perform functions under delegation from the Road Traffic Authority. These include accepting payments for registration and insurance and issuing number plates and interim labels. This will not only provide greater convenience for dealers and their customers but will also achieve administrative savings and speed up the processing of new registrations.
Changes will be made to the current procedures for transfer of registration to achieve the dual aims of safer vehicles on the roads and enabling transfers to be processed more rapidly by the Road Traffic Authority. The following changes will be provided for in the regulations to be made under the Bill:

vendors of motor vehicles must obtain and display a certificate of roadworthiness in all cases unless the vehicle is sold unregistered or to a licensed motor car trader;

traders will be responsible for remitting transfer documents and fees instead of the present situation where the trader looks after the documentation in practice, but the customer takes the responsibility;

in a private transaction, not involving a trader, the responsibilities of the acquirer and the disposer will be kept separate; and

the authority will be required to be notified of a change of ownership within seven days to ensure that the disposer is not inconvenienced by owner-onus offences committed by the acquirer.

At present "blue labels" are issued by the Road Traffic Authority to enable the owners to dispose of registered vehicles without obtaining roadworthy certificates. It is proposed to abolish "blue labels" and instead to introduce a requirement for the disposer of a registered vehicle to supply a roadworthy certificate at the time of sale unless the sale is to a licensed motor car trader. Alternatively, the disposer may cancel the registration of the vehicle and hand in its number plates to the authority before disposing of the vehicle.

Consultation has taken place with the Victorian Automobile Chamber of Commerce on this proposal, which will remove existing abuses of the "blue label" system and ensure that all registered second-hand vehicles that are transferred to a member of the public are roadworthy. The Bill does not prevent members of the public from buying an unregistered motor vehicle for the purposes of restoration and repair.

UNIFORM LEGISLATION

It is important that, so far as possible, legislation relating to motor traffic is uniform throughout Australia. Late last year, the Commonwealth enacted the Interstate Road Transport Act 1985 to give effect to certain recommendations of the National Road Freight Industry Inquiry.

The Bill will ensure that State law is consistent with the Federal Act by repealing without replacement the existing provisions of the Motor Car Act which provide for registration of vehicles engaged solely in interstate trade. For enforcement and other reciprocal purposes, the Bill will recognise the Federal Act as a corresponding Act.

HEAVY VEHICLE SPEED LIMITS

The National Road Freight Industry Inquiry recommended moving towards a 100 kilometre an hour speed limit for heavy vehicles. The Government is opposed to an immediate 100 kilometre an hour maximum speed limit for trucks but proposes to introduce a 90 kilometre an hour limit, to allow for the difference in braking performance between trucks and cars. Under the most recent Australian Design Rules concerned with braking performance, cars are required to be able to stop in a much shorter distance than trucks. Any increase to a maximum speed of 100 kilometres an hour would not be contemplated until after a monitoring period of, say, two years followed by consideration of the matter by the Australian Transport Advisory Council. The Bill, accordingly, has not preserved the present 80 kilometre an hour truck speed limit provided for in section 33 of the Motor Car Act. Truck speed limits will be provided for in regulations to be made under the Bill. This will permit the necessary flexibility for any future changes in truck speed limits.
CONCLUSION

In overall terms the Bill is a highly significant piece of proposed legislation—and despite his insistence that it be read, Mr Chamberlain is not in the Chamber—dealing as it does with matters which affect almost every member of the community except, apparently, Mr Chamberlain who has continued his appalling performance in the House today.

Reform in this area of the law is long overdue and is a vital part of the Government's campaign to ensure safety for all using our roads. I commend the Bill to the House. I urge the Opposition to take a much greater interest than it has been prepared to take this afternoon in respect of this important initiative.

For the Hon. ROBERT LAWSON (Higinbotham Province), the Hon. H. R. Ward (South Eastern Province)—I move:

That the debate be now adjourned.

The Opposition believes a period of three weeks for the adjournment of the debate would be appropriate. I am concerned about the way the Attorney-General attempted to read and sought to abbreviate the speech. He has treated the House with contempt by the manner in which he presented the proposed legislation; yet the Attorney-General claims it is an important piece of proposed legislation. Having regard to the emasculated piece of paper the Attorney-General read from, I hope honourable members can get some sense from the report in Hansard and I shall take the opportunity of reading it closely to ensure that what has been said by the Attorney-General is recorded and not what is included in the second-reading notes.

The motion for the adjournment of the debate was agreed to, and it was ordered that the debate be adjourned until Tuesday, November 25.

LAND TAX (AMENDMENT) BILL (No. 2)

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

That this Bill be now read a second time.

It will implement the Government's Budget initiatives regarding land tax for 1987.

Under the Land Tax Act as it stands, land tax liabilities in respect of 1987 for most taxable land, including all taxable land in the metropolitan area, will be based on site valuations obtained by applying the relevant equalisation factor—determined by the Valuer-General—to the latest municipal valuations.

This Bill indexes the land tax rate scale and the general exemption level by 8·8 per cent at an estimated cost to revenue of $5·4 million in 1986–87 and $9·9 million in a full year.

The weighted average increase in land values in Victoria in the twelve months following the date to which the recent metropolitan municipal valuations relate, June 1982, is 8·8 per cent.

Because, over the relevant period, land in the land tax base increased less rapidly in value than land generally, indexation by this factor will result in land tax revenue in respect of 1987 being about 5·8 per cent higher than land tax revenue in respect of 1986. That is to say, under the indexation arrangements, land tax revenues for 1987 will increase less rapidly than average land values.

Individual taxpayers will, of course, experience increases in land tax which are above or below average, depending on the change in the value of their particular land holdings.

It should be remembered that land tax is paid by only a small minority. Land tax is paid by about 80 000 of the State's land-holders. More than 60 per cent of the revenues are raised from the 1000 biggest taxpayers.
Taking into account the indexed exemption level and the effect of the $20 tax threshold introduced in 1986, all landowners with land holdings having a total unimproved value of less than $68,139 in 1983 values will be excluded from land tax for 1987. Less than 5 per cent of principal residences in the State are taxable.

Individual taxpayers who experience above-average increases in land tax will be owners of quite valuable land which has increased rapidly in value. For those who have difficulty in meeting land tax obligations because their incomes do not match their assets, there are hardship relief provisions in the Land Tax Act.

The Bill supplements the already generous hardship relief measures by providing for automatic exemption from land tax on the principal residence of pensioners who hold a health benefits card. I commend the Bill to the House.

On the motion of the Hon. H. R. Ward, 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.

STATE BANK (FURTHER AMENDMENT) BILL

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

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

That this Bill be now read a second time.

Honourable members will be aware of the Government’s firm commitment to ensure that the State Bank is able to meet the competitive challenges it faces in the 1980s.

Specific reference was made to the role envisaged for the bank in the Government’s economic strategy and its agreement was at that time obtained to a number of measures designed to strengthen the bank while, at the same time, complementing the strategy. Those measures included consolidation and expansion of the bank’s corporate lending activities, continued development of its strength in the retail sector and enlargement of its presence in overseas capital markets.

These developments were necessary to enable the bank to compete effectively with other State banks and the new banks establishing their operations in Australia. The bank has been successful in 1985-86. The bank has increased net profit after tax by 21 per cent and assets by 36 per cent.

The Bill provides for the Treasurer to nominate a commissioner to the board of the bank in place of the retiring Director of Finance of the Department of Management and Budget. In the past the holder of this position has been an ex officio commissioner of the bank. However, a change has become necessary as no new appointment to the position of director of finance is anticipated. The Bill provides that any appointment be made by the Governor in Council for a maximum term of seven years and makes a consequential amendment to the Management and Budget Act 1983 to take account of the changed procedures.

The opportunity has also been taken in the Bill to make a minor amendment to the Shrine of Remembrance Act 1978 since the director of finance is, ex officio, a trustee of the shrine as well. This Act is to be amended to provide that the occupant of the position of Director-General, Department of Management and Budget, serve as a trustee. I commend the Bill to the House.

On the motion of 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.

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SOUTH MELBOURNE LAND BILL (No. 2)

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

That this Bill be now read a second time.

It provides the necessary legislative power to allow for the redevelopment and beautification of the area adjacent to the south bank of the Yarra River in the City of South Melbourne.

The Government has already approved the redevelopment of the Southbank area as one of the five key sites in the central city offering the opportunity for major planning redevelopment programming to stimulate economic activity.

The area lies between the Victorian Arts Centre and the Charles Grimes Bridge. In the Bill, it is referred to as the designated area and is shown by a heavy black broken line in the schedule.

The area is subject to the planning controls given by the Minister for Planning and Environment in the City of South Melbourne (Southbank) Interim Development Order and the City of South Melbourne (Southbank Extension Area) Interim Development Order.

Those orders were placed over the area to ensure that development in this critical location was planned with special regard to the existing and future proposals of the area. The opportunities for change and improvement in the Southbank area are timely. Land in key locations is now subject to substantial development pressures; river improvements have already been put in train and transport proposals will change the rail system through the area.

The Crown owns large areas of land which are inappropriately developed or underdeveloped having regard to their location near the Yarra River and the central business district. It is for these reasons that action to enable change and improvement in this Southbank area is being taken.

Some of the objectives of redevelopment under the interim development order are:

(a) to expand the role the area serves as a cultural focus of local, State and national significance;

(b) to ensure that the river bank environs are attractively developed and designed primarily for public use;

(c) to encourage future redevelopment which complements the function of the central business district as the dominant centre of the metropolitan area;

(d) to encourage a high quality of building design and environmental amenity;

(e) to maximise potential views and orientation of future redevelopment towards the river environment and central business district;

(f) to enhance visual entrances to the central city and create a strong visual image for the river frontage; and

(g) to ensure that the transport network and new land uses are complementary.

A significant proportion of the land in the area described in the schedule to the Bill is Crown land leased or licensed to private concerns for commercial or industrial purposes.

The remainder of the land within the area described in the Bill consists mostly of freehold land, Commonwealth land, land vested in Government agencies and roads.

Honourable members may recall that in 1983 a Bill with similar provisions was brought before Parliament. That Bill, after being passed by the Legislative Assembly, was withdrawn by the Government. There are two major differences between the 1983 Bill and the current Bill. Firstly, power to acquire land compulsorily was included in the 1983 Bill, but not in this Bill. Secondly, the extent of the designated area in that Bill was smaller than that in the current Bill.
The Government withdrew the 1983 Bill because at that time it had decided to amend
the Town and Country Planning Act to include a power for the Minister for Planning and
Environment or a responsible authority, with the approval of that Minister, to acquire
land compulsorily to enable the better use, planning or development of an area. The Town
and Country Planning (Amendment) Act 1984 was enacted with the inclusion of such
provision.

Purchases and acquisitions under that Act will be made in accordance with requirements
and opportunities offered. Crown leases so purchased or acquired will be surrendered to
the Crown, thus enabling them to be dealt with either under the provisions of the Bill or
under the Land Act or Crown Land (Reserves) Act, depending upon which best suits the
proposed development. Much of the land required for redevelopment is already Crown
land.

This Bill will empower the Minister for Conservation, Forests and Lands to sell any
Crown land within the designated area by public auction, by public tender or private
treaty, subject to specified terms and conditions relating to the development or use by the
purchaser. Such power is required to provide more flexibility in the method of sale
adopted to achieve development aims, as the existing powers to sell land in the Land Act
enable sale by private treaty only after public auction has failed to result in a sale.

The power will enable the Government to take advantage of any offers or opportunities
which might be forthcoming from private enterprise and which are consistent with the
aims of the Southbank development strategy. The Government will be able to negotiate
directly with a proponent of a development.

The existing provision in the Land Act and the Crown Land (Reserves) Act allow for
re-leasing or reservation of Crown land within the designated area. A lands Bill is proposed
to be introduced into Parliament next year which will, if passed, result in Crown land used
for commercial purposes within the designated area becoming the responsibility of the
Minister for Property and Services. At the appropriate time, the powers in the South
Melbourne Land Bill (No. 2) which should be transferred to the Minister for Property and
Services, can be so transferred by order of the Premier.

The Bill also provides for the closure of roads and for the Minister for Conservation,
Forests and Lands to enter into a partnership, joint venture or other arrangement with
any person for the purpose of developing or redeveloping any Crown land within the area
described in the schedule to the Bill.

The road closure powers will assist in the packaging of individual sites into large
consolidated allotments for major developments such as the already approved Jennings
Southgate project.

The provisions in the Bill will enable the redevelopment of this riverside city gateway
which will transform the image of the City of Melbourne, allow the Yarra River to be a
focus of use and enjoyment for the people and create a tourist attraction of national
significance. I commend the Bill to the House.

On the motion of 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.

**FISHERIES (MASTER FISHERMAN'S LICENCES) BILL**

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands), I move:

That this Bill be now read a second time.

The Bill amends the Fisheries Act 1968 and provides for the transfer of certain master
fisherman's licences issued pursuant to section 13 of the Act.
For some years commercial fishing in the bays and inlets has been managed by limiting the number of professional fishermen licensed to fish in a particular bay or inlet. This is achieved by placing an endorsement on a master fisherman's licence which permits the licence holder and his crew to operate in designated bays or inlets.

This policy was adopted to protect the fish resource and the welfare of commercial fishermen and to ensure an equitable balance between recreational and commercial fishing interests.

It is important to note that the commercial fishermen in the bays and inlets are major suppliers of high value table fish to Victorians, with the bulk of the catch being taken in Port Phillip Bay and Western Port, Gippsland Lakes and Corner Inlet.

Approximately 250 master fishermen and a similar number of crew are engaged in these fisheries and produce a catch valued in 1985-86 at $6 million.

It has become apparent that a number of fishermen licensed for the bays and inlets have become inactive or low effort operators, due mainly to advancing age or through having other employment outside the fishing industry.

The provisions of section 15 (1) of the Act which allow pensioner fishermen with not less than thirteen years' experience as commercial fishermen to retain their entitlement to fish in the bay and inlet fishery at a reduced licence fee, have encouraged a significant number of persons in receipt of pensions to retain their master fisherman's licences.

The continued presence of low effort and inactive operators has made it difficult to implement a licence replacement policy and so provide opportunities for persons wishing to pursue a full-time career in commercial fishing in the bays and inlets. Without a workable licence replacement policy there will be a further decline in the efficient harvesting of the resource.

The existing provisions of the Fisheries Act provide that a person who ceases to be actively, regularly and substantially engaged in commercial fishing can be called upon to show cause why renewal of his licence should not be refused. These provisions have been ineffective in removing inactive or low effort operators because of difficulties in assessing their fishing efforts and because of the ability of those removed to regain their licences on appeal to the Licensing Appeals Tribunal.

The Government believes a system of licence transferability for bay and inlet licences would provide an incentive to inactive and low effort fishermen to leave the industry voluntarily and so enable limited numbers of active fishermen to enter the industry on an ongoing basis, thus promoting economic efficiency. Such a system would achieve a more effective turnover of licence holders because the acquired value of the licences would make it attractive for low effort and inactive fishermen to sell their licences.

To protect the resource from any major increase in fishing effort when new entrants replace inactive operators, it is proposed that those wishing to enter the industry be required to purchase two existing licences which would then be consolidated into a single licence. This system was introduced in early 1984 for abalone licences and is already working well.

The level of fishing effort will be monitored on an ongoing basis and additional licences will be issued by the Government by public tender if and when they can be accommodated. It is intended to extend the public tender system to embrace additional licences for bays and inlets where licence transferability will be permitted.

It is considered important for operators purchasing licences to have a knowledge and understanding of accepted fishery practices to avoid unnecessary friction with other users of our marine resources. To ensure this, all new entrants to the bay and inlet fisheries will have to meet certain criteria relating to fishing experience and demonstrate knowledge of fisheries legislation relevant to the bay or inlet in which the applicants seek access.
Transferability will not be introduced in inlets where there is a doubt about the long-term future of commercial fishing. In the case of these areas replacement of fishermen leaving the industry will be considered on an individual basis taking into account an assessment of the current number of licences at the time of application.

In relation to licences held by pensioners, the Government has decided that any person eligible for a reduced fee master fisherman’s licence who elects to pay a reduced fee for that licence after the introduction of licence transferability will not be permitted subsequently to transfer his licence.

Appropriate transfer fees will be imposed by way of regulation. Provision already exists in the Act to prescribe a transfer fee not exceeding $5000 and the level of fee charged will vary depending on the profitability of the bay and inlet fishery concerned. Consideration has been given to the Government’s commitment to contain fee increases within rises in the consumer price index. However, this will be a new fee in respect of a new system and the fishing industry has indicated its preference for transfer fees rather than high annual licence renewal fees.

Where two identical licences are consolidated into a single new licence, each of the original licence holders shall be entitled to a refund of half of the pro rata fee paid for the licence for the remainder of the licensing year. The Bill also contains a similar provision in respect of fees paid for the consolidation of abalone licences.

Finally, the Bill provides that where the holder of a master fisherman’s licence, other than the holder of a reduced fee licence, which is issued to certain old age or invalid pensioners, dies and the licence bears endorsement permitting the taking of fish in any prescribed bay or inlet, the benefit of the licence is deemed to be an asset of the estate of the deceased and the personal representative of the deceased may renew the licence and is entitled to apply to transfer the licence in accordance with the provisions of the Fisheries Act. I commend the Bill to the House.

On the motion of the Hon. R. I. Knowles, for the Hon. R. S. de FEGELY (Ballarat Province), the debate was adjourned.

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

LAND (AMENDMENT AND MISCELLANEOUS MATTERS) BILL

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

That this Bill be now read a second time.

The second-reading speech has been prepared in two sections in the interests of saving time. I propose to read the first section which gives a brief outline of the provisions of the Bill. The second section provides detailed information and is included with the copies of the speech circulated for the information of honourable members. As I do not propose to read the second section of the speech to this House, at the appropriate time, I shall seek leave to have that section incorporated in Hansard as part of the second-reading speech to this Bill.

Part 1 simply deals with preliminary matters.

Part 2 applies to a sale of land in the metropolitan area which is subject to an existing Crown lease. It enables the Crown to sell the relevant land on the open market subject to an existing Crown lease. It operates where land is sold to assign the Crown’s interest under a lease to the purchaser of the land so that in future any reference to the Crown in the lease will be treated as a reference to the purchaser. It provides for continuation of a requirement on the lessee to pay land tax and provides for an independent expert valuer to fix the fair market rental when the parties cannot agree on a new rent. The rights of existing lessees are fully protected by the continuation of the lease.
Part 3 includes provision for the revocation of part of four permanent reservations, the particulars of the land being described in the schedules to the Act. Each parcel of reserved land is more urgently required for other purposes. This part also repeals the Geelong (Market Site) Land Act 1963 and vests certain lands in the Port of Geelong Authority and the State Transport Authority.

DAYLESFORD HOSPITAL RESERVE

The land referred to in item 1 of Schedule 1 of the Bill and shown hatched on the plan in Schedule 2 is an area of 2432 square metres which is part of an area of Crown land reserved for hospital purposes and vested by Crown grant in the Daylesford District Hospital for the purposes of the reservation. Excision from the reserve is required to enable the land to be used for construction of ten elderly persons' units to satisfy the local requirement for such accommodation.

SORRENTO PUBLIC PARK

The area of 289 square metres referred to in item 2 of Schedule 1 and shown hatched on the plan in Schedule 3 is portion of an area of Crown land reserved for public park purposes. Excision from the reserve will enable the unauthorised use of that portion of the park as a road to be regularised.

GEELONG MARINA

Item 3 of Schedule 1 refers to 6171 square metres of the bed of Corio Bay being portion of a public recreation purposes reserve of 16.68 hectares. The Port of Geelong Authority jointly with the Royal Geelong Yacht Club require excision of the land to facilitate the establishment of a 221 wet berth marina which is to be constructed on the adjoining seabed vested in the Port of Geelong Authority.

MARYSVILLE LAND

Item 4 of Schedule 1, and Schedule 4 relate to the revocation of 6158 square metres of land reserved for the conservation of an area of natural interest. The land is portion of a reserve of 19.15 hectares and is required by the Marysville Water Board for the construction of a reservoir to augment the water supply to the town of Marysville.

GEELONG HAYMARKET SITE

The Bill repeals the Geelong (Market Site) Land Act 1963 to free the site which is between Myers Street and Little Myers Street near Moorabool Street, Geelong from the control of the Geelong City Council. The land which is presently used for car parking only is to be the site of a new 24-hour police complex required to provide Geelong with a central police operation to replace the present fragmented service.

GLASTONBURY CHILDREN'S HOME

Power is included in the Bill to grant freehold title to the Glastonbury Children's Home site on Crown land at Belmont near Geelong to Glastonbury Child and Family Services. The Bill also authorises sale of the land by that organisation and directs that the proceeds of any sale be applied to the provisions and development of that organisation's child and family support services.

BACCHUS MARSH LAND

The final matter dealt with in the Bill vests Crown land forming the grounds of the Bacchus Marsh railway station in the State Transport Authority. This corrects an oversight in not anticipating the consequence of the revocation provisions in the Land (Miscellaneous Matters) Act 1986 and will enable the land to be granted to the State Transport Authority under section 46 of the Transport Act 1983.

I now seek leave to incorporate the second section in Hansard.
Leave was granted, and the section was as follows:

Part 2 will enable certain land in the metropolitan area subject to Crown leases to be sold on the open market with the benefit of and subject to those leases. The policy of the Government in regard to the disposal of its surplus real estate, other than leases, is that in all but exceptional circumstances, land must be offered publicly for sale by either auction or tender. This policy allows all parties interested in purchasing equal opportunity to make offers and, by publicly offering the land for sale in the open market, ensures public accountability and virtually eliminates the possibility of any untoward dealings.

The Bill enables this policy of equal access to be effected in instances where surplus Government land is to be sold. Under existing legislation land in the metropolitan area subject to a Crown lease can be sold by private treaty to the existing lessee. This provides an exception to the general provisions of the Act which authorises the sale of Crown land by public auction or tender. No specific provision is made in the Act in relation to the sale of Crown land which is subject to a lease. Existing lessees will in all instances be given full and proper protection with their leasehold interest in the property remaining intact. The sale of any land will be subject to the rights of the lessee.

In instances where the lease does not provide the amount or method of reappraisal of the rent other than by determination by the Minister, the reappraised rent shall be agreed to by the lessor and the lessee and failing agreement, is to be determined by a certified valuer appointed by the President of the Victorian Division of the Australian Institute of Valuers.

Under the Land Tax Act the lessee of a Crown lease is liable to payment of land tax assessed against the property. The Bill provides that the lessee is to continue to bear a responsibility for this tax and is to pay the lessor all land tax payable by the lessee according to the land. However, the amount payable by the lessee is not to exceed the amount calculated as if the land is the only land owned by the lessor. The net result will be to leave the lessee in exactly the same position after the sale as before the sale.

Details relating to the provision of Part 3.

DAYSFORD HOSPITAL RESERVE

It has been agreed between Health Commission Victoria, the Ministry of Housing and the hospital that 2452 square metres of the Daysfod hospital reserve be transferred to the Director of Housing for the construction of ten elderly persons' units to satisfy the local requirement for such accommodation. The land which has not been used for hospital purposes lies between the hospital building and existing elderly persons' units. The existing units are constructed on land which was excised from the hospital reserve in 1976. Upon excision of the land from the reserve, it is proposed that an unrestricted Crown grant issue to the Director of Housing under the provisions of the Housing Act 1983 on payment of purchase money fixed at valuation by the Valuer-General. The Shire of Daysford and Glenlyon is agreeable to the proposal.

SORRENTO PUBLIC PARK

For more than 30 years the extension of Hotham Road, Sorrento, known as Hotham Esplanade, has been partially located on Sorrento public park reserve. The esplanade allows alternative and essential access to Sorrento pier and beach and is extensively used during the busy summer season.

In 1984 a need to rationalise the emergency helicopter landing facilities in this area was identified following the requirements of the Federal Department of Aviation. This involved realignment of Hotham Esplanade from its original location to a position where less parkland was utilised for the provision of the carriageway. The original road occupied an area of 1300 square metres. The land formerly used for the road has been restored to park use as a grassed area. It is now available as an emergency landing ground for the rescue helicopter service. Excision of the land from the park reserve will enable the long standing unauthorised use of the portion of the park as a road to be regularised by proclaiming that land as a road under the provisions of section 25 (3) (c) of the Land Act 1938. The Shire of Flinders, which is the committee of management of the park, is agreeable to the proposed excision.

GEELONG MARINA

The Geelong Regional Commission identified the need for a marina in its 1981 City by the Bay concept plan. The Bill provides for the land excised from a recreation reserve to be vested in the Port of Geelong Authority. The vesting will enable the authority to grant leases of the land under the provisions of the Port of Geelong Authority Act 1958. The Port of Geelong Authority proposes to grant a lease to the land to a company formed by the authority and the Royal Geelong Yacht Club and in which each body will hold 50 per cent of the shares.

The berths constructed on the land to be excised will be for general public allocation only. Overall, the allocation of berths by the company will be half to members of the Royal Geelong Yacht Club and half to the general public. After public exhibition, the Minister for Planning and Environment gave the necessary authority on 30 April 1986 to allow the marina to be constructed on the selected site. The City of Geelong, as committee of management of the reserve, is in agreement with the proposal.
MARYSVILLE LAND

It is proposed that the reservoir be constructed on land adjacent to this reserve, with most of the reservoir being sited at the intersection of Paradise Plains Road and Mount Kitchener Road on land reserved for water supply purposes. This site is the only feasible site for the proposed reservoir.

For some years the existing water supply system, consisting of a diversion weir on the Steavenson River which diverts water through a gravity supply pipeline to the town, and a 5-megalitre open service basin, has been found on occasions to be inadequate in meeting peak demands. This is accredited to low stream flow and an inadequate flow capacity of the supply main.

The proposed new reservoir, a gravity supply pipeline upstream from the existing weir and other works, will provide the town with water direct from the new reservoir, with the supply being disinfected downstream prior to consumption. The locally appointed committee of management of the reserve and the Shire of Alexandra are in agreement with the proposal. The Minister for Water Resources supports the proposal.

GEELONG HAYMARKET SITE

A Crown grant issued to the then Town of Geelong on 18 August 1853 for the purposes of a hay and corn market over an area of 0.8 hectares between Myers Street and Little Myers Street near Moorabool Street, Geelong. At the instigation of the council, the Crown grant was surrendered in 1910 and the area permanently reserved on 7 March 1911 for the purpose expressed in that grant.

As the land was no longer required for market purposes and being in the business centre of the city, the council considered it could be developed by private enterprise for an appropriate commercial purpose and revenue from the site could help finance market facilities at North Geelong.

The Government favoured the proposal and the Geelong (Market Site) Land Act 1963 No. 6993 was passed to revoke the permanent reservation and vest the land in the City of Geelong. During debate on the Geelong (Market Site) Land Bill an amendment was included by Parliament which states "but no Crown grant shall be issued to the mayor, councillors and citizens of the City of Geelong in respect of the said land". This amendment was made to clarify the position that the land would remain Crown land and could not be sold by the City of Geelong. The Act also gave the Geelong City Council rights to grant development leases for a management return of 80 per cent of the gross rents with the Crown to receive the balance of 20 per cent.

No development has occurred and no leases have been issued. The area has been used only for free car parking. Consequently neither the city council nor the Crown has received any revenue from this valuable piece of land. Recently, the Ministry for Police and Emergency Services has been investigating sites in Geelong with the view of establishing a central 24-hour police complex to replace the present fragmented police services. The haymarket site is ideally located and of a suitable size for the purpose. No other suitable undeveloped sites were found in the central city area.

Council supports the proposal but has sought assistance to identify alternative Crown land areas which could be used for car-parking purposes. The Government is cooperating with the city council by investigating other Government land sites which could be used for car parking. By utilising this site for construction of the complex, the Government will save the expense of purchasing an equivalent site and the Geelong community will benefit from increased police efficiency and services.

To enable the site to be used for police purposes, it is necessary to repeal the Geelong (Market Site) Land Act 1963 and the Bill provides for that repeal. After the repeal, the land will be reserved for police purposes under the provisions of the Crown Land (Reserves) Act 1978.

GLASTONBURY CHILDREN'S HOME

In the autumn sitting of Parliament this year, the Land (Miscellaneous Matters) Act 1986 was passed. It authorised the revocation of the reservation over the Glastonbury Children's Home site at Belmont, near Geelong. It also left the way open for the Crown to pay compensation arising from the revocation of the reservation. Until recent years the site had been used by Glastonbury Child and Family Services to provide accommodation for orphans and other children unable to live with their families. Except for the use of some buildings by Glastonbury, the site is no longer required for welfare purposes.

At the time of the passing of the legislation in autumn, negotiations were proceeding with Glastonbury as to the compensation which was to be paid by the Crown. It was decided that Glastonbury ought to be able to obtain market value for the land and improvements. There is precedent for enabling welfare organisations to receive the benefits of sale of Crown land reserved for welfare purposes in the powers given to such organisations in the Ballarat (Children's Home) Land Act 1978 and the Geelong (Haines Home) Land Act 1979 to obtain a Crown grant of land and to sell such land.
BACCHUS MARSH LAND

The permanent reservation for railway purposes of 3.956 hectares of Crown land forming the grounds of the Bacchus Marsh railway station was revoked by the provisions of the Land (Miscellaneous Matters) Act 1986 No. 36 of 86. The provisions in section 6 of the Act which applies to all the revocations of reservations in the Act freed and discharged the lands from every estate and interest therein. The consequence of section 6 in so far as it relates to the Bacchus Marsh land, is that it also revoked the vesting of the land in the State Transport Authority.

The main reason for revoking the reservation was to enable the land to be granted to the State Transport Authority, except for land used for public road, under section 46 of the Transport Act to enable the authority to sell residential sites in the land. However, as Crown land used for transport purposes can be granted to an authority defined in the Transport Act only if that land is vested in such authority, it is necessary to re-vest the land in the State Transport Authority.

I commend the Bill to the House.

On the motion of the Hon. R. I. Knowles, for the Hon. R. S. de FE GEL Y (Ballarat Province), the debate was adjourned.

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

WATER (MISCELLANEOUS AMENDMENTS) BILL

The debate (adjourned from November 12) was resumed on the motion of the Hon. D. R. White (Minister for Health):

That the Council do not insist on its amendment with which the Assembly has disagreed and that it does agree to the amendments made by the Assembly in this Bill.

The Hon. R. J. LONG (Gippsland Province)—When the Bill was last before the House in Committee, the Minister invited the Committee to vote against clause 4, and that was carried out.

The Bill has gone back to the other place where it was decided to retain clause 4 and to further amend it. Clause 4 set out to repeal existing section 22B which provided for local advisory bodies to be established in each irrigation district to advise the Rural Water Commission on irrigation management and development. It was proposed in the Bill to delete that provision and to substitute a provision which enabled the Rural Water Commission to establish advisory boards.

Honourable members had difficulty in appreciating the difference between advisory boards and advisory bodies, but it is now proposed to add additional provisions to the Bill as drafted. Proposed new section 22B (2) will now state: “The Minister must be satisfied that the method of representation”, and so forth. I wonder what the words “method of representation” mean. I could understand if the provision referred to the persons elected, but I ask the Minister to explain what the method of representation means.

Another provision to be added to the clause in amendment No. 9 states:

(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 22s of the Principal Act as amended by this section.

This allows the best of both worlds. It will retain local advisory boards as established in the previous Act, and also provides for advisory bodies. I can find no reason why the Opposition should reject the amendments.

The Hon. W. R. BAXTER (North Eastern Province)—I dealt with my contribution on this Bill, perhaps in a disorderly fashion last week when speaking on the motion to adjourn the Bill.

The PRESIDENT—Order! Did the honourable member speak on this motion?

The Hon. W. R. BAXTER—I spoke on the adjournment motion, but I probably exhausted my brief at that time in dealing with the clause, so I shall not recanvass that
Margarine (Amendment) Bill

The debate (adjourned from November 12) 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 debate on this Bill is virtually a re-run of the debate during the last sessional period of a Bill to repeal the Margarine Act. On that occasion I indicated that the Opposition reached its decision on the Bill based on the fact that the yellow spread market in Victoria was currently finetuned.

There are two manufacturers of margarine in Australia. Prior to the introduction of margarine, butter represented about 70 per cent of the yellow spread market. That rate has now dropped to about 31 per cent of the Victorian spread market. I understand that butter in New South Wales represents approximately 25 to 26 per cent of the spread market.

The dairy industry is an important industry for Victoria, as has been indicated in debates in this House on many occasions. More than 10,000 Victorian families earn their livelihood from the dairy industry. It is a capital-intensive industry having an estimated capital value of approximately $4500 million. The Bill has arisen because JGL Investments Pty has sought to expand its operations at Braybrook. The Bill will allow it to enter into a broader range of products than those in which it is currently involved. My understanding is that this company has approximately $6 million invested in edible oil processing plants, but wants to extend that plant into margarine by the investment of some $5 million to protect itself or to have a greater chance of protecting its share of the market.

Margarine manufacture in Victoria is limited to just over 5000 tonnes per annum. The Bill proposes to lift it to about 30,000 tonnes, which happens to equate with what is the Victorian market for margarine. The concerns that have been expressed about this Bill are similar to those raised about the previous Bill, which would have simply repealed the Margarine Act.

It needs to be understood that both Bills would have exactly the same impact, irrespective of whether any limit was mentioned in the Bill. I understand there will be some argument on the extent of that impact. Those who say there will be no impact say it is irrelevant whether there is a total reprint of the Act or whether the limit of 30,000 tonnes is maintained. By the same token, there are those who argue that an impact will apply under either measure.

There are three areas of concern in the Bill. One is its impact on the dairy industry because of the shift and the fact that the dairying industry, particularly in terms of its profitable area in the liquid milk market, is tightly regulated. The price for liquid milk is set by statutory authority. I do not wish to canvass whether the Minister for Agriculture and Rural Affairs determines that.

The Hon. E. H. Walker—Why not?

The Hon. R. I. KNOWLES—I am sure Mr Dunn will pursue that issue. Victoria is overwhelmingly the largest producer of butter in this country; that which is supplied to the Australian market is at least marginally profitable, and that which is to be exported is not so profitable.

The Hon. E. H. Walker interjected.
The Hon. R. I. KNOWLES—Deregulation is a comprehensive approach, and I should have thought the Government would have been arguing that, on the current Industries Assistance Commission report on tariffs, any charges would need to be comprehensive and over a long period to allow industry—

The Hon. E. H. Walker—Perhaps 20,000 tonnes.

The Hon. R. I. KNOWLES—On a previous Bill that came before the House the Opposition argued that a comprehensive approach was needed in the deregulation of the dairy industry. It is fallacious to state that the Government will deregulate one aspect of the industry in isolation because a company wants to build a plant in Victoria.

The Hon. E. H. Walker—You cannot justify that statement.

The Hon. R. I. KNOWLES—The Liberal Party is not arguing that it would institute a quota of 5,000 tonnes if the legislation were not on the statute-book. The reality is legislation has been in place for some years and people have made investment decisions based on that legislation. It is not appropriate for the Minister for Agriculture and Rural Affairs to now say, overnight, that the Government will wipe that out and allow the market to sort itself out. The Liberal Party argues that that is irresponsible.

The Hon. E. H. Walker—What steps would you take?

The Hon. R. I. KNOWLES—I have told the House that the Liberal Party advocates the need for a comprehensive approach to deregulate those sections of the dairying industry that are tightly regulated, together with the yellow spread market. It is a difficult issue but the reality is, as has been said on a previous occasion, that the measure taken in isolation will have an adverse impact on the dairying industry, on which 10,000 Victorian farmers rely, with an investment of $450 million. It would have an adverse effect on those involved in the margarine manufacturing industry. I am informed that there are approximately 270 people involved in that industry with an investment of approximately $65 million.

The Bill will lead to an investment of an additional $5 million and the creation of only 26 jobs on an ongoing basis.

The Hon. E. H. Walker—You are supporting a cartel of existing manufacturers.

The Hon. R. I. KNOWLES—The Minister says there is a cartel. There are two companies involved.

The Hon. E. H. Walker—They are part of the same association. Their interests are being served by the Liberal Party rejecting the proposed legislation.

The Hon. R. I. KNOWLES—Is the Minister clearly indicating that despite what is in the Bill, which does not provide an additional quota to JGL Investments Pty, the additional quota will be provided to that company?

The Hon. E. H. Walker—The additional quota would be provided at the Minister's discretion on the basis of a proper presentation by the companies currently involved and any others that wish to be involved.

The Hon. R. I. KNOWLES—The Minister has just said that the Liberal Party is protecting a cartel!

The Hon. E. H. Walker—that is right.

The Hon. R. I. KNOWLES—The Minister, through the Bill, will eliminate the existing companies.

The PRESIDENT—Order! Mr Knowles will continue with his contribution without debating the issue with the Minister.
The Hon. R. I. KNOWLES—Mr President, I know that it was disorderly, but the interchange elicited an important point. The Minister has indicated by interjection that the Bill will establish an extra quota that will be allocated at the Minister's discretion. The Minister has made it clear that existing companies need not apply. Therefore, the Bill provides an opportunity for the company to which I referred, JGL Investments Pty.

The Government argues that the Bill will provide increased opportunities for Victorian oilseed producers. That is a fallacious argument. I understand that 56,000 tonnes of oilseed is required to meet the Victorian market for edible oils and that Victorian oilseed producers are able only to produce 26,000 tonnes. The Liberal Party has had discussions with representatives of JGL Investments Pty which has suggested some amendments to the Bill. First, a guarantee that the company would use 80 per cent of Victorian oilseed, although that was going to be on the basis of a guarantee that the Liberal Party felt was a meaningless commitment. Secondly, the company indicated that it would place greater reliance on the fact that a quota ought to be restricted to 20,000 tonnes with the capacity for an additional 10,000 tonnes to be allocated, from memory, three years down the track, which would have allowed for some monitoring.

In considering the suggested compromise, the company came to the conclusion that it was really no different to the requirement in the Bill, whether one has a quota of 20,000 or 30,000 tonnes. For those reasons—essentially the same grounds on which it opposed earlier legislation—the Opposition will oppose the Bill.

The Hon. B. P. DUNN (North Western Province)—The Margarine (Amendment) Bill is a re-run of proposed legislation introduced and debated in the House in April. I was surprised that the Minister for Agriculture and Rural Affairs has attempted to force another Bill through Parliament. The National Party gives him full marks for trying. The Minister is an optimist of the highest order. He keeps putting forward Bills that are "knocked out" in the hope that one day he will slip one through. The National Party is concerned about the Minister's motives, because since the Honourable Evan Walker and the previous Minister, Mr Kent, have been agriculture Ministers, agriculture has been handled for the benefit of consumers, and in many cases the cost has been directed to the producer, for example, legislation requiring a minimum/maximum price of milk. That will have an effect on the industry and on the producer in the long term.

The Hon. E. H. Walker—Producers might sell more milk.

The Hon. B. P. DUNN—Hopefully, but the National Party is unconvinced about this. During the period of the previous Minister of Agriculture, Mr Kent, legislation was introduced to reduce the home consumption price of wheat. The Bill will cause major price disruptions in the yellow spread market and will lead to disruption in the price of butter and margarine. That is what the Minister is on about.

By interjection the Minister said to Mr Knowles that he wants to break up the cartels operating in the industry and create a price war in the yellow spread market so that prices will be reduced in the supermarkets.

Honourable members must look beyond that. I recognise that the Minister for Agriculture and Rural Affairs does not have to look beyond the suburbs, but he should be concerned with the effect of the Bill on people other than consumers. Honourable members must assess whether the risks taken will be worthwhile.

The Government in the last sessional period introduced a Bill into Parliament to repeal the Margarine Act. It is now asking honourable members to do the same by extending the quota that is allowed for the production and manufacture of table margarine to 30,000 tonnes. The measure basically will have a similar effect to repealing the existing legislation.

Honourable members must consider the effect on all people in the industry, not only consumers or JGL Investments Pty which wishes to establish itself in the Victorian industry.
It is important to consider the effect of the Bill on the dairy industry. Victoria is an extensive dairying State and its dairy farmers supply milk that is manufactured into 85 per cent of Australia's butter.

The Hon. E. H. Walker—Only 8 per cent in Victoria.

The Hon. B. P. DUNN—It is some 85 per cent of Australia's butter production. That figure is significant. The Victorian dairy industry is the State's largest decentralised industry with an employment base of direct and indirect employment totalling 50,000 people. It is important that the dairy industry be taken into account when considering measures such as this.

The Government has told honourable members that it expects JGL Investments Pty, as a new entrant into the Victorian margarine industry, to provide 26 jobs. The Minister knows that that is insignificant in the total Victorian employment scene. The Minister wants to create competition to force down the price of the total yellow spread market. The effect that will have on the dairy industry has been well outlined by the United Dairyfarmers of Victoria which made representations to the National Party earlier this year. That organisation believes the industry has been through a difficult time economically and that it is still in a depressed situation. This is not the time to introduce changes to margarine legislation that will undoubtedly force down the price of butter and alter the share of the yellow spread market between butter and margarine, perhaps to the benefit of margarine.

The United Dairyfarmers of Victoria stated:

If margarine had not made inroads on butter consumption of 4 kilograms per head there would be no surplus butter in this country at the present time and Victorian dairyfarmers would have an additional $18,000 revenue per farm.

The Hon. E. H. Walker—Would you like us to ban margarine?

The Hon. B. P. DUNN—No, there is a place for margarine and consumers have the right to choose.

The Hon. W. A. Landeryou—So long as it is not made in Victoria!

The Hon. B. P. DUNN—I shall return later to the interjection of Mr Landeryou. At present all oilseeds produced in Victoria are manufactured here. There is no need for a new plant to be established to manufacture oilseeds grown in Victoria. Victoria is a net importer of oilseed.

Australia has a sufficient manufacturing capacity to meet the future needs of the margarine industry. Any additional plant, as is proposed by JGL Investments Pty, will create a new manufacturer and will result in that company cutting prices to find a marketplace. Other margarine and butter manufacturers will have to follow suit.

The Hon. E. H. Walker—You cannot accept competition! You are not happy about further competition!

The Hon. B. P. DUNN—Competition already occurs in the marketplace. It is considered in the industry that if JGL Investments Pty is to be successful, it will have to undercut the existing market by importing cheap palm oil from overseas.

The Hon. E. H. Walker—We can control that.

The Hon. B. P. DUNN—How?

The Hon. E. H. Walker—Put a limit on it. The matter has been addressed.

The Hon. B. P. DUNN—The National Party is not convinced the Government can do that. However, in stating that the matter has been addressed, the Minister has recognised that the company is likely to import cheap palm oil from overseas. Australian oil producers will not benefit if another manufacturer establishes itself in Victoria and imports cheap oils from overseas in an attempt to undercut the existing yellow spread market.
The Hon. E. H. Walker—But the companies you are protecting use cheap imported oils now!

The Hon. B. P. DUNN—I am aware of that, but not to the same extent as would be undertaken by JGL Investments Pty. The company has stated that, if the Bill is passed and it is able to establish a manufacturing plant in Victoria, it will:

Allow Victorian farmers, especially oilseed growers, the potential for replacing volatile export business with a larger local market; and provide an opportunity for Victorians to replace imports of margarine from interstate and overseas, currently running at approximately 20,000 tonnes per annum, with local production.

Mr Knowles stated earlier in the debate that Victoria is a net importer of more than 30,000 tonnes of oilseed to meet existing manufacturing capacity. All oilseeds grown in Victoria are utilised by Victorian manufacturers but they still fall short by 34,000 tonnes. Apart from the concern expressed by the dairy industry about the Bill, due to the current economic position and disruption to the marketplace, the move cannot be justified by oilseed industry interests.

I am familiar with that industry because it has been seriously considered by farmers to provide an alternative form of production while world grain prices continue at a low level. Victoria can considerably increase its production of oilseeds.

When the Margarine (Repeal) Bill was debated on 8 April 1986, I was recorded on page 321 of *Hansard* as having said:

The figures quite clearly show that Victoria has been a relatively small producer. In relation to sunflowers—about 10.5 per cent of the Australian production; rapeseed—23.7 per cent of the production and soy bean—1.8 per cent of the Australian production. This is basically the production level for the 1984–85 season. It has been increasing steadily and particularly the rapeseed crop is becoming quite significant in Victoria.

Particularly in the production of rapeseed and safflower seed, there could be a considerable expansion in plantings because those crops are better suited to some of Victoria’s grain growing areas, particularly in the Wimmera. The production of sunflower, safflower and rapeseeds could take the place of wheat in many areas, especially when the price now paid for wheat is significantly below that of oilseeds.

The reason why farmers have not moved into the oilseed industry is that it is a risky crop. If everything does not go right the crops fail, and the opportunity for that occurring is much greater than for wheat and barley.

It also takes a high degree of management ability and, in some cases, specialised equipment is required. Although a gradual increase in oilseed production can be expected, Victoria has sufficient manufacturers to manufacture oilseeds for a considerable period. There is no basis for saying that the expanding oilseed industry needs a market for its product. The market is already here and there is considerable room for expanding production.

It has been stated that the Bill will be responsible for increasing the price for oilseed producers. The Minister may not know that the world market sets the price for oilseeds in Australia.

The price is set by the futures exchange in Chicago, and the prices of oilseed are set by world markets. That is a simple fact of life, but one that I, as a producer, argue against. Nevertheless, we have to learn to live with it because that is the basis on which the industry sets the market, and JGL Investments Pty would have no impact on that whatsoever. If the world price falls, so too does the price to our producers, even though we have nothing like the required oilseed production in Australia to satisfy our own need; we import it from overseas. Nevertheless, it is on that basis that the prices are set.

The dairy industry does not want the Bill. It will not assist the oilseed industry because there is room for expansion of that industry; and it will not help our price. It will not have a significant employment benefit. Only 26 people would be required once this plant came into operation in Victoria. I ask: is it worthwhile? What is in it for the Minister?
The Hon. E. H. Walker—Nothing for me.

The Hon. B. P. DUNN—What is in it for the Government?

The Hon. E. H. Walker—This is a State issue. Do not try to land it on my head!

The Hon. B. P. DUNN—What is in it for the Government, which is carrying the torch for a company? Twice in the one year the Minister has introduced a Bill into this place to allow one company to conduct an operation to establish itself in the margarine industry in Victoria. The Minister for Agriculture and Rural Affairs has been prepared to put aside the risk to the butter market.

The Hon. E. H. Walker—There is no risk. That is your construction.

The Hon. B. P. DUNN—If the Minister consults with the dairy industry, he will find a real fear of a risk, and I believe it is real. The price of butter would undoubtedly be forced down and market shares would adjust significantly. Currently, the yellow spread market is fairly stable—30 per cent for butter and 70 per cent for margarine. In Victoria butter has 31·5 per cent of the market and margarine has 68·5 per cent, so butter has a slightly better share of the Victorian market than in some other States.

Frankly, the National Party does not see that the Bill offers anything to anyone other than perhaps JGL Investments Pty. It certainly does nothing for the dairy industry or the oilseed industry. The National Party has not changed its view. It formed that view when the earlier Bill was introduced and nothing has changed. The Minister has presented no new facts and figures and no new information; he has dished up the same rhetoric in his second-reading speech, which was almost a rerun. The National Party will not have the Bill on at any price. We cannot take that risk. The National Party’s view is quite clear: it will oppose the second reading of the Bill because it believes the measure would be disruptive and would probably cause significant harm, especially to the dairy industry in this State.

The Hon. L. A. McARTHUR (Nunawading Province)—My comments will be different from the gloom and doom that has come from the other side of the House. The gloom and doom merchants there still have their heads in the sand, or in the spread, and back in 1893 or thereabouts.

The Bill will do a number of things. It will increase the amount of margarine that is manufactured in Victoria. The Bill states that it will increase the amount of margarine manufactured in this State from just over 5000 tonnes to 30 000 tonnes, an increase of approximately 24 000 tonnes. That is less than the long-term needs in this State.

What will be the effect? One real effect is that Victoria will need to import less. Another real effect will be to provide an opportunity for a developing oilseed market.

Mr Dunn said that there is no chance for the oilseed industry to gear up and move quickly. The honourable member is a grain farmer. He knows very well that he has the equipment, the technology and the knowledge to grow oilseed. Whether he has the right piece of dirt may be another thing.

The Hon. B. P. Dunn—I have not got the rain.

The Hon. L. A. McARTHUR—Mr Dunn has not got the necessary rainfall; but in the Western District and the Wimmera, farmers have the knowledge and the equipment to grow oilseed, and I do not believe Mr Dunn would disagree that farmers in those areas could change quickly and would welcome the opportunity of another cash crop in case they missed out on the market one year. I postulate that many people in those areas need and will continue to need other grains as the price of established grains falls. They would welcome any help, even a small amount of oilseed. I realise that we are not talking about a great quantity. With wheat at $80 net a tonne, even a small increase in the oilseed market would help those people who have the knowledge and the equipment to grow it. They do not need an investment.
By regulation—that the Bill should put aside—we will not allow any possible benefits as regards oilseed; and the reason is, of course, to protect the dairy industry.

The Hon. B. P. Dunn—What will it do for oilseed prices?

The Hon. L. A. McArthur—It will not do anything for the price. It will not increase the price, but it will provide a little more for the local market; it will not be necessary to bring oilseed from Queensland if it can be produced out of Lismore.

I turn now to the effect that the Bill will have on butter, because that is the real crunch—the yellow spread market. I postulate—and I think most honourable members will agree—that by now the price makes very little difference. People use either butter or margarine for reasons other than price. My preference is for butter and my household gets into trouble if butter is not served. Other people who follow the health fanatics or the recommended thing do not use dairy products. Many people seem to think that their cholesterol rises, falls or moves crossways if they eat dairy products. Perhaps mine does, although I have not noticed it, even though I use butter. I think the health risk may be one reason why people prefer margarine. Perhaps another is the established price differential. I say that the market share of butter and margarine is no longer price related; it is set without price entering into the matter.

I shall quote the prices that I saw today: SSW butter, $1.66 for 500 grams; Western Star butter, $1.84 for 500 grams; Meadow Lea margarine, $1.46 for 500 grams; Mrs McGregor margarine, $1.42 for 500 grams; Meadow Lea margarine, $2.40 a kilo; Flora margarine, a special at $1.10 for 500 grams; and further down the road I saw Dixibell margarine at $1.05 for 500 grams.

When there is a difference in price of $1.84 to $1.05, the product is not price elastic, otherwise the total market share would go to the product with the lower price. Even if the price of margarine alters slightly because of the Bill, butter and margarine will retain their shares of the market to within a decimal point of a percentage. The shares are established.

Regulation and deregulation has been referred to; Mr Knowles and his party often refer to those issues. I am not sure whether the Liberal Party ever intends to do anything about them. As soon as a measure for deregulation is introduced, the Liberal Party immediately votes against it. I do not want to spread the word, but, on its track record, the Liberal Party will be the most regulating Government ever to be in office if it eventually gains power some time in the next century.

The Federal Minister for Primary Industry, Mr Kerin, has taken initiatives to free up the dairy industry, and that is good. The Victorian Government has made changes to the zoning of milk and has recently introduced some flexibility into milk pricing. That move was almost applauded by the members of the corner party.

Under section 93 of the relevant Commonwealth Act, Victorian dairy producers will get a better go in the Australian market. Without any doubt, they have the support of the Minister for Agriculture and Rural Affairs. Victorian dairy farmers will be well off in a national market and not in a market full of nasty regulations, which Mr Dunn wants.

I shall make a comment that may not change the vote but will win the argument because the Opposition does not have one: the impact of the Bill on the dairy industry will not be large as it is not price elastic. Approximately 8.3 per cent of Victorian milk production is used for butter sold in Victoria. Approximately 48.5 per cent of Victorian milk production is used for butter sold in other States or overseas. Margarine is produced in other States. The effect of the Bill will be infinitesimal. Even if the effect is larger than what I believe it will be, it will not be noticeable.

The Hon. B. P. Dunn—Will it have any effect?

The Hon. L. A. McArthur—I say, “No”. A case exists for deregulation and there is a possibility of some farmers producing oilseed to support the industry without incurring great expense as there will be some advantages in transport and costs. To advocate
protection for the butter market is a nonsense and a sham. It is merely a battle of the purity of thought between Mr Knowles and Mr Dunn, both of whom are wrong.

I urge the House to reconsider and pass the Bill. I am certain that the “Buy Victorian Margarine to Assist Hard-pressed Oil Producers” scheme will not be necessary; if it is, I will lead it. I trust that commonsense and 1986 thinking will prevail and that the House will pass this good measure.

The Hon. F. J. GRANTER (Central Highlands Province)—I am in accord with my colleague, Mr Knowles, on this issue.

The Hon. B. P. Dunn—That is unusual!

The Hon. F. J. GRANTER—When the argument is about eggs, my view quite often differs from the view of Mr Knowles.

Mr McArthur claimed that members of the Opposition have their heads in the sand. We are realistic about the dairy industry. When one considers the dairy industry or the irrigation industry in northern Victoria, one will know that the butter side of production must be supported otherwise farmers and their families in that area will be put off their irrigation properties. There is a large capital investment in those irrigation properties, which are for milk production. A certain amount of lucerne, fat lamb and beef production takes place, but the farmers on those properties will have no chance of surviving in those industries if their activities in the dairy industry are curtailed because their stock levels are not high enough.

Margarine is attractive to many people in Victoria and elsewhere. However, it can be produced interstate at a price that makes it marketable in Victoria. Mr McArthur made that point. The dairy industry is extremely important to Victoria.

The Hon. E. H. Walker—We all agree with that.

The Hon. F. J. GRANTER—I shall develop that statement. I cannot understand the Minister for Agriculture and Rural Affairs producing a Bill such as this when it runs contrary to the interests of the dairy industry. I should have thought that the Minister for Industry, Technology and Resources would have been the appropriate person to produce this Bill because he is the industry man of the Government.

The Hon. E. H. Walker—we work together; we are in the same party.

The Hon. F. J. GRANTER—but you are different Ministers. All honourable members know that Victoria is the butter-producing State of Australia and it should remain so because of the irrigation system that Victoria has. I do not know what would happen to the irrigation system in northern Victoria if butter production were taken from it. It is so important when one considers the butter factories situated in northern Victoria and elsewhere.

Mr McArthur mentioned the Western District and Western Star Butter, which is a fine product. We should be proud of our dairy industry and the products that it provides, and we should be wholehearted in our efforts to maintain it in this State.

The Government is insinuating that the Opposition is giving preference to one industry as against another and that the Opposition does not like regulation or competition. It is not realistic to say that because the fact is that the Victorian economy has been based on country industry for many years. I do not know how long the irrigation system has operated in northern Victoria.

The Hon. W. R. Baxter—The trust was started in the 1890s.

The Hon. F. J. GRANTER—What does the Minister envisage will happen to the dairy industry and the irrigation system in northern Victoria if the butter market is lost or curtailed by the manufacture of margarine?
The Hon. E. H. Walker—If Victoria does not make margarine, other States will.

The Hon. F. J. GRANTER—The other States can make it. I do not mind.

The Hon. E. H. Walker—What is the difference?

The Hon. F. J. GRANTER—The butter producing industry in Victoria can compete with the margarine industry in other States. However, the dairy industry in northern Victoria cannot change to a seed producing industry because the country is not geared for it; it is geared for irrigation and it should be left that way.

I agree with my colleagues on this side of the House that the Bill should be thrown out. That will make it the second time in six months that the Bill has been thrown out. I do not know whether that is a record for thrown out Bills but I am in full accord with my colleagues.

The Hon. J. V. C. GUEST (Monash Province)—It is important that an accredited dry such as I am should explain why I oppose the Bill. I make it clear that it is not because Mr Grantor has been using any of his well-known standover tactics of twisting my arm; it is because I am abiding firmly by my principles and I am not satisfied that this particular intervention by the Government has been well thought out.

I recall that I used my best smiles on clients who owned dairy product ventures in northern Victoria some twenty years ago. They realised my dream at that time. I have been looking forward to the day when a properly balanced system of adjustment would be capable of completely deregulating the dairy and associated markets.

The fact is that, as a matter of logic, this measure is an even worse piece of Government intervention in the market than was the previous Bill. It has been compiled by people who do not even do their intervention well because they do not essentially believe in the free market. They entertain such thoughts as were voiced by Mr McArthur: that the Government believes the jobs are available and the demand is there.

The Government should concern itself with ensuring that the device is a complete deregulation that will allow honest competition among people in a free market and ensure that all people who have been given reasonable expectations of benefit equalling that derived from existing systems are compensated if those expectations are disappointed.

This measure does not do any of those things. Therefore, I oppose it.

The House divided on the motion (the Hon. R. A. Mackenzie in the chair).

Ayes 20
Noes 21

Majority against the motion 1

AYES
Mr Arnold
Mrs Coxsedge
Mrs Dixon
Mr Henshaw
Mrs Hogg
Mr Kennan
Mr Kennedy
Mrs Kirner
Mr Landeryou
Mrs Lyster
Mr Mier
Mr Murphy
Mr Pullen
Mr Sandon
Mr Sgro
Mr Van Buren
Mr Walker

NOES
Mr Baxter
Mr Birrell
Mr Chamberlain
Mr Connard
Mr de Fegely
Mr Dunn
Mr Evans
Mr Granter
Mr Hallam
Mr Hunt
Mr Knowles
Mr Lawson
Mr Long
Mr Macey
Mr Miles
Mr Reid
Mr Storey
STATE ECONOMICS COMMISSION (FURTHER AMENDMENT) BILL

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

APPROPRIATION (1986-87, No. 1) BILL AND WORKS AND SERVICES (FURTHER ANCILLARY PROVISIONS) BILL AND BUDGET PAPERS, 1986-87

The debates (adjourned from November 12) 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 November 12) was resumed on the motion of the Hon. E. H. Walker (Minister for Agriculture and Rural Affairs):

That the Council take note of the Budget Papers, 1986-87.

The Hon. HADDON STOREY (East Yarra Province)—First of all, this debate, of course, covers the Budget and all the matters associated with it. The Budget is a deceptive and deceitful document. It purports to set out the way in which the Government is dealing with the economy of Victoria, how it is raising its moneys and how it is spending its moneys.

However, in fact, it really does give a false impression of what is happening within this State and what is happening in the way the Government is administering this State.

The Treasurer's speech in support of the document claim that it is a masterpiece on restraint, that it shows the way in which the Government has been able to rein in spending and to continue to provide the same level of services for the community at something less than an increase which would be determined by inflation.

However, this claim has been shown to be absolutely false. The Government has used misleading figures from one part of the Budget to another, from recurrent accounts to works and services accounts and vice versa, in order to conceal the true position.

Some items which, in previous years, have been shown in the Budget sector have now been moved to the off-Budget sector, thus reducing the figures shown for the Budget sector. Examples of those are: the debt servicing costs of the water authorities, which have been transferred to the Board of Works; and the Alcoa debt servicing costs, which have been transferred from the Budget sector to a trust. If those items had remained in the Budget as they had in previous years, it would have given the lie to the Government's claim to have reduced spending.

Another way in which the Budget is deceptive relates to the way in which the Government has transferred and classified items as works and services expenditure when they are really recurrent expenditure. Examples of those are the transport early retirement scheme costs, which should clearly come out of the revenue side of the Budget because they relate to current outlays; and the capitalisation of interest.
One finds in vote after vote that interest costs on moneys borrowed in respect of works done by different departments have been set out in works and services accounts whereas, clearly, they are revenue items or outlay items. The same situation applies to repairs and maintenance.

By doing that, the Government is able to really distort the true position as it exists. In the education field, for instance, there are items of interest in a whole variety of different programs, which are set out in the Works and Services Account but which should properly be within current expenses; they total approximately $15 million, which distorts the appearance of the education budget.

I do not wish—and you would not let me do so, anyhow, Mr President—to go into the details of individual departmental items. However, I should like to illustrate some of the ways in which this Budget can be shown to be deceptive.

I shall not go through all the mistakes that have appeared in the Budget, because they have already been made quite clear in the public arena and they have been discovered in considerable detail by the Estimates Committee.

I should like to indicate to the House how the claim of productivity savings has been applied in the education budget to illustrate the way in which the Government has approached this matter. It is fascinating to examine how the Government has explained productivity savings in education.

At page 11 of the Budget Paper No. 2, which is the Budget Strategy and Review 1986–87, the Government sets out the fact that productivity savings of 1.5 per cent are required of all departments in 1986–87. It also sets out that there are other agency savings on top of that 1.5 per cent productivity saving.

On that page, under the category of “Other Agency Savings”—on top of the 1.5 per cent productivity improvement—the Government says:

In education. savings of $20 million are being achieved in 1986–87 principally by measures to improve the usage of existing resources and through economies in the provision of certain services.

That is hardly informative, but it does make a claim about education.

Page 58 of the same document contains the following under the heading, “Education”:

In respect of education savings of $20 million have been included in the 1986–87 Budget Estimates. The main reason that these savings are possible is that student numbers at State primary and secondary school level have declined markedly. Because of this decline in enrolments significantly fewer teachers will be required in 1987. This clearly provides scope for substantial savings.

If one tries to interpret these statements in different parts of the same document it seems clear that the productivity savings that the Government is claiming represent not a saving in productivity but the fact that fewer teachers will be required because there will be fewer students in our schools in the 1986–87 financial year.

This is not a productivity saving in any sense; it is nothing more than a reduction in expenditure occasioned because there will be fewer pupils in our schools. In fact, one would be alarmed if there was not such a reduction in the education budget to compensate for the fact that fewer teachers will be required. However, the Budget Paper still appears to be claiming that there will be productivity savings.

The same issue was raised before the Estimates Committee, and although I cannot pre-empt what the Estimates Committee is likely to report to this House, I believe I can refer to some of the evidence given to it as set out in the daily Hansard to see whether it throws any light on these savings.

I refer to daily Hansard of the Estimates Committee of Friday, 24 October 1986. On page 52 Dr Allen, the Chief Executive of the Ministry of Education, was asked to define productivity savings in the context of the Budget. He states:

To put it bluntly, “productivity savings” means more work for the same number of people.
It is revealed in further evidence that that is not the way that productivity savings applies, at least in the Ministry of Education, because on page 53, Mr Brown, the Director of Finance and Administration, states:

Productivity has a different connotation in the public sector than it does in the private sector. In the public sector, if there are a given number of teachers and a given number of students, unless someone is prepared to work a few extra hours, for example, it is difficult to achieve productivity. However, in the context of productivity savings overall, the Ministry has been looking to declining enrolments to generate the growth of productivity and the savings consequential upon that.

What we are left with is the fact that there is no such thing as productivity savings in the Ministry of Education which, after all, takes up approximately 30 per cent of the Budget. The so-called “productivity savings” are nothing more than a reduction in the number of personnel needed because of a reduction in the number of students who are to be taught in our schools. It shows that the Treasurer and the Government have been quite misleading in suggesting to the people of Victoria that in some way greater efficiency is being introduced which reduces the amount of money being spent in the Budget.

The fact is also that little information is available as to how the money will be spent, and I make that comment because the Treasurer is fond of saying how much more information is provided in the Budget these days than used to be the case. Certainly, there are a lot more words written and produced by the Treasurer and his staff about the Budget, but they do not reveal more information.

I have quoted certain matters on the question of productivity savings and one finds the same sorts of things being said in different parts of the Budget Papers, but no additional information has been provided. There are other examples. One can find references to integration teachers in approximately six or seven different places in the Budget Papers, but they do not say how many teachers will be provided.

The classic example of the lack of information provided is again in the Ministry of Education area in the Appropriation Bill in Program No. 283, item 1100—Salaries, wages, allowances, overtime and penalty rates. The figure set out is $1361 million plus some odd dollars.

That single line represents 58 per cent of the total recurrent expenditure in education. Indeed, it represents 52 per cent of the total expenditure in education, both recurrent and works and services. There is not one word of explanation as to how that money is going to be spent except that we know it is for salaries, wages, allowances, overtime and penalty rates.

The most critical question in education is: how is that money going to be spent? How many teachers, what categories, types and so on are involved? No information is provided. For that reason the Budget is totally useless in determining how education will be provided and what services or breakup there will be of this expenditure over the year.

Every Ministry is required to produce a supplementary program analysis of the Budget. In the previous financial year the one in the education field was produced in about March; about two-thirds of the way through the financial year it was finally possible to get some information as to how the Budget moneys were to be spent. It certainly has not been produced this year for education, although it is required to be done within a month after the Budget is brought down. Of course, that is now a time that is well past.

So the Budget fails on those two counts—its absolute failure to back up the claims of productivity savings and its absolute failure to provide the minimum information which would enable one to know exactly how it is intended to administer that particular segment of the Budget or a Government department over this financial year.

There are many details I could go into to illustrate these points further and I shall be doing that during the Committee stage. However, I do want to take the opportunity in this general debate to highlight the total inadequacy of the Government process as illustrated
in this significant portfolio and the total fallacy of the Government's claim that it is effecting productivity savings.

The sitting was suspended at 6.28 p.m. until 8.6 p.m.

The PRESIDENT—Order! I call on Mr Guest but, in doing so, I point out to him that he has already spoken at some length on the motion to take note of the Budget Papers and, in the spirit of the agreed guidelines regarding concurrent debate on Budget material, I expect him not to traverse again the same issues that he has raised previously.

It is perhaps opportune to remind the House in general that the basis of those guidelines was to assist the more efficient despatch of business and not to provide an opportunity for honourable members to duplicate discussion when the Appropriation Bill came before the House.

The Hon. J. V. C. GUEST (Monash Province)—I feel only mildly insulted at the suggestion that I might repeat myself. I will not ask for a withdrawal!

Above all, this Bill is one on which the judgment of the House is known already before the course of the second reading is completed, but it seems appropriate to concentrate on the proprietary of the trial and the intelligibility of the evidence.

I note that a great deal of the supposed evidence is the Budget Papers, and honourable members keep hearing from members of the Government—we certainly heard it on the Estimates Committee—that there have been great improvements in the Budget Papers over the years. Certainly their quantity has increased.

Members of the Government keep saying that, but what do the Budget Papers actually tell one? I ask any member of the Government to say succinctly what useable information on important issues is provided by the Budget Papers. I ask anyone of them to say whether they have ever asked what they or any other class of user needs to know.

What do we, as legislators, need to know before we perform our constitutional task? What does the Government suppose that the managers, the executives, the officers of the Public Service know: what do they know even if we, the equivalent of the board of directors, or we, the equivalent of the shareholders, do not know? What do members of the Government think the managers ought to know?

It seems apparent from the state of the Budget Papers since time immemorial that these questions have not really been asked. We are already in the customary situation whereby it is unreasonable to expect—even on this, the most important constitutional procedure to be engaged in, in any year—that no-one is here to listen to the debate.

The Hon. D. R. White—What? I am listening.

The Hon. J. V. C. GUEST—Except the Honourable David White, who has a genuine interest in the matters about which I shall speak.

I include you, Mr President, who have to make good your suspicion that I may repeat myself, and Mr Hallam, who feels he knows already what I am going to say, having spent considerable time in my company in the Estimates Committee.

It is also customary for the debate on the Appropriation Bill to be a repeat, in effect, of the debate in the Assembly. It is certainly time for a change. Last year and this year there has been something of a change, and the change which has potential was made last year. Last year saw the tabling of the Budget Papers to allow early consideration of them by the House. We did not really know what to do with them, but we had them. This year we have the Estimates Committee, and it has taken its first step. So, maybe now we can begin to tangle with reality.

On the Budget Papers—that is to say, we have only the Budget Papers to speak about and not the Appropriation Bill—I argued that the macroeconomic predictions of the Government were just that: predictions. I pointed out the limitations of the Government's
pursuit of comparative advantage for Victoria; a perfectly estimable and intelligible aim that comparative advantage is a concept well established in the classic works on economics, but still there are limitations on what the Government can do to enhance the immediate pursuit of comparative advantage by Victoria.

I shall not repeat any of them; nor shall I repeat the main Opposition thrust against the Budget argued by the shadow Treasurer. I shall go instead to some fundamentals concerning the control and management of public finances. This is what I meant by tangling with reality. Reality starts with our sources of information and it is the process I should follow on this theme of the Honourable Haddon Storey, who made it clear from his close examination of the Budget Papers and associated publications that he lacked all the really important answers to questions which, as shadow Minister for Education, he really wanted to know about the Government's education plans.

It is appropriate to remind ourselves at this stage that we are mere mortals and that even those few of us who have a reasonably educated background in economics and accounting are not really expert in the latest philosophy of public accounts according to the Department of Management and Budget.

Consider what we are faced with on Budget day, about mid-September each year. Honourable members receive more than 1000 pages of densely packed information. It relates, it should be remembered, to the year commencing 1 July. A great deal of the moneys which are to be appropriated, in fact, have already been spent. Honourable members receive five Budget Papers—and all but the Budget speech are very substantial documents—together with a substantial volume containing the Treasurer's financial statement and the Auditor-General's first report.

Each year there are major changes in form and even in the concepts used in the Budget Papers, usually, without any explanation or justification. I shall, in the course of my speech, mention some of these, just to show how serious it is to actually use the Budget Papers and to actually answer the questions one might regard as important to be answered by a presentation to Parliament of the material—indeed, for one to judge, as is our constitutional duty, whether the Government should be allowed to continue to manage the affairs of the State and should be given the money to do that and whether it should be voted, in each individual instance, the money required for its particular departmental expenditure proposals, that is, its program appropriations.

The Assembly debate begins two weeks after the Budget is presented. The total time available for all stages in that House is a little under 30 hours. It never allows serious consideration of the departmental Estimates, even if the Committee as a whole were a proper forum for such consideration; as honourable members know from their experience in this place, even without the disadvantage of time limits, it clearly is not. Consider what a problem that pile of material—those six volumes—presents even for the full-time economist giving two weeks to them, let alone a busy member of Parliament. Two weeks, honourable members must remember, is the time the shadow Treasurer has to prepare the necessary reply and for others who wish to speak on the Budget to prepare their speeches.

Let me just list a few problems under the heading of comprehensiveness and organisation before I return to the question of time limits. To support that, I do not pretend to be comprehensive in my exposition of those problems. There is no accrual accounting and no balance sheet presented to Parliament. There is no accounting, in a definitive way, of assets or liabilities or receivables or payments to be made. There is nothing which shows honourable members how well off they are; there is nothing which shows the net worth of the Budget sector. All honourable members have is—in company accounting terms—the sources and use of funds statement, in cash terms.

There is no consolidated reporting of the non-Budget sector with the Budget sector. There is a lack of consolidated information on the public sector debt and the servicing cost of that debt. There is a lack of consolidated information on the number of assets and
obligations of the State, including, for example—and these have been pointed out by the Auditor-General—land and buildings. I add particularly the depreciation of land and buildings and other major assets, such as roads. There is a lack of consolidated information on capital works, debtors, unfunded liabilities and accrued benefits of superannuation, long service leave and annual leave. All of those items amount to many billions of dollars.

Under the heading of organisation, let me mention this: of the five Budget Papers and the Treasurer’s Statement constituting more than 1000 pages, only Budget Paper No. 3, the Appropriation Bill, has an index. There are no cross-indexes.

I was astonished to find during the Estimates Committee that some people did not seem to think those were serious objections. Anybody who is actually used to reading material from which they wish to extract information realises that the availability of a reliable cross-referenced index is absolutely fundamental. One does not really want to be left saying, “There was nothing about such and such” or “the Estimates about such and such were not to be found here” when in fact there is something else in their place or what one originally found was put into context by another reference.

Indeed, we had an example when none of the Government members on the Estimates Committee was able to point to the fact that the Government had itself already put forward the proposal for accrual accounting in the public sector to be investigated. Fortunately, one of the members of the committee was aware that on page 138 of Budget Paper No. 2 that was mentioned and, accordingly, the report will give due credit to the Government’s willingness to consider that matter. It would have helped if there had been an index.

Again, under the heading of organisation, there are changes from year to year which appear without any guide or full explanation, including the complete renaming of the chapters of Budget Paper No. 2, to which I have just referred, and the reordering of them.

The content of all but three of them is substantially different. That is, out of ten chapters in Budget Paper No. 2, Budget Strategy and Review, this change occurred between 1985–86 and 1986–87.

One would have thought that the Government, which was purporting to pursue a continuous and consistent strategy over several years of counter-cyclical capital expenditure for Keynesian pump-priming purposes of a policy designed to stimulate particular areas of the economy and so on, would be able to maintain some consistency in its presentation of the key philosophical and strategic document—Budget Paper No. 2.

Then again, categories are changed from one year to another with large and apparently consequential changes in quantities but without explanation and without comparison on the previous basis.

I give, for example, the figures for the net Budget debt service in Table 6.4 at page 115 of Budget Paper No. 2 for 1985–86; that is, last year’s key Budget strategy and review paper. I compare them with those that are quite different: they are purporting to cover the same subject matter. In Table 5.7 on page 90 of Budget Paper No. 2 for 1986–87, the figures are described as net debt servicing—Budget dependent; but the difference between the previous year’s net debt budget service and the current year’s net debt servicing—Budget dependent, is not explained.

I have to add that the difference—although it amounted to some $250 million for the 1985–86 year—between $598 million in last year’s document of the estimate quarterly Budget debt service in 1985–86 and $848 million for the preliminary actual figure for 1985–86 purported in this year’s Budget Paper—despite that enormous difference in figures which was characteristic of the whole series of figures, despite the slight change in terminology, and despite the absence of all explanation, the Director-General of Management and Budget was not able to explain the difference to the Estimates Committee and, despite the fact that he took that and related matters on notice, the Committee did not at any stage receive an explanation and I find that worrying.
I find it worrying that it is thought proper to present to Parliament information on such a vitally important subject without explaining the concepts or explaining the difference between the concepts as they are used and as they appear in different years and without giving a comparison of the figures as they would have been on the previous year's definition.

One of the reasons why this is such an important subject is that our analysis of the debt service costs as presented in successive year's Budget Papers suggests that the Government has no idea what the debt service costs are. It believes it is paying quite implausibly low-interest rates. If that is the case, it is not surprising that the Government's attitude to spending money now and deferring the obligation to bear the burden until future decades is quite so facile.

I am continuing on the theme of the problem of organisation of the material that we are supposed to be able to use. End of year comparisons are also made more difficult—even for those closely involved and well informed of the particular subject matter—by the disappearance of capital expenditure without trace.

I give due emphasis to what is really important and what is less important, and I admit that this is just a presentational matter, but it is important. Instead of the usual recurrent expenditure for Film Victoria of approximately $500,000, it has been represented by its actual figure for 1985-86 at a nil estimate for 1986-87 in this year's Appropriation Bill. No mention was made of it in the 1986-87 Budget Papers.

An innocent reading of Budget Paper No. 5, where one looks for the detailed program information for each of the departments, might well have left the impression that the funding for Film Victoria had remained unaffected and I have to say that it may be that this is a by-product of such obfuscation. Some people connected with Film Victoria and its management are put out by the fact that the Minister for the Arts appeared to be claiming that funding of Film Victoria had remained unaffected when the only evidence to that effect was that, under the works and services heading, one could find the same money amount appropriated or to be appropriated for Film Victoria whereas all reference to recurrent funding had disappeared.

Again, considering only our needs for clear exposition and usable information, I note that a large part of the financial and management information that one would reasonably expect to have in one's possession when discussing the Budget documents is simply not available to one. It is the kind of information that any board of directors would expect to have, before it approved management plans for the year. It is the kind of information that, for the most part, shareholders are expected to have before they attend an annual general meeting.

I refer to the annual reports of departments and agencies and supplementary program information. I shall come later to the question of their time limits and when we, in fact, receive them; but for the moment, I wish to make the observation that they all have a tendency to appear in different sizes and formats and some with no page numbering. For example, the financial pages, at least, of the Melbourne and Metropolitan Board of Works annual report had no page numbering and that was a source of some irritation and difficulty when the Estimates Committee was trying to make references to various pages, when witnesses from the Board of Works appeared before it. Equally, none of them ever have indexes, let alone cross indexes: let alone cross indexes to the Budget Papers.

Determinations by the Treasurer under the Annual Reporting Act 1983, as to the form of departmental and other accounts, may also be unavailable to interested readers except in the Department of Management and Budget's own annual report. We cannot even rely on that being available immediately after 30 September when it should, by law, be available and audited.

I now refer generally, as a matter of organisation, to the eight classes of improvements to the Treasurer's Statement that was suggested by the Auditor-General in paragraph
2.1.25 of his first report relating to the 1985–86 years and the elementary matter of keeping like matters within the same programs.

That is critical. Cumulatively at any rate it becomes critical when one is dealing with a very large amount of information which one has to manage within a short time and where one cannot take it on trust that one is being told exactly what one needs to know, because, like it or not, we are in an adversary situation where not only is there competition between the parties to make things look better on the one hand and worse on the other, but also there is competition for funds between the clientele of each of the departments and each of the public authorities.

There is no use pretending that some sort of objective truth is being handed down by perfectly impartial people. It is absolutely vital that one should not have one's time wasted when considering the public financial information.

Finally, as a matter of organisation—as I have classified it—I would refer to the 50 or more errors of presentation—typographical, consequential or whatever one likes to call them; a number of euphemisms were certainly employed over the past few weeks relating to these errors—in the Budget Papers and the Treasurer's Statement. Cumulatively these create a substantial problem for readers who are already struggling to make efficient use of the great bulk of Budget Papers and related documents.

Let me return to time limits to mention some more of the absurdities of the enterprise known as “scrutiny of the Budget”. I have referred to annual reports of departments and agencies as documents which honourable members should have available. In particular, some of them really do now contain quite important information about creditors, and there are other matters listed in the Auditor-General's report this year.

If honourable members were to take their constitutional task as seriously as they should, they should certainly have the annual reports of departments and agencies when they are required to be ready. They are required to be ready—audited—by 30 September as a matter of law, but they become available to Parliament in a trickle which flows through October and into November. Among the annual reports tabled in Papers today were the Law Department report and several others.

The supplementary program information, which contains most of the published details about the way the public funds are to be spent, is required by the Treasurer to be ready no later than four weeks after Budget day. However, if any of it is available now, I am not aware that any members of Parliament have been informed of that. There is no regular system of distribution and, as of two weeks ago, the Estimates Committee learned that two departments had actually had their supplementary program information available in accordance with the Treasurer's request four weeks after Budget day. It was in the hands of the Treasurer so that he or the Department of Management and Budget could vet it, by what standards one knows not, and in due course allow it to proceed.

In the case of another department, the permanent head had not yet seen the department's own draft. Yet another departmental head was in the happy position of being able to say to the Estimates Committee, “We will take that on board when we are finalising our draft supplementary program information,” which was already three weeks overdue. It was material that should have been available to anybody wanting to make any pertinent comment on the Estimates some weeks before that.

There is another factor relating to the time limits of the whole procedure: Supply runs out on 30 November. That inevitably places considerable pressure on the House to complete all stages of the Budget legislation without actually looking in proper detail at either the general principles of the Budget or its particulars.

Part of the difficulty could be relieved if the Government would refrain from wrapping up in the one Appropriation Bill measures that may be distinguished on at least three grounds. In the first place, the Bill is not a Bill that deals only with appropriations from
the Consolidated Fund for the ordinary annual services of government. This is not a Bill
the rejection of which actually could precipitate an election.

This may not be a factor that really puts any pressure on this House. It may not cause
any congestion of time, but it could deny the Legislative Council its rights to give an
effective judgment on the Government as a whole without producing a situation that
could be described as a "constitutional crisis", because such a judgment might be described
as a Constitutional crisis. I think we know, looking at it realistically, that it would really
be a political crisis if we delayed the Appropriation Bill as it now stands; a Bill which
wraps up several different matters into the one Bill, including the works and services
provision.

We know that it would really be a political crisis. It would largely be one designed by
the Government because the Government could rightly say, "We are running out of
money to carry on the ordinary annual services of government, but we cannot have an
election because it is not that kind of Bill".

However, that is a relatively minor matter among the factors that put pressure on
Parliament not to do its duty in relation to financial legislation. Much more important,
for the present purposes, are the second and third distinctions that may be made. One is
between the current and, indeed, past expenditure for which appropriation is required by
the Bill—the by and large current appropriations on the one hand and, on the other hand,
those for which consideration can be deferred for some considerable time because they
relate to the last six months of the financial year.

Another important characterisation of the Bill is that it contains new policies, programs
and capital projects as well as old, which, I should add, is contrary to the practice in the
Federal Parliament. The inclusion in one Appropriation Bill of matters of greatly differing
degrees of urgency and of new projects is quite a significant matter.

Just as matters arising in past years have to be considered in relation to current and
future Budgets, some matters arising out of the current Budget Papers can sensibly and
usefully be inquired into and reported upon after the Budget legislation has been passed.

The timetable imposed by the expiry of Supply on 30 November is inappropriate,
having regard to the conjunction in the one Bill of the old and the new, the urgent and the
non-urgent, together with the absence of detailed information during most of the Budget
session of Parliament.

Clearly, the Government should indicate the degree of urgency involved and list its new
projects so that proper priority can be accorded to the urgent and to the new.

The best way of achieving this may be to divide the appropriation legislation into two
or more Bills. In any event, consideration ought to be given to extending the period of
Supply beyond 30 November so that Parliament can treat its most important legislation
with due deliberation.

I am not suggesting that the Victorian Government should copy slavishly the United
States of America's congressional model where Supply Bills—I am not sure of the precise
term for those Bills, but that is what they amount to—are passed and, finally, Budget
legislation is passed—invariably it has been passed over the past 200 years—towards 30
September. Sometimes Congress achieves it much earlier, but 30 September is the end of
the American financial year, and sometimes Congress just about completes its full Budget
legislation at the end of the year. I am not contemplating that.

If Victoria is to go at all towards matching the reality to the theory, the Government
should give Parliament more time to examine carefully what is important and what is
new.

I was glad that Mr Henshaw made reference last Wednesday to the six categories of
users of Budget information identified by the Auditor-General of Canada and the
Comptroller-General of the United States of America in their joint study. I only wish such
a level of analytical thinking had led to this Government taking seriously what a board of
directors of “Victoria Incorporated” needs to know, that is, what the legislators, who have
to confirm the Government in office by granting it its funds and to vote moneys for its
programs, need to know.

Unfortunately, Parliament has not applied the necessary pressure, at least until this
year, and public servants and Ministers have behaved as one would expect of directors of
a company with a nice little monopoly business—in this case one could say that the
monopoly business is tax gathering, a very reliable source of income—and a supine set of
shareholders who are annually pacified by cups of tea and buns at annual general meetings.
That is the way Parliaments traditionally have behaved.

The Hon. W. A. Landeryou—No wonder that only two people from the Opposition
benches are listening!

The Hon. J. V. C. GUEST—I am flattered by the number of members of the Opposition
listening.

The Hon. W. A. Landeryou—Twice as many as normal!

The Hon. J. V. C. GUEST—Mr Landeryou was not present when I made my opening
remarks about the usual course of Budget debates, especially in this House. I do not think
he would have disagreed with me, but I said that I would seek to examine what ought to
be made available to Parliament so that it could do its work properly, at least if it did so
in Committee.

The Hon. E. H. Walker—A sort of rich man’s Kevin Foley.

The Hon. J. V. C. GUEST—That is a nice description—it is flattering to me.

It is scarcely a criticism of honest, competent public servants that they produce material
that is largely propaganda. Propaganda itself is a worthy concept in its origins and it is
hardly a criticism of public servants that they produce superfluous and obsolete paper
about which no one complains. One can hardly even blame them for leaking the worst
annual reports to the press before they are tabled in Parliament so that they can minimise
the unfavourable impact. The fact is that they have little reason to behave otherwise.

Directors of public companies are little more inclined to engage in voluntary candour
and self-criticism. It would make unflattering presentations of their own organisations.
However, there is a big distinction: public companies are subjected to the discipline of
competition for funds. Thousands of analysts dissect them to determine their credit
worthiness and the value of their equity which, after all, effects the price of capital that
they have to pay to attract new share issues.

Directors of public companies are bound to report their profits and losses and to have
balance sheets that disclose their net assets. To that extent there are objective criteria that
apply to them which impose disciplines; and, above all, investors can with little delay
move their funds elsewhere, an option which, I am happy to say, still remains a part of life
of the citizen of Australia. After all, one can decide to move one’s enterprise to another
State. That has a healthy disciplinary effect on Governments, but it is not much good to
the average citizen.

By contrast, the public sector lacks all the disciplines that I have mentioned applying to
public companies except to the extent that, in the end, fiddling while Rome burns will
bring down first those responsible for the non-Budget commercial sector where maybe
Ministers will sack a few people—although very often not always the people who are
actually responsible—because they can perceive the problems coming up and, finally,
Governments themselves.

If people want external pressure applied to Governments and to officials of the Executive
Government for them to perform the type of discipline that the Estimates Committee is
beginning to bring to bear, that action would be supported rather than denigrated by a
Government that really believed in modern management and accepts the realities of human motivation.

Something one can say about the intelligent Ministers of this Government is that however optimistic their views may have been on human nature when they first became socialists and, thereafter, having given up socialism, rose to the leadership of the Labor Party——

The Hon. E. H. Walker—That is not nice, Mr Guest.

The Hon. J. V. C. GUEST—Although maintaining those ideals, I credit them with understanding something about human nature and with having learned, at least in office, about the extraordinary pressures that competing self-interests impose.

It must be expected that, if the Estimates Committee is to be effective, it must be critical and ask probing and difficult questions rather than merely asking Dorothy Dixers and inviting witnesses to agree that it is nice to spend public money on nice people. As I have said, much has been made of improvements in Budget sector information and it is true that for their own purposes Executive Governments, commencing before 1982, have introduced program budgeting.

Let me say a word or two about the advantages and the limitations of program budgeting. It is rightly said that program budgeting encourages understanding and management of outputs rather than concentrating on appropriated inputs. That is a fair comparison with the previous line item type appropriations. I am sure Government members will be glad if I quote what the Auditor-General explained in evidence to the Estimates Committee on 17 October. He said that the introduction of program budgeting is a significant development because it identifies programs which are output orientated rather than input classifications that go towards those programs—therefore, one can relate program allocation to a policy.

That is the theory of it. It has some relationship to reality. Without detracting from the program budgeting information as appropriate, it is desirable that the House considers some of its limitations. Firstly, it has no bearing on issues such as accounting for assets or liabilities or the general fruits of accrual accounting. It is simply a way of stating where one is expecting to spend one’s money and defining the purposes of the expenditure.

Secondly, it involves collecting some information in priority to other information, and that is implicit in any choice of accounting presentations. That is not a criticism. It simply means that one requires additional information to be provided by notes, as is common in the accounts of the public sector and commercial organisations.

Program categories may be somewhat unwieldy and, as honourable members have seen in documents presented to this House, they may change in ways which make comparison difficult. An example of that change is the change in health programs between classifications based on geography and classifications based on function, and then back again.

On programs and other limitations, to the least extent some program categories may be so broad and inclusive of such a wide range of activities that they have to be, merely because activities have to be included in the same program. The result may be little idea is conveyed by program descriptions and the actual object of proposed expenditure. I shall quote one program name as an example, that is, “Central Office and Centrally Administered Services”—Program No. 381—under health. It does not tell one very much about what money is to be spent or included under that program name. Selecting items at random, the program includes Aboriginal health services—liaison officer; Pathology Services Accreditation Board; self-help groups; district health councils; Blood Transfusion Service; Rape Study Committee and so on.

The Hon. B. A. Murphy—What is wrong with that?

The Hon. J. V. C. GUEST—I am pointing out that it does not help to have them included in a broad program. I am not saying they should not be included in the program, but one cannot ask too much or expect too much of program budgeting. Before one starts
repeating endlessly the typical Government statements about the work that has been done in developing Liberal initiatives in program budgeting, one ought to understand that it goes only so far.

**The Hon. M. J. Arnold**—Was it a Liberal initiative?

**The Hon. J. V. C. Guest**—Indeed, it was. That is one of the reasons why the Opposition supports it with due modesty, as a purely modest reform.

As a corollary of the limitations I have just mentioned, the inclusion of an activity in one program rather than another, in some cases, is virtually an arbitrary result of choices that have to be made. I shall illustrate how much information can be lost in the change from line item to group appropriation and how far program budgeting is from automatically providing useful information.

Rather than repeating generalities because of the appalling problem of dealing with the thousands of pages honourable members are served up with, we ought to look at the reality in detail.

*The debates were interrupted.*

**DISTINGUISHED VISITOR**

**The President**—Order! I inform honourable members that a distinguished Australian, Sir Edward Dunlop, is visiting the House. On behalf of all honourable members I welcome him as a visitor and indicate how much we appreciate his company here this evening.

**APPROPRIATION (1986–87, No. 1) BILL AND WORKS AND SERVICES (FURTHER ANCILLARY PROVISIONS) BILL AND BUDGET PAPERS, 1986–87**

The debates on the motions of the Hon. D. R. White (Minister for Health) for the second reading of these Bills and the debate on the motion of the Hon. E. H. Walker (Minister for Agriculture and Rural Affairs):

*That the Council take note of the Budget Papers, 1986–87.*

were continued.

**The Hon. J. V. C. Guest** (Monash Province)—I thought I recognised Sir Edward. I was speaking about health and I hope I was making sense about it. Fortunately, I was making sense on the point I was going to make about program budgeting. The Minister for Agriculture and Rural Affairs has implied that when one is getting down to the serious business of dealing with detailed matter one ought to be in Committee or doing homework so that when one meets with a few people who have also done their homework——

**The Hon. E. H. Walker**—It sounds like an Estimates Committee.

**The Hon. J. V. C. Guest**—Yes, perhaps there should be more of them. The Government would be well advised to multiply the Estimates Committee.

I should like to point out—this may be useful for people who at least use *Hansard* as a reference work, if not as bed-time reading apart from the purpose of going to sleep—that program budgeting information is sometimes not useful at all, even in well run Ministries, and it sometimes tends to provide less information than was available under the old line item system.

In the 1983–84 Estimates, considerable detail was contained in Division No. 654, the State Film Centre. I can give only some of the details because it is presented in the good old breakups of salaries and allowances, overtime and penalty rates for 1982–83 actual expenditure and 1983–84 estimates. The categories are salaries and allowances, overtime
and penalty rates under heading 1 and general expenses—administrative expenses—under heading 2. They are broken up into seven categories of travelling and subsistence; office requisites and equipment, printing and stationery; books and publications; postal and telephone expenses; motor vehicles—purchasing and running expenses; and, finally, incidental expenses.

Under general expenses there are electronic data processing expenses, films and equipment. The total is nearly $1 million, for both 1982–83 and 1983–84 estimates. That really is a considerable amount of information if one wants to know the amount of payroll or whether the centre used much postage or had a large telephone bill. It gives one an idea.

I am not arguing that it is the most useful information, particularly for such relatively small amounts of money for members of this Parliament, but I compare it with what appears in subsequent years.

Although one would be hard pushed to find it anywhere in the Budget Papers, one would not find it anywhere, that the expenditure of the general order, which occurred in 1983–84, has continued ever since. This year the State Film Centre will receive approximately $1·2 million under Program No. 143. As I have said, there is no evidence of this order of expenditure anywhere in the Budget Papers, and there has not been since 1983–84. All that has appeared is approximately $4000 for the expenses of running the board of the State Film Centre.

For the successive years, subprogram information has been available always after the Budget has been debated and passed, so in 1986–87 subprogram information is supplementary program information that is not yet available. In each of the successive years one recognises that it would be of no use in the current deliberations of Parliament on the Budget even if it were available at the time.

I cannot conveniently give a short account which comprehends the whole of the three years, from 1983–84 to 1985–86 of the subprogram for the State Film Centre budget, but I point out that in 1983–84 an estimate was given of that year’s expenditure as well as the previous year, together with a description of the activities of the State Film Centre, a statement of objectives and a statement of performance indicators, without stating any quantified objectives that would allow one to test whether those objectives were subsequently met.

The ACTING PRESIDENT (the Hon. K. I. M. Wright)—Order! From what is the honourable member quoting?

The Hon. J. V. C. GUEST—The subprogram for 1984–85 for the State Film Centre. A general description of the statement of objectives in somewhat different form from the previous year is included, but there is no information about expenditure. One has no evidence whether the centre is continuing to spend more than $1 million on these activities. However, performance indicators are being used.

Without making any comment on the usefulness of the indicators, the fact is that the 1984–85 subprogram information was available well after the end of the 1984–85 Budget debate and contained only figures for the 1983–84 year. Again, the 1985–86 subprogram information was available late last year, after the Budget debate and one only has the 1984–85 actual figures. Using the performance indicators no quantified objectives are available. Indeed, there is nothing to show the 1983–84 figure as well as the 1984–85 figure. The narrative statement contained in the documents does not contain usable information and one does not receive much further assistance by perusing the annual report of the Ministry for the Arts, because nothing is quantified in that report. The point I make is that the program information is frequently in an unuseful form.

The ultimate question is: what information do honourable members require to perform their constitutional task.

Honourable members must learn to ask and insist on answers to the right questions. The fundamental question is whether the net worth of the State, the public sector and the
Budget sector has increased in real terms in the last year? The other fundamental question is whether it is reasonable to project that the net worth of the State, the public sector and the Budget sector will increase in the current year and future years? To answer such questions honourable members need to take proper account of assets, including their depreciation, as I have mentioned earlier, and including, for example, the depreciation of the State's roads, many of which should never have been built in the way they were initially built. Anyone driving in north-eastern Victoria fifteen or sixteen years ago could not help but notice the condition of those roads but which, nonetheless, are depreciating, require maintenance, and are creating liabilities for the future.

The general housing stock is depreciating. An article in the National Times two or three weeks ago made the point that the poor state of housing built just after the second world war and in the early 1950s was partly caused by the method of construction of those houses and the economies effected at that stage and partly caused because of the considerable new building that occurred then when compared with the 1930s and 1940s. It is a major cost that the community will have to bear in the future.

The Budget documents that are presented might reasonably consider how far the State is to be affected in its public finances by the deterioration of the housing stocks. It might also properly consider how far the economy of the State and the nation is to be distorted by the necessary reallocation of private resources to make the necessary repairs to replace the deteriorating housing. Honourable members need to take account of those facts to answer the fundamental questions of debts and liabilities.

The ageing of the population, with its consequences on expenditure which have to be met out of the public purse in the years to come, is of great significance. Honourable members must insist that the Budget Papers inform them of the clearly stated objectives of the Government beyond the expenditure of money. The objectives must be measured or at least assessed and must be put in pious generalities.

One of the major features of the Budget Papers that may never have struck honourable members forcibly is that considerable information can only lead one in the end to say, "but so what? Are we ever going to know whether they have achieved that!" If there had been a notably bad result in a particular area, honourable members will get no comment in the next year's Budget Papers and if the department or Ministry wants to go on doing the same thing it will probably slightly rephrase the words and go on doing the same thing next year.

One can find circumstances in the Ministry for the Arts and Film Victoria particularly, which I simply mention because I am familiar with that area. Information is presented in a way which suggests that it is being done and might even suggest to a careless reader that better results are being obtained from year to year. A careful reading of the program information on Film Victoria reveals that the results have been highly variable and anybody who knows the industry would suggest that the strongest correlation has been with the Federal Government's taxation incentives.

Honourable members want information that they can use and which enables them to test the Government's intentions and achievements.

Accrual accounting is necessary as I mentioned earlier, and is foreshadowed in Program No. 138 of Budget Paper No. 2. Honourable members are told it is being considered and implemented in a major way and it will be a major advance. Honourable members would also benefit by consolidated cross references of all the other information for which Auditor-Generals, over the years, have been asking. That would help honourable members to pin down the Government on matters that are really of the gravest concern and have been for some years.

I refer to the propensity of the Government to grab desperately at revenue from wherever it can, while placing the payment of such moneys on the backs of future taxpayers.
The value of the Estimates Committee has already been proven overwhelmingly on the very point concerning the Government’s desperate manoeuvres. It was in the course of listening to evidence justifying the diversion of water from the Thomson River to Melbourne that it occurred to me that the excellent Mr Smith, Acting General Manager of the Melbourne and Metropolitan Board of Works, seemed quietly confident that the board had received a good deal.

What actually occurred was this: water from the Thomson River will not be required on any reasonable projections of Melbourne’s requirements until well into the 1990s. However, unless the new system of water charging greatly curbs water consumption, Melbourne will in the future require further water sources. Those future sources of water are likely to cost excessively more. That might be a sensible decision for the Government to take, apart from the fact that the cheapest sources of water have already been tapped. Why did the Board of Works in effect acquire at this early stage a new source of water for the future?

I suspect the answer is borne out by the evidence of Mr Smith that the board recognised that the Government was in real budgetary trouble. The Treasurer had gone out of his way to say in his Budget speech:

Recurrent spending will increase by only 6.6 per cent—the lowest increase for a generation.

We have kept our promise on taxation. There will be no increases in taxation revenue above the rise in the consumer price index plus economic growth.

The ACTING PRESIDENT (the Hon. K. I. M. Wright)—Order! What year is this?

The Hon. J. V. C. GUEST—This year. It is significant that you should ask which year, Mr Acting President, because it does sound like the same old rhetoric, and, indeed it is.

The ACTING PRESIDENT—I express no opinion.

The Hon. J. V. C. GUEST—Mr Smith said he was aware of the concern that officers of the Department of Management and Budget had in mind when they were engaged in Budget negotiations.

The inference is obvious. Some $60 million relief was available to the Victorian Budget by transferring funds from the public sector to the Board of Works. This expedient was necessary because of the Government’s increasing financial problems caused by its past and continuing policies of spending now and postponing the burden until later.

Similar evidence can be found in other areas of the Budget. It is well known that municipal libraries will receive the same money allowance in adjustment for their overdraft costs as they have in the past, at least for this financial year, as a subsidy from the Government. However, they will not receive their next payment for the year until 1 July or shortly thereafter.

Why? The answer is simple: it had nothing to do with the pretence in Budget Paper No. 5 that it conveniently fitted in with the municipal year. It had everything to do with the Government’s budgetary requirements to save $3 million or $4 million of recurrent expenditure for the year.

I now shall deal with this quaint suggestion that, having tried the same trick in 1983–84, honourable members should not believe it was a trick this year; and that in considering the explanation this time around they should recognise that the Government was fitting the payments into the municipal year. If that is so, why were the payments to be made in October and July—that is not six months apart? The answer is that the Government wanted to postpone the expenditure until July.

There are many other categories where that practice was adopted. I shall not list them all because none of them is new as a result of the work of the Estimates Committee. Some $254 million of recurrent and capital expenditure for last year was listed and detailed by the Auditor-General this year. There is no doubt that the $50 million provided for the redundancy scheme in the Ministry of Transport has been treated as capital expenditure.
by the Government. The challenge to the Ministry of Transport to suggest an accounting standard which justified that treatment was never met before the Estimates Committee or after it took evidence when it received a written communication. The Auditor-General confirmed that there was no accounting standard to justify such a treatment of $50 million for redundancy.

It will also be the Estimates Committee which is responsible for further carrying the task of analysis of the necessary financial information and improvements in procedures. It is evident from the traditional and current course of the debate and the treatment of it by the House that that will need to be done by the Estimates Committee.

It would be inappropriate for me to attempt a comprehensive and detailed statement of the remedy in this forum. I shall conclude my remarks by stating that the Estimates Committee is still a long way from having before it documents which enable it to pronounce an informed judgment on matters the terms of reference required it to determine. In those circumstances, the Opposition has no alternative other than to pass the Government's major proposed legislation, and to encourage the work of the Estimates Committee to improve Parliamentary procedures, to provide information and, ultimately, through pressure that this will put on the Executive Government, to improve the financial management of this State.

The Hon. R. S. de Fegely (Ballarat Province)—I wish to speak on the Budget Papers and Appropriation Bills and I shall commence my contribution by quoting the comments of the Treasurer in his Budget overview contained in Budget Paper No. 2 in which he claimed that there were three factors determining the Budget.

The first factor was that there was a severe constraint on available revenue in both the current and the capital account. As a result of that, it was the intention of the Government to reduce the serious debt levels and the pressure on capital markets.

The second factor he mentioned involved the growing uncertainty during 1986—

The Acting President (the Hon. K. I. M. Wright)—Order! I point out to honourable members that the Hansard reporter is having some difficulty in hearing the contribution of Mr de Fegely.

The Hon. R. S. de Fegely—The second factor that the Treasurer mentioned was the growing uncertainty during 1986 about the future direction of the Australian economy, and I think all honourable members would agree with that statement. The Treasurer said that that uncertainty stemmed mainly from the balance of payments problem at a time when the Australian dollar was falling and we had a rising level of overseas debt. I am sure none of us would have any argument with that.

Thirdly, the Treasurer said that there were clear indications that a major, long-term restructuring of the Victorian economy is underway and that long-term growth prospects for the economy remain sound. He said that the Victorian economy should be particularly assisted by the dramatic improvement in Australia's international cost competitiveness by the improved performance of parts of Australian industry in relation to technology and other factors that are symbols of competitive growth.

I should like to go back to the point that the Treasurer makes that the Victorian economy will be particularly assisted by the dramatic improvement in Australia's international cost competitiveness. Although I would like to share his confidence in the Australian economy, I have real doubts that his forecast will be realised.

I noted with interest this morning that the State Government is advertising in the Melbourne press and saying how well the Victorian economy is going.

The Hon. W. R. Baxter—I should like to know what that is all costing.

The Hon. R. S. de Fegely—Precisely. I think all honourable members would like to know what this is costing the community. It seems to be a phenomenon of this Government,
something that has not been experienced in the past in Victoria or, indeed, in Australia; but both State and Federal Governments currently seem to be very ready to expend taxpayers' dollars on advertising in all sorts of ways—in the press, and, in particular, by issuing glossy documents to advertise what they are all about.

I am sure the community is pleased that we are exporting car parts to Tokyo, pipe drums to Scotland and asparagus to the world. I am sure those are all new ventures, which will certainly help the economy, but I wonder whether what we are doing is enough.

In an interview this morning, I heard Mr Schildberger ask the Premier how he could justify what Mr Schildberger described as extravagantly expensive advertisements. The Premier said that the Government had set aside funds for corporate advertising; that was the basis on which he justified what was being spent. I suggest that what the Premier is really saying is somewhat fraudulent. Although I would like to believe otherwise, I do not believe the Government is doing nearly as well as the Premier would have us believe. He went on to say how well we were doing in Victoria; how much this Government had improved the unemployment figures in its four years in office.

The Hon. C. F. Van Buren interjected.

The Hon. R. S. de FEGELY—I suggest to Mr Van Buren that, of course, Victoria is doing better than the rest of Australia. It has always done. Because of its manufacturing base and its closely settled economy, it has always done better than the rest of Australia.

I remind Mr Van Buren that in 1981—the latest figures that I have are for October—the unemployment rate in Victoria was 5.2 per cent. The unemployment rate in Victoria in October 1986 was 6.4 per cent. Perhaps that compares well with the rest of Australia, but the Government certainly is not doing better than the Liberal Government was doing prior to the Labor Party coming to office. The figures for youth employment are disastrous. Victoria is doing far worse than the rest of Australia in that respect.

Some interesting figures emerge concerning unemployment among fifteen to nineteen-year olds. A very large proportion of people in that age group are now looking for part-time work. The number in that age group seeking full-time work has increased by a little more than 1500 since 1981, but the figure seeking part-time work has risen by more than 4000. One would expect an increase in the total number in that age group seeking work, but I wonder whether those who are now opting for part-time work have become disillusioned with the system in which they cannot obtain full-time work that they are now opting for part-time instead of full-time work.

This is the second Budget that I have experienced since becoming a member of this House. I certainly did not find it any easier to follow than on the previous occasion. I am very pleased that an Estimates Committee has been established within this House, because I hope that committee will arrange matters so that the Government makes it easier for honourable members to understand Budgets in the future.

I am concerned that the committee has found discrepancies in the Budget: that there have been differences between the statements by the Treasurer and those made by the Auditor-General. When one sees those sorts of differences emerging, one realises that the Estimates Committee is obviously worth its salt.

I am again concerned that this year's Budget does little for rural Victoria. I believe I said much the same thing at the same time last year.

The Hon. B. P. Dunn—The Lloyd study was supposed to fix it all—when they do something about that.

The Hon. R. S. de FEGELY—Oh, the Lloyd study will fix it all! The only problem I have with it and with the setting up of the Department of Agriculture and Rural Affairs is that it will cost a good deal more in administration than we have spent before, and I am not sure that we will see much more of that money out in the field.
The Hon. B. P. Dunn—That is right.

The Hon. R. S. de FEGELY—The real wealth of this State is created in rural Victoria. I think all honourable members would accept that.

The Hon. M. J. Arnold—Does that mean the farmers are doing well?

The Hon. R. S. de FEGELY—As honourable members all know, farmers are going through a tough period.

The Hon. M. J. Arnold—They are doing about as well as the Australian cricket team.

The Hon. R. S. de FEGELY—There certainly was not a great deal to assist them in this Budget. As honourable members know, costs have risen dramatically in the past few months. Farmers and rural businessmen have suffered, like all Victorians, with increases in taxes and charges to the extent of some 87 per cent in the term of this Government.

The Hon. E. H. Walker—So there is real wealth and real poverty, is there?

The Hon. R. S. de FEGELY—They are suffering under freight increases and reeling under Government imposed costs, but in the main they are suffering from reduced returns. The cost is shown in a 1986 document from the Bureau of Agricultural Economics. The total export earnings from rural production is just less than $10.5 billion and the increase in farm costs has risen at a far more rapid rate than have the returns for primary industry. The rural sector is facing internal costs in Australia, which have increased dramatically over the past three or four years, yet returns have changed very little over the same period.

Many of the services in rural Victoria are being depleted or have been lost.

The Hon. B. A. Murphy—They have never been better off!

The Hon. R. S. de FEGELY—Rural communities have lost railway stations. Bendigo and Ballarat are losing people from the railway workshops. It is difficult to argue with the Government that economies must be made within the V/Line system, but those losses to country communities make an enormous difference, not only to the people concerned but also to the economy of those communities.

The Hon. E. H. Walker—You don’t mind reductions so long as they are not in your area.

The Hon. R. S. de FEGELY—To some extent, I would have to agree with that. I shall now refer to the problems of police stations.

The Hon. B. A. Murphy—What about the extra police we provided this year?

The Hon. R. S. de FEGELY—That is a myth and something for which we have been waiting for the past four years. Ballarat is struggling to service the area it covers and Bendigo is in a similar situation. I have some notes which I have received from the local police about the problems that they face. It must be remembered that the working time of the work force has been reduced, yet the overall numbers of police in the Ballarat area have not been increased.

Eighteen months ago it was suggested that a new police station should be established at Wendouree in Ballarat. Nothing more has been heard about that. Certainly the funds are not available as the Minister said they would be. The crime rate in Ballarat is increasing at an alarming rate and a real need exists for additional police.

The one-man police station at Marnoo in the Wimmera, which has just about been closed, has been referred to previously in this House. That station is open for only one day a week. A permanent police presence makes a difference to a town such as Marnoo.

The Hon. E. H. Walker—Is that in your province?

The Hon. R. S. de FEGELY—My word it is!
The Hon. E. H. Walker—I thought it was in Mr Hallam’s province.

The Hon. R. M. Hallam—I have a big heart.

The Hon. R. S. de FEGELY—I am concerned that the people of Marnoo have a policeman in the town only on a Tuesday rather than having a policeman living in the town.

The Hon. B. A. Murphy—How many people live in Marnoo?

The Hon. R. S. de FEGELY—Approximately 150, but there is also a wide district to service. Now a policeman has to drive to the town and he would do just as well to live in the town rather than having to drive to it.

Teacher housing is under threat and that is of real concern to many country communities. Remote areas may retain teacher housing, but honourable members have not been informed what are those areas. Many country schools need some incentive to encourage teachers from the metropolitan area to work in the remote areas. I have received letters from all around the province asking me to do something about it. It is not in my hands; it is in the hands of the Government.

The Hon. B. A. Murphy—It is a commitment that we will keep teacher housing in isolated areas.

The Hon. R. S. de FEGELY—It depends what one means by “isolated”, and that is my argument. What is isolated in the opinion of the Government and what is isolated in the opinion of the Opposition is quite different.

The Government has decided to reduce the number of hospital beds. I often wonder about the priorities of the Government because it spends money on administration when it is health care that needs money. The Government is hell-bent on regionalisation, which has been an enormously costly exercise.

The Hon. E. H. Walker—are you opposed to regionalisation?

The Hon. R. S. de FEGELY—Yes, I am.

The Hon. E. H. Walker—that will make a good press release when I pull my office out of Ballarat.

The Hon. R. S. de FEGELY—Two assistants are not needed to help the regional director. The original object was to have a regional director to operate from Ballarat. I do not believe the number of people in the head office of Health Department Victoria has been reduced. Two assistant regional directors have been appointed to every region at a cost of some $1·2 million annually and paid district health counsellors have also been appointed in certain areas.

The Hon. B. A. Murphy—that is a good thing.

The Hon. R. S. de FEGELY—in some areas they are wandering around wondering what to do and they cannot find anything to do.

The Hon. B. A. Murphy—that is the local member should advise them.

The Hon. R. S. de FEGELY—This local member will not advise them because I do not believe in them. They are another example of people who are not needed and, as Mr Chamberlain said by interjection, we cannot afford them.

One of the worst things to happen has been the gross and blatant politicisation within Government departments. That is something that under the Westminster system of Government has never happened before in this country and something that we will regret for a long time to come.

This is a Budget that is intended to reduce the growth of debt levels and pressures on capital markets, yet it allows for a debt of some $17·249 billion which has been blown out
from $9·625 billion in 1981. That figure of $17·249 billion may blow out to a figure of $19 billion or $20 billion. That is not a Budget of restraint.

I cannot close my remarks without making some comment about the agricultural sector, the area with which I am most involved. I note with interest that the Budget for agriculture has increased by some 8 per cent. That would seem to be encouraging until one really examines the figures.

The Hon. B. P. Dunn—What about the things the Government has taken from us, such as the public authorities dividend? That does not show up in the Department of Agriculture and Rural Affairs figures.

The Hon. R. S. de FEGELY—It is hard to find these figures in the Budget, but on close examination it appears that 42 per cent of the Budget allocation for agriculture goes to corporate services. I do not know whether that is partly due to the establishment of rural offices and regionalisation around the State. However, one finds that the pastoral services and allocations in that area have been reduced.

My concern with the Budget is that rural production is not receiving much assistance from the Government. I suppose that can be explained by the fact that in the eyes of the Australian Labor Party, agriculture is to some degree considered to be a spent force.

The Hon. B. A. Murphy—What about the brand new Office of Rural Affairs? That was a major initiative.

The Hon. B. P. Dunn—It was a public relations exercise.

The Hon. R. S. de FEGELY—That is true. We shall wait and see what that brand new office produces in the longer term. It is too early to judge because we have not had time to assess its operation.

Agriculture should not be written off and replaced with manufacturing industry. Many areas of agriculture will revive and produce enormous wealth for this country.

The Hon. B. A. Murphy—Under this Government, that is already happening with beef, sheep and wool.

The Hon. R. S. de FEGELY—I am not sure that the Government can claim the credit for wool or beef prices at present. The Government is always claiming that problems in the rural industry occur outside Australia. Now one finds that Government members are claiming that those problems have been fixed up from within. That does not gel.

The Hon. E. H. Walker—You cannot have it both ways. You do not want to take the flak when it is not working but you want to take the credit when it is.

The Hon. R. S. de FEGELY—What the Minister says is absolutely right; no-one can have it both ways. This Government has nothing to do with the price of wool or beef. Even though those commodities are providing reasonable returns, they have still fallen well behind rises in the consumer price index over recent years.

Rural industry in Australia is providing some $15·5 billion of income for this country. It is exporting products to the value of $10·45 billion of which Victoria is producing a significant proportion. Change will be needed within the farming industry but, knowing farmers as I do, I am certain they will adapt. All they really need is some encouragement from the Government.

I also wish to mention the Government’s plans for the timber industry. Although I agree with much that is written in the Timber Industry Strategy, I am concerned that in the future Australians will believe they can live with the luxury of closing up valuable resources. We must change our thinking in that regard. Those resources do not need to be closed up if they are used sensibly and are well managed. We have no right to put people out of work. We must promote areas of production. We can no longer afford the luxury of idealism if, in fact, we ever could.
Victoria has a future. However, I am concerned that the Budget overall has not considered the areas that are most productive for Victoria. Unless it is prepared to do that, it will be difficult to solve the economic problems of this State.

The Hon. M. J. ARNOLD (Templestowe Province)—This is the fifth Budget of the Treasurer and it is more comprehensive, more detailed and clearer than his previous Budgets which, as we all know, have been models compared with the Budgets of previous Administrations in this State.

In addition, the policies and directions as envisaged and set out are most responsible and destined to keep Victoria on the track on which it has been since the Labor Government came to power in Victoria. We all appreciate that Victoria was well on the way down the drain, economically speaking, under the control of the Liberal Government prior to 1982. However, with the policies of the Labor Government as set out in the framework of the Jolly Budgets, the Victorian economy is back on line again. We have the highest employment rates in Australia.

Victoria has the lowest unemployment rate in Australia. It has all the major economic indicators in its favour, showing that Victoria is leading the way. Despite the carping of the Opposition, people in other States of Australia and overseas realise that Victoria is once again the leading State in the Commonwealth of Australia.

Once again, Victoria has been returned to the pre-eminent position that it used to hold before the ravages of the previous Liberal Administration—aided and abetted, I am afraid, by some inactivity of the National Party. Members of the National Party cannot escape blame, because we know that they sat as accomplices with the former Liberal Government for a long period and allowed Victoria to go down the drain, both physically and financially, in the manufacturing sector, the rural sector and the commercial sector generally.

The National Party would probably be pleased to at last sit in opposition to this Labor Government and see the state of the economy in Victoria appreciate to the benefit of rural and provincial Victoria.

This Budget will carry on the good groundwork that has been laid by the previous Labor Budgets, and I am sure the economy will continue to prosper. Employment will continue to increase and be enhanced. The rural sector will benefit.

Mr de Fegely spoke about some improvement in certain sectors of the rural economy and tried to take the credit away from the Victorian Government, but he knows the beef! The buoyancy of other sectors of the rural community results, by and large, from the policies of the Victorian Government and the support and encouragement it has given in transport areas, to which it has directed assistance. That is why those sectors of rural industry are prospering and why a number of other sectors are beginning to improve in Victoria.

The manufacturing sector is in a better position in Victoria than in any other place in the Commonwealth. That is the case because the Labor Government, under Jolly Budgets, is willing to adopt a hands-on approach, an interventionist approach, which ensures that there is public sector participation in those areas of the economy where it is essential for it to mate with the private sector and lead to the benefits that Victoria has at present.

One of the areas that the Cain Government touched upon in its Budgets presented by the Treasurer, Mr Jolly, and in its economic document, *Victoria. The Next Step*, was the question of deregulation. As honourable members would be aware, in recent years, "deregulation" has become something of a buzz word, a catchcry, as if it were going to be the solution to all ills. We appreciate that it will not be the solution to all ills, but we are aware that there is and has been excessive regulation in certain areas of the economy, which has inhibited proper growth and development.

The problem was, of course, that this overregulation and this excessive red tape was allowed to develop under previous Liberal Administrations because they were careless
about the way in which business should be able to operate and be allowed to operate. That is why the present Government inherited a bureaucratic system that was vastly overregulated and bound up in red tape, which slowed up development in both the manufacturing and rural areas and in the commercial area generally.

This fact was freely acknowledged by the former Leader of the Opposition in this House, Mr Hunt, when he spoke on the Subordinate Legislation (Deregulation) Bill that he introduced in 1983. He realised that there were masses of regulations and, in fact, in November 1983 he introduced that Bill, which was designed to provide a legislative base for regulation, review and revocation procedures.

There was certainly cross-party agreement about the Bill. In fact, when Mr Hunt introduced the Bill, the Attorney-General said that it was a measure to be treated "seriously and on a non-partisan or bipartisan basis". By agreement, the Bill was referred to the Legal and Constitutional Committee for examination and report.

Appreciating the difficulties and the problems caused in the economy by overregulation, in introducing the Bill, Mr Hunt noted the volume of regulations made in Victoria and other States. He produced to the Parliament a table which illustrated how Victoria was overregulated compared with other States.

Mr Hunt's Bill proposed substantial reforms to Parliamentary power of scrutiny of subordinate legislation and imposed additional requirements which had to be met in the preparation of legislation. Significantly, it contained provisions which, for the first time, would allow a subordinate legislation review committee to examine the policy behind regulatory instruments. This would have enabled the committee to look beyond the traditional questions of whether the delegated legislation breached existing legal rights or whether it was validly made under the empowering Act.

I thought that was quite a bold and innovative step taken by the then Leader of the Opposition in this House because he realised the problems that overregulation caused to an economy. In fact, despite the fact that there was overregulation, he still had some appreciation of the fact that there had to be certain regulations to maintain the social policies and the social structures which the Government had to maintain. He said:

Many of the regulations doubtless have a worthwhile social purpose and some real or perceived social value. One must seriously doubt however that the value of regulations to Victoria approaches (what can be estimated as) 2 billion dollars per annum. The problem is that no assessment of the burdens imposed by the regulations on the one hand against their value to the community on the other occurs in any rational and coherent way—or in most cases, at all—before regulations are promulgated. No systematic examination of alternative courses of action is undertaken. Regulation tends to be regarded as the automatic response to any problem real or imagined. New laws beget new regulations and each regulation gives rise to amendments as loopholes are perceived to emerge. The cost of regulations to business both large and small is staggering. The Confederation of Australian Industry three years ago estimated that cost as $4000 million annually.

Mr Hunt went on in some detail to talk about overregulation that had been allowed to develop under the former Liberal Administration. It is easy for members of the Opposition now to say, three or four years down the track, that there is still overregulation.

However, the Victorian Government recognised—two, three or four years ago—that there was unnecessary regulation in certain areas and it spelt that out in its document, *Victoria: The Next Step*, which relates to the economic initiatives and opportunities for the 1980s.

I would commend to all honourable members in this House a rereading of that document, which is commonly known as our green document for the economic strategy for the next ten years. This Government is the first and only State Government to date to produce a "greenprint", rather than a blueprint, of how the State's economy and future should be planned for ten years.

It was the first time that one of the States sat down and worked out how this should be carried out. The Budget is part of the process of carrying out that ten-year strategy.
The Hon. C. J. Kennedy interjected.

The Hon. M. J. Arnold—As the Government Whip has said, “It is successful”. It ensures that Victoria will successfully go down the track and remain the leader in development in Australia.

In Victoria, The Next Step, we realised that positive approaches had to be taken in relation to the regulation system. We realised there could not just be simplistic calls to change the regulatory system—calls that the Opposition seems to make, saying, “We should all deregulate here and deregulate there”, and remove certain wages and conditions that have been hard won and deserved by the workers of this State, who have contributed solidly to the prosperity of the State.

No; the Victorian Government looked at this matter in a far more serious and realistic manner and introduced a series of Bills aimed at reducing the regulatory impact on the State of Victoria and at slowing down the introduction of regulations and ensuring that the regulations that might be introduced were properly scrutinised by Parliament and Parliamentary committees.

The legislation that the Government introduced included the Subordinate Legislation (Revocation) Act 1984, the Interpretation of Legislation Act 1984 and the Subordinate Legislation (Review and Revocation) Act 1984. In addition to that legislation, the Government established a Regulation Review Unit within the Department of Industry, Technology and Resources.

All those steps have had the impact of streamlining the regulatory review system in Victoria and ensuring that no new regulation would be introduced which would have an economic effect which was detrimental to the development and growth of Victoria unless it had some significant social benefit.

One of the most far-reaching pieces of legislation—the one that has led Australia in relation to the review of subordinate legislation—is the Subordinate Legislation (Review and Revocation) Act 1984. This piece of legislation gives to an all-party joint Parliamentary committee, which has representatives of both Houses of Parliament and of all the parties in Parliament, the power to examine regulations made under Acts of Parliament to ensure that they meet certain standards. This legislation leads the field in Australia.

I, along with the honourable member for Murray Valley, Mr Jasper, and the honourable member for Benambra, Mr Lieberman, from another place, attended a conference in Brisbane in the middle of this year on subordinate legislation. Both Mr Jasper and Mr Lieberman were willing to side with me in supporting and expounding the virtues of our legislation, some parts of which admittedly were foreshadowed by Mr Hunt but which was implemented by the Labor Government.

The Labor Government was willing to translate words into actions, something that, unfortunately, the previous Liberal Government was unwilling to do. Legislation such as the Subordinate Legislation (Review and Revocation) Act, along with the other pieces of legislation I spoke about, the Subordinate Legislation (Revocation) Act 1984 and the Interpretation of Legislation Act 1984, in simple terms means that regulations that had been in existence over a long period had to be reviewed, brought up to date and justified, and if they were not justified they automatically went out of existence.

In addition to that, it set up a process whereby regulations that were introduced subject to that legislation had to include a sunset clause, which meant that they had to be reviewed every ten years.

The President—Order! Perhaps Mr Arnold will now get back to the Budget.

The Hon. M. J. Arnold—Mr President, I had not realised that I had strayed from the Budget. I shall certainly make the point I began with, and that is that one of the concerns of the Budget is to remove some of the inhibiting factors that relate to economic development in Victoria. One of these inhibiting factors is regulation, and that is
acknowledged by all parties in this place. The legislation that has been introduced by the Government since the Labor Party has been in power has had the impact, and certainly has had the objective, of reducing that regulation.

In relation to the Appropriation Bill particularly, money is appropriated for Parliament, for the support services of Parliament and for the committees of Parliament, and the Subordinate Legislation Subcommittee of the Legal and Constitutional Committee is one of the committees of Parliament which carries out the role of reviewing subordinate legislation. It carries out the role of ensuring that there is not excessive regulation in Victoria and that there certainly is not regulation that inhibits Victoria's economic development, and that there is certainly not regulation that is not for the social, economic and general benefit of people in Victoria. That is why it is essential that there be an appropriate allocation in the Appropriation Bill to ensure that committees such as the Subordinate Legislation Subcommittee can continue to carry out their role of perusing subordinate legislation.

In particular, I direct the attention of the House to the regulatory impact statements which are now required under the Subordinate Legislation Act and which have currency because the operation of the Subordinate Legislation (Review and Revocation) Act has to be reviewed on an annual basis, and so the Budget plays a role in what moneys can be appropriated to ensure that reviews can be carried out to ensure that legislation can be examined by the committee annually.

I commend—and I will not go into great detail—a paper that was circulated to most departments headed "Recent developments in the scrutiny of subordinate legislation by the Parliament of Victoria", dated 30 June 1986, prepared by the Honourable M. J. Arnold. I recommend that for the scrutiny of the House.

In winding up, I believe the Government cannot and will not stand still in relation to its reform and review of legislation in Victoria. I suggest in my paper a number of reforms which would make that committee work more efficiently.

The Hon. Rosemary Varty—What has this to do with the Budget?

The Hon. M. J. ARNOLD—It has been interjected, "What has this to do with the Budget?" I should have thought it was made clear by members of the Opposition on some occasions that overregulation is one of the problems affecting the economy of Victoria, and I was making it clear that this State has committed moneys through the budgetary process to ensure the machinery operates through the Subordinate Legislation Subcommittee and through the Regulation Review Unit in the Department of Industry, Technology and Resources to ensure there are no inhibiting factors, such as excessive regulations which slow down the development of Victoria's economy and which will slow down the rapid growth that we have seen in employment opportunities, and slow down the package of benefits that Victoria has received through five consecutive Jolly Budgets.

The Hon. G. P. CONNARD (Higinbotham Province)—I challenge the initial remarks made by Mr Arnold, who always falls for and seems to be convinced by the rhetoric of the Labor Party, when he says that the Labor Government inherited an economy that was going down the drain. The Opposition repeats that the Government was left with a surplus from the previous Liberal Government and not with the disastrous deficits faced today.

I shall comment on the general economy of Australia before I revert to the role of the State in fiscal internal and external balances of the national economy.

The PRESIDENT—Order! I remind Mr Connard to make it a short general view of Australia's economy; the House is debating the Victorian economy.

The Hon. G. P. CONNARD—Certainly, Mr President, but part of the problems faced by Victoria is the international scene and the value of the Australian dollar. I should like 5 minutes to explore those issues before returning to the main point.
I was attracted by an article in the *Bulletin* of 3 December 1985 in which the Sydney broker, Jim Dominguez, told the delegates of an accountants’ convention where the country was heading. He said that the debt of the Australian public had quadrupled during the past ten years and that among developed countries only Italy topped the Australian debt.

He also said that at the time the total borrowings of the Commonwealth and the State, which are interrelated, and public instrumentalities had ballooned from $25.4 billion ten years earlier to $107 billion. That is equivalent to a burden on each Australian taxpayer of $17,250. This money must be repaid, plus interest.

Since 3 December 1985, the Australian dollar has depreciated and now it is down to 64 cents against the American dollar. This places an additional burden not only on the Australian community but also on the citizens of Victoria and the Victorian Government. The public debt on interest payments to foreign financiers totalled $1.9 billion in 1984–85 and burgeoning borrowings will impose increasing strains on Australia’s balance of payments.

Honourable members know that in October Australia suffered a deficit on current account of $1.6 billion. Of that, $500 million was due to imports exceeding exports and the remaining $1.1 billion was due to invisibles, which include interest on Government borrowings and repayment of overseas capital.

Part of the problem faced by the State is that the Victorian Government is supporting its Federal colleagues in what is essentially Keynesian economic philosophy—the Government is pumping money into the economy to stimulate it.

To support my argument I was attracted to an article in the *Australian* of 1 August 1986 headed, “Do we need them . . . can we afford them?”, which stated:

Public Service hiring spree to cost one billion dollars!!

Public Service recruitment over the past two years?

- New South Wales: 6200
- Victoria: 21 400
- Queensland: 7600
- South Australia: 3900
- West Australia: 5400
- Tasmania: nil
- Northern Territory: 900
- Commonwealth: 12 100

I emphasise the enormous increase in Victoria’s public sector compared with other States. Victoria is completely out of kilter with the rest of Australia at a time when there should have been financial restraint.

Mr Arnold referred to the learned exercises being undertaken by the Government, but all it is doing is indebting itself in a burgeoning wage explosion, which has occurred at a time when fiscal restraint is needed.

My argument is supported by a Sydney market research analyst, Max Stollznow, who reported at a convention on the Gold Coast that every man, woman and child in Australia would owe more than $17,000. On that basis, a simple calculation gives one a sum of about $106 billion. One must remember that the country is small and has only six million-odd taxpayers who must earn and pay back this large sum of money. What is the Government doing to implement financial restraint? It is employing more people and it is putting itself further in debt and borrowing more money.

In the *Sun* of 22 October, it is reported that the State Electricity Commission is in debt by more than $7 billion. The article states:

Its annual report . . . shows the $7072 million debt is nearly $800 million up on the previous financial year.
It says $1.6 billion was raised last financial year—$700 million of which was used to refinance maturing debts or restructure existing debt.

The net cost of financing borrowings rose by $106.3 million to $604.1 million because of the higher level of debt and high interest rates...

This prolific Government is wasting money and resources; it has no idea of how it will repay its debt.

I shall instance another example of the way in which the Government wastes money and shows that it has no idea of financial restraint. I refer honourable members to the disastrous Portland aluminium smelter. In an article reported in the Australian Financial Review, Lim Say Boon says:

It appears Victoria will find it extremely difficult to extricate itself satisfactorily from this high risk investment.

The Age also published an article on the aluminium smelter which stated:

This subsidy, possibly amounting to $150 million by the end of the decade, would initially have come from the State Budget, although it would eventually have been covered by any profits the Government earned on its 35 per cent investment in the $1150 million smelter.

But the Treasurer, Mr Jolly, announced that the tariff liability would instead be met by the Government's unit trust, rather than from the Budget.

Essentially this is a mechanism of taking money away from Budget responsibilities and putting it aside so that it does not appear in the Budget Papers.

The Opposition has been trying to detect what the actual financial obligations of the Government are. For three years the Government has been remarkably silent in informing the House and the public of what the community's financial obligations are. As the Opposition and the public learn a little more, the financial disaster becomes bigger.

The Hon. W. R. Baxter—Becomes more alarming!

The Hon. G. P. Connard—that is right. In another article published in the Australian Financial Review, Lim Say Boon reported the Leader of the National Party as saying that the Government would accumulate losses of $173 million from the Portland aluminium smelter in only three years. The Government is supposed to repay this money through profits gained in the aluminium industry. Every indicator shows that the long-term outlook for aluminium is uncertain, at its best.

When an honourable member questioned the Treasurer in another place, the Treasurer said that it was absurd to speak about the Portland smelter cash flow position over the next three years. The Treasurer is saying that it is absurd to speak about a $173 million loss. The Treasurer did not answer my colleague's question, and demonstrated financial stupidity at its best.

I now turn to the comments of Mr Arnold, who remarked how well Victoria is going and the amount of business confidence Victorians have in this socialist Government. The most recent publication of the Australian Federation of Construction Contractors Victoria makes the following remarks about the economy:

The period July 1985 to June 1986 proves to be a less than spectacular year in Australia, economically.

In terms of major indicators the gross domestic product grew by 4.7 per cent, inflation increased to 8.4 per cent and, after an initial easing of monetary policy early in the financial year, a tightening of the money supply resulted in a slight increase in the prime lending rate to around 16-17 per cent.

Any honourable member knows—regardless of whether he is a farmer or businessman—that high interest rates are not the climate in which people seek to enter and develop businesses and do the things they have to do to give free enterprise a go to develop its own momentum and purpose.

I shall refer now to the letter I received some months ago from the Institute of Engineers. I remind the House that Victoria, uniquely, has the highest component of secondary industries in this nation. The Victorian economy is closely associated with the
manufacturing industry. What has the Government done for manufacturing industry? What conversations has the State Government had with its Federal colleagues with respect to the Victorian manufacturing industry?

The report I received from the Institute of Engineers showed that only 10 per cent of the machinery in industry in this State has changed in the past 25 years. Although this was not so important five or six years ago because Victoria could compete on the national market, it now becomes critical for the Government to support manufacturing industry. The State Government must speak to its Federal colleagues about providing taxation incentives for manufacturing industry to replace machinery with modern machinery to allow it to compete on the international market.

As I said, the Government should speak with its Federal colleagues—that is one tool. A further tool would be to provide appropriate taxation incentives to businesses in the transition between the installation of old and new machinery in their factories. A further necessary tool is to retain tariff incentives until businesses are able to overcome the difficulties involved in the transition.

What is the Government doing in respect of that valuable part of the manufacturing component? The Government seems to be accepting in total the recommendations of the Industries Assistance Commission to reduce the tariffs in the clothing, textile and footwear industries from 150 per cent to 50 per cent. Without doubt the indicators show that within twelve months a further 4700 people will be unemployed if that policy is implemented.

However, this Government blithely goes along in support of the shallow disincentives of the Federal Treasurer, which will have dramatic effects of Victoria. The Government does not seem to care one way or the other. The Government is blinded by Keynesian theories that are not necessary in these times. At times a necessity exists for the pumping of the primer; but in the areas this Government is pumping, its efforts are shallow. The Government is employing additional people in the public sector.

When a problem appears, it is easy for the Government to say that a further committee will examine the matter, but it must be remembered that committees cost money. Reports are churned out by the thousands. It is remarkable how few people read them. It is remarkable how little notice the Government takes of them. I suppose it is attractive to the socialist Government that theoretically it is providing employment—useless as it may be.

I shall deal with specific items when the Appropriation Bill is dealt with during the Committee stage. One of the difficulties faced by the community is detecting what the Government is doing with the money that is channelled into some of the traditional areas of Government expenditure.

I am attracted again to a report of the Victorian Hospitals Association Ltd of September 1986 where the executive director of the association makes the comment:

The State Health Budget makes confusing, but disconcerting reading. Unfortunately insufficient detail is available for a complete analysis.

Yet the rhetoric one hears from the Government is that the community will now be able to understand what the Budget is all about now that it has introduced all these marvellous things such as program budgeting which was all the go a couple of years ago and now seems to have gone to the bottom of the boiler because the Government has not been able to manage it.

The comments to which I refer are made by Mr Allan Hughes, the Executive Director of the Victorian Hospitals Association Ltd. It is remarkable that a skilled, well experienced hospital and regional director such as Mr Hughes cannot understand the Budget. An officer with his skills should be able to do so. Mr Hughes states:

The situation regarding acute hospitals is completely obfuscated by the Budget Papers. Subsequent discussions with Health Department Victoria and the Department of Management and Budget have not clarified all relevant issues and it is clear neither department is yet certain exactly how much hospitals did spend last year.
Mr Hughes further states:

As this figure is being used as a basis for the determination of this year's Budget, the confusion can only be clarified by a careful study of last year's spending. At the time of writing, the HDV and DMB were urgently attempting to clarify the situation.

Here one has the second biggest industry in this State funded by the Government. The Government is not able to supply the association with the appropriate figure from which it is to have the Government pay its bills. The rhetoric that is coming from the Government does not help the inability of organisations to rebudget is exemplified by the letter of Mr Hughes. I could quote other letters concerning other Ministries across the board. The Government is great on rhetoric but shallow on action.

Let us look at another couple of instances of the waste of Government money. I referred earlier to the Portland smelter project and I shall deal with other aspects of that subject as the House further examines the Appropriation Bill.

I shall now touch upon the massive losses totalling $953 million sustained by the State Transport Authority and the Metropolitan Transit Authority which represents a horror story for Victorian taxpayers. Last year the Metropolitan Transit Authority lost $472.6 million and the State Transport Authority lost $480.5 million. The blow-out in losses for those two authorities represents a 13.1 per cent increase over the last financial year. The Government does not seem to turn a hair. It does not seem to be able to manage. It is interesting to note the changeover of senior office bearers that has taken place in the department as the Labor Party wants to blame the bureaucracy instead of itself being bereft of modern economic practices.

It is something like an enormous lump of lard that is chewing up Government money at a rapid rate of knots. These moneys are being borrowed from overseas—or a great proportion of them are—and because they have been borrowed from overseas, because of the cost of that money from overseas and because of the stupid policies of its Federal partners, it is putting a further load on the Victorian Government as those debts have to be repaid.

Prior to its coming to office, the Government referred to hollow logs. When it came into office, there were few hollow logs to be explored so it taxed many of the Government instrumentalities with the fallacious theory that those instrumentalities should be paying dividends to the Government. The realities are that all the charges imposed by Government instrumentalities, such as gas, water and electricity, are all exploding into high costs of services to our community. The Government is not concerned about the community; all it is concerned about is, like a juggernaut, rolling on without a single care for the community.

These moneys have to be paid back and they must be paid back by taxpayers. On the resumption of a Liberal Party Government—and that will happen at the next election—I can only say, as an individual from the Liberal Party, that we will have to hold back Government expenditure. We certainly will not be looking at popularity in implementing the policy; but then, as a community, we cannot afford to do so. The reality of the present economic situation should be pointed out to the Australian people in the same way that Winston Churchill had to point out the realities of where Great Britain was heading in the last war.

I am sure that when the Victorian community realises the truth and learns the fiscal liability of the socialist Government and what it has led Victorians and Australians into, the Labor Government will fail and continue to fail for many years.

The President—Order! I shall deal with the Appropriation (1986–87, No. 1) Bill first. The question is:

That this Bill be now read a second time.

The motion was agreed to.
The Bill was read a second time, and it was ordered that it be committed on the next day of meeting.

CORRECTIONS BILL

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. J. H. KENNAN (Attorney-General), was read a first time.

STATE ELECTRICITY COMMISSION (FURTHER AMENDMENT) BILL

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, which further amends the State Electricity Commission Act and the Electric Light and Power Act, deals with a number of important, though unrelated, matters where amendment is necessary or highly desirable at the present time.

The Bill contains four main provisions, as follows:

- provisions relating to acquisition of lands at Morwell by the State Electricity Commission;
- provisions relating to tree clearance from electric lines;
- financial accommodation; and
- penalties.

With respect to the compulsory acquisition or purchase of lands at or within 32 kilometres of Morwell by the commission, section 23 of the State Electricity Commission Act presently provides that the commission acquires such lands for the Crown and they thereupon become alienated lands of the Crown. The Governor in Council may regrant these lands to the commission. However, this is a tedious and expensive process and a lengthy interval invariably occurs before the commission obtains title. Clause 4, therefore, removes this effect on new acquisitions and, in respect of past acquisitions, provides for lands to revest in the commission.

Honourable members will recall that the Government took prompt action after the serious Ash Wednesday bushfires of 1983 to clarify the responsibilities of occupiers of land to prevent fires. This led to passage of the State Electricity Commission (Clearance of Lines) Act 1983.

Following criticism of certain aspects of the legislation by the Municipal Association of Victoria—MAV—and other interested parties, I am pleased to be able to say that negotiations have taken place with the association resulting in agreement being reached on all major issues. The Minister for Industry, Technology and Resources has given an undertaking that certain municipal areas in the country will not be declared as urban areas unless their character should change significantly in the future. Some 90 councils have already been advised that they will be exempted. Upon detailed examination the Minister has decided to exempt a further three municipalities as not warranting any declaration. Further matters agreed upon are reflected in the proposed amendments to Part VI.

As previously indicated, it is important that there be a clear division of responsibilities for tree clearance before this summer begins. The Minister for Industry, Technology and Resources also indicated that the State Electricity Commission would consult with councils in an effort to have urban areas defined and declared as soon as possible. That consultation has taken place and is continuing.
As a result the Minister has agreed to the declaration of urban areas in 98 municipalities. Discussions are continuing with a small number of other municipalities as to declaration of areas in their municipalities; these discussions are expected to conclude soon.

In identifying areas to be declared as urban areas, a conservative approach has been taken by the State Electricity Commission, which has ensured that declared areas are urban in character. The commission has consulted extensively with the municipalities concerned to take account of special local circumstances. The provisions contained in this Bill will ensure that its benefits apply to those areas which will be declared.

The commission will be providing a phased three-year period of assistance with tree clearing to those municipalities which have not previously been addressing their tree clearing responsibilities. This phasing-in period should ensure that these municipalities are not faced with financial difficulties in this respect.

Honourable members may be assured that the reasonable concerns of all public organisations and private individuals have now been addressed in the proposed amendments to Part VI.

The amendments make it clear that areas for which a fire control authority allocates a fire hazard rating of "high" or "very high" will not be declared "urban areas" and, as such, will remain the commission's responsibility.

The eleven Melbourne municipal electricity undertakers will be excluded as it is not desired to interfere with their existing responsibilities for tree clearing which are contained in the orders under which they operate to supply electricity.

The Bill provides exemption of municipalities and public authorities from criminal liability for failure to comply with obligations under Part VI. Part VI exempts employees from civil liability where work is done in good faith and declares that the duty of care of councils to persons and property is not changed from that which existed previously.

I am confident that these alterations to Part VI, which reflect a cooperative spirit of community interest, will ensure that all persons concerned with trees and powerlines play appropriate and responsible roles in protecting Victoria from bushfire and ensuring public safety generally.

I now turn to some minor amendments of provisions relating to the raising of funds by the commission. The guarantees of the Government of Victoria in respect of debentures and stock and those in respect of advances and financial accommodation obtained by the State Electricity Commission are presently inconsistent for borrowings which have been or are to be undertaken. Although, in both cases, repayment is guaranteed by the Government of Victoria the guarantees are different in wording and possible effect. Neither guarantees all moneys which might be secured by the lending document. Clause 7 removes these discrepancies.

Clause 8 clarifies the rights of a lender to have a receiver appointed. It provides that all lenders, whether secured or unsecured, will have access to the receiver provisions but that no person will thereby have a greater priority for payment than they would have had had the provisions not been made. This will ensure that the relative priorities of existing lenders are not changed.

The final aspect of the Bill—the amendment of penalties—was foreshadowed in the last sessional period, when honourable members will recall that references to monetary penalties in the Act and the Electric Light and Power Act were converted to penalty units. It is proposed to amend penalty provisions in both Acts to be reasonably consistent and more reflective of perceived community attitudes and relative seriousness. Most penalties have remained unchanged since 1934. These penalties are now considered to be inappropriate in their amounts, dealing as they do with matters of importance to the community such as public safety, theft, fraud and dangerous practice. I commend the Bill to the House.
On the motion of the Hon. H. R. Ward, for the Hon. ROSEMARY VARTY (Nunawading Province), the debate was adjourned.

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

**ADJOURNMENT**

**Warragul cycling velodrome—Grampians National Park—Planning Appeals Board—Nurses’ dispute—Tests on imported cheese—Heywood, Penshurst and Macarthur hospitals—Lorne Parade reserve, Surrey Hills—Heatherton Hospital—Fundraising Appeals Act—Car parking fees at Yarra Park—Plumbers Gasfitters and Drainers Registration Board—Firefighting requirements in pine plantations—Distinguished visitor**

**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 refer the Minister for Conservation, Forests and Lands to the velodrome used by the Warragul Cycling Club at Logan Park in Warragul. For some time argument has existed over the removal of the velodrome, which was built in the 1960s. Indeed, Mr Peter Bartels, who is the current head of Carlton and United Breweries Ltd, trained there before winning a gold medal.

The Warragul Harness Racing Club wants to extend the harness racing track by acquiring the velodrome used by the Warragul Cycling Club. When the velodrome was built, it was thought that the land would never need to be acquired.

Some peculiar stories have been told by the Warragul Harness Racing Board, which claims that the velodrome would have to go otherwise it would close the club. Some action was proposed by the Logan Park Committee of Management and the Shire of Warragul. However, in a publication issued on 4 November the committee of management indicated that no work would be undertaken to demolish the velodrome unless the Minister for Conservation, Forests and Lands gave permission. It was also claimed that the Minister had indicated that she would not authorise the demolition unless good reason was shown why demolition should take place and adequate compensation paid.

Although the cycling club is concerned for its future, it is happy to move providing the velodrome is rebuilt on another site. The Warragul Harness Racing Board is reluctant to pay sufficient compensation for the velodrome to be constructed on another site.

Will the Minister indicate what information she has received on the proposal to demolish the velodrome. Will the cycling club be left without a training track and the necessary facilities?

I hope the Minister has been briefed on this matter and can throw some light on the future of the cycling club and the action proposed by the Logan Park Committee of Management.

**The Hon. B. A. CHAMBERLAIN** (Western Province)—I refer the Minister for Conservation, Forests and Lands to an issue I raised three weeks ago concerning the state of the road network in the Grampians National Park.

Since raising that issue with the Minister and the attendant publicity, I have received letters from other people who have written to the Minister pointing out the particular problems and dangers in parts of the road system. Since I raised the issue the Minister has visited the area.

I know the Minister was going to obtain a report from one of her regional managers. Is the Minister now able to give an assessment of the issue I raised and can she indicate what remedial action can be taken before the roads deteriorate too much?

**The Hon. R. S. de FEDELY** (Ballarat Province)—I refer the Minister for Planning and Environment to a planning appeal by Mr and Mrs Turner of Stawell. The Turners wished...
to subdivide some of their property and they appealed against the costs originally
determined by the Planning Appeals Board to upgrade the road which led to the subdivision.

The details of the appeal are no longer relevant because a telephone call I made to the
Chairman of the Planning Appeals Board resulted in a resolution of the matter.

The appeal was heard on 6 August this year but it took the best part of sixteen weeks to
determine the matter and this length of time put the couple to a great deal of trouble and
expense.

I ask the Minister to investigate the workload of the board to determine whether it is
too great, and, if so, to determine whether the appointment of more staff would help speed
up the appeals process so that people can obtain quicker determinations by the board.

The Hon. J. V. C. GUEST (Monash Province)—I ask a simple question of the Minister
for Health: approximately how many nurses, who are paid either directly or indirectly out
of the Consolidated Fund, are on strike at present, and what is the daily saving to the
public purse?

The Hon. ROBERT LAWSON (Higinbotham Province)—Can the Minister for
Agriculture and Rural Affairs indicate what tests are being made on imported cheese.
Much cheese is imported into Australia from Scandinavian countries, especially Denmark.

The Minister will be aware that, as a result of the recent Chernobyl disaster in the Soviet
Union when that power station blew up and a cloud of radioactive gas drifted across the
Scandinavian peninsula, there was considerable worry that radioactivity may have hit the
food chains because dairy products particularly are susceptible to radioactivity.

I ask whether any tests for radiation are made on the cheeses that are imported into this
country from the affected areas.

The Hon. R. M. HALLAM (Western Province)—I raise an issue with the Minister for
Health concerning hospital budgets which, despite the fact that it is nearly five months
into the Budget period, are still to be finalised—an extraordinary situation. I refer
particularly to the preliminary Budget targets which regional administration has now
released in relation to the Heywood, Penshurst and Macarthur hospitals, all of which show
a dramatic decrease on last year's funding. The hospitals have been given a so-called
justification for the cutbacks—the need to implement expenditure review initiatives and
regional reallocation criteria—but, significantly, the hospitals have not been given any
idea of the basis of calculation.

The cutback to the Heywood Hospital is $10,000, which is 1.2 per cent reduction in the
aggregate budget but a 4.8 per cent cutback in the non-salary sector; the Penshurst Hospital
has a reduction of $18,000, which is a cutback of 4.5 per cent against the aggregate budget
but a reduction of 15.4 per cent in the non-salary sector; and the Macarthur Hospital has
a reduction of $28,000, which is a cutback of 7.8 per cent of the aggregate budget, but a
massive reduction of 30.5 per cent in the non-salary sector. The hospitals have been told
that those savings are to be made up from non-salary items, which is totally impracticable.

If these clearly unrealistic financial allocations are to be imposed on these hospitals, I
ask the Minister whether he will at least release those hospitals from the restriction that
economy must be achieved in the non-salary sector. If the hospitals are to be forced into
such an untenable situation and have no realistic alternative other than to retrench staff, I
ask whether the Minister will support that action.

The Hon. ROSEMARY VARTY (Nunawading Province)—The matter I refer to the
Leader of the House, who is the representative in this place of the Minister for Education,
relates to a small park at Lorne Parade, Surrey Hills, called the Lorne Parade reserve,
which is owned by the Ministry of Education. Over the past 50 years it has been maintained
and improved by the City of Box Hill which has installed playground equipment,
maintained that equipment and regularly upgraded it. It is one of only a small number of
parks in the area bounded by Whitehorse, Elgar and Canterbury roads. There is no other open space available in this area. It is imperative that the land remains as a park.

The land is unencumbered because a large water main traverses that open space. It is a 1 metre water main so that even if the land were sold for residential purposes it is doubtful whether residential development will be able to proceed on that property. There would need to be consultation not only with the Minister for Education but also with the Minister for Planning and Environment on the future of this land.

The Hon. G. P. CONNARD (Higinbotham Province)—I bring to the attention of the Minister for Health the situation of the Heatherton Hospital which is almost a classic case of that famous television program, Yes, Minister, where the Minister found a hospital fully serviced but without patients. Recently, the Minister for Health has found that he has this hospital under his jurisdiction. Traditionally it has been a tuberculosis hospital and I am aware that the six or seven tuberculosis patients are not classic tuberculosis patients but are tuberculosis-alcoholic patients and do not require the traditional acute hospital beds.

I should like to discuss with the Minister what his intentions are for the hospital. I understand that he has made a statement that it is to be used for psychiatric purposes with the retention of a few beds for alcohol and drug addicts. I request the Minister to inform the House how many beds he anticipates that the hospital will have as soon as he finds the money for it and how many beds will be available for alcohol and drug addicts. I wish to know whether there will be any area within that hospital for detoxification of drug addicts. Further, I should like the Minister to inform the House when he will make money available for the staffing and redevelopment of the hospital.

The Hon. REG MACEY (Monash Province)—I direct a matter to the attention of the Attorney-General. Recently I have sought information from Mr John Murphy, the controller of the Fundraising Appeals Act 1984, and I have discovered as a result of information he supplied that the Act is silent on the question of the percentage of funds raised by a charity that may be expended on administration. Theoretically, it is possible for an organisation to spend 99 cents of each dollar that it raises from the community on operating expenses and that does not draw upon it any action or control by the Government or by the Law Department.

I ask the Attorney-General to consider setting up guidelines for the controller of the Fundraising Appeals Act so that he is able to make a realistic assessment of the efficiency of a fundraising organisation or, alternatively, whether the Attorney-General will consider initiating legislation on this matter. It is a matter of concern to people in the community that the money they have contributed towards charitable organisations is utilised to the best possible purposes of the organisation raising the funds. I request the Attorney-General to give serious consideration to this issue.

The Hon. J. G. MILES (Templestowe Province)—I refer to the Minister for Conservation, Forests and Lands to the car parking arrangements at Yarra Park, which is adjacent to the Melbourne Cricket Ground. In 1982 the parking fee was 80 cents; in November 1984 that was increased to $2. It is my understanding that the Corporation of the City of Melbourne has requested the Minister to agree to a further increase in car parking fees from $2 to $4 to be operative immediately the request is granted. Surely, the increase from 80 cents in 1982 to $2 in 1984 was steep enough without an exorbitant increase from $2 to $4.

This evening's television news highlighted the outrageous request of the Corporation of the City of Melbourne for an increase in fees that will be inflicted on the average sports loving citizen of Melbourne. The Labor Party Government purports to represent the average person and, on occasions, even the working class of Victoria. The majority of crowds attending league football and international cricket matches can be described loosely as battlers, particularly in these tough economic times that are inflicted on the community by the socialist Government of Victoria.
The PRESIDENT—Order! The honourable member is entering into a debate on the subject and should restrict his remarks to the area of Government administration.

The Hon. J. G. MILES—Therefore, I ask the Minister, firstly, to comment personally on this outrageous attempt at a blatant rip-off by the Melbourne City Council. Secondly, will she give some undertaking on behalf of the Government that she will reject this money-grabbing request by the Melbourne City Council?

The Hon. A. J. HUNT (South Eastern Province)—I desire to raise an issue for the attention of the Minister for Planning and Environment. A year ago this Parliament passed a Bill to enable the Minister to appoint a revamped Plumbers Gasfitters and Drainers Registration Board. A year later that new board has still not been appointed. I understand that the Minister promised in June of this year that the new board would be appointed by the end of July. That is four months ago. I understand further that the Minister saw a deputation in August when outstanding differences were substantially resolved and when advice was that the appointment of the board was imminent.

The public has not been advised so far of the appointment of that board, and I ask the Minister what has been the reason for the delay. I heard the Minister interject that the board was appointed today.

The Hon. J. H. Kennan—I said I have become patient, and that the board was appointed today.

The Hon. A. J. HUNT—I ask the Minister what was the reason for the delay. I had intended to ask him when he would move on it, and I am glad to hear that he has moved on it today.

The Hon. W. R. BAXTER (North Eastern Province)—The matter I raise for the attention of the Minister for Conservation, Forests and Lands concerns apparent differences in firefighting requirements between privately-owned pine plantations and those planted and owned by her department. I understand that pine plantation owners are required to install a number of dugouts to be used as shelters by firefighters in the event of a fire and for firefighters needing to take shelter because of a change in wind or whatever.

I am not sure who has put the requirement upon the owners—whether it is the Minister's department, the Country Fire Authority or the council issuing the planning permit. I do not argue with that requirement, but I understand that similar dugouts are not customarily provided in publicly-owned plantations.

I direct the Minister's attention to considerable concern that is being expressed to me in north-eastern Victoria about the absence of such dugouts by volunteer members of the Country Fire Authority, particularly as they perceive that, in the future, they will be increasingly called upon to assist in fighting fires in publicly-owned pine plantations because of the fewer number of people from the Department of Conservation, Forests and Lands in the area for a whole host of reasons. They do not object to offering their services in such circumstances, but they are concerned that inadequate provision is being made for their protection should circumstances so dictate.

At meetings at Tallangatta and elsewhere recently, it has been suggested that in such circumstances the Country Fire Authority and other officers would, by radio, direct authority firefighters out of the face of the fire. That does not seem reassuring, to put it mildly, and I ask the Minister to investigate the matter with a view to providing appropriate dugouts at locations within pine plantations.

The PRESIDENT—Order! Before calling on Ministers to respond, I direct the attention of the House to the fact that visiting Parliament this evening is Nicola Maria Sanese, Under Secretary for Industry and Commerce in the Italian Government. On behalf of honourable members, I welcome Mr Sanese. He is visiting Victoria, and we hope he has an enjoyable stay while he is here.
The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—Mr Lawson asked what decisions have been made on imported cheese, particularly cheeses that may have come from areas of Europe that were affected by radioactive fallout from the Chernobyl disaster. The question requires a detailed answer. I am not able to offer it in the House, but I shall provide an answer at the earliest opportunity. I am interested in the result of the matter myself.

The Hon. Robert Lawson—Do you want it on notice?

The Hon. E. H. WALKER—I shall obtain an answer tomorrow, if possible.

Mrs Varty raised a matter in regard to the Lorne Parade reserve in Surrey Hills. It is a matter for the attention of the Minister for Education and possibly one or two other Ministers. I shall have the matter taken up with appropriate Ministers and an answer prepared as soon as possible.

The Hon. D. R. WHITE (Minister for Health)—Mr Guest asked a specific question which followed questions put without notice earlier today. I shall treat it as a question on notice and determine whether the relevant statistics have been collected. If so, I shall pass them on at the appropriate time.

Mr Hallam raised a matter, firstly, on the timing of the introduction of the health budgets. In view of the fact that the State Budget does not come down until September each year and is not approved until the end of November, the normal process for establishment of budgets for each hospital is earlier this year than in previous years. The process will also be resolved for 165 public hospitals in the State by the end of November, which is also earlier than in previous years. In future years, hopefully it will be brought forward for emergencies with the agreement of hospitals.

In respect of the three hospitals Mr Hallam named, in the first instance I shall direct the matter to the attention of Tony Ryan and Ross Naylor of the regional director's office in order to obtain information about how these budgets were arrived at for the three specific hospitals. With respect, it is probably based on the utilisation of the acute beds for the past year and the projected utilisation of those beds in the next year.

If, after discussion with either one or other of those officers, Mr Hallam wishes to pursue the matter with me further, either for or on behalf of hospitals by way of deputation or by making representations directly to me, I look forward to hearing further from him. The Government has already determined the budgets by agreement with approximately 70 hospitals and, between now and the end of November, it will be resolving budgets with outstanding hospitals.

In respect of the matter raised by Mr Connard about Heatherton Hospital, it is true that tuberculosis has been virtually eradicated, except in some alcoholics and immigrants from various parts of Africa, Latin America and South-East Asia. Fortunately, there are very few tuberculosis patients. The resources at Heatherton Hospital are, therefore, being scaled down and some of the patients are being relocated.

New premises are under construction which will provide the potential possibility for relocation of some patients to Willsmere Hospital, which is a matter under active consideration by the Government at the moment arising from the all-party Social Development Committee report on the future of Willsmere Hospital, about which I shall be in a position to say more later in the year.

The Hon. J. H. KENNAN (Attorney-General)—Mr Macey raised with me a matter concerning the control of fundraising appeals. The Fundraising Appeals Act does not prescribe a reasonable amount to cover the cost of administration of funds. Such prescriptions would be undesirable because it is difficult to define what administration may be and charities vary in the size of their expenses and revenues; also, the calculation of composition and percentages across the board in this area would be difficult. As Mr
Murphy knows, in the case of the South Melbourne Community Chest, the cost of administration is reasonable.

I urge Mr Macey to take a leaf out of the book of Mr David Kennedy, in another place, who is an outstanding local member. Mr Kennedy, at all times, acts in the public interest. I urge Mr Macey to speak to Mr Kennedy so that he may pick up some points.

I will examine the particular details of the matter raised by Mr de Fegely, who may have raised a similar matter with me on another occasion.

The Hon. R. S. de Fegely—Speed up the results of the determinations of the appeals board.

The Hon. J. H. KENNAN—I may have written to the honourable member about that. It is really not a matter of me speeding up the board’s determinations, but to make an inquiry. If it is the same matter that Mr de Fegely previously raised, to which I replied by letter, a determination is imminent.

Mr Hunt is about to emerge as a new person. He is throwing off the legendary patient obstructionism by darker forces behind him and is about to join with me in facilitating the process. Unfortunately, I temporarily lapsed with the Plumbers Gasfitters and Drainers Registration Board into the patient lethargy that normally categorises Mr Hunt’s political behaviour in this place. However, I have now taken the initiative and appointed Mr Colin Daniel as the part-time chairman of the board which will be constituted shortly. Two important appointments are to be made in the not-too-distant future.

I have proceeded at a pace that Mr Hunt usually finds extremely comfortable, because when the Government tries to do anything in the Chamber on less than ten months’ notice honourable members opposite say that the Government must consider this or that.

The Hon. A. J. Hunt—What is the reason for the delay?

The Hon. J. H. KENNAN—I was just a bit slow. I do add that it is unlike me to be quite as slow as on this occasion, but honourable members opposite appreciate the speed with which I normally move, which alarms them on so many occasions, and they have to take the good with the bad.

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—Mr Ward asked me about the velodrome in Warragul, which has been under consideration for some time. It is the responsibility of Mr Trezise, the Minister for Sport and Recreation, and I will ensure that in the negotiations the velodrome’s importance and interests are protected.

Mr Chamberlain asked me a follow-up question on the condition of the roads in the Grampians. I did travel over most of those roads while visiting the Grampians recently. I travelled on the Mount Zero Road, which is clearly a road that needs considerable reforming. One would not have got through Skate Road without a four-wheel drive. Pohlners Road was open to both four-wheel drive and normal traffic and the old Glenelg Highway would have caused trouble for cars unless they were four-wheel drive. It is clear from discussions with my regional manager that the major reasons for the lack of action are not lack of money or lack of intent, but the extraordinary wet weather that has been experienced in the Grampians. Now that the weather has started to clear my regional manager has allocated more than $250,000 for road improvements. That will begin what is quite a major task, to provide adequate tourist roads in the Grampians, other than the roads that are acceptable major roads, which will be a matter to be taken up with both the Victorian Tourism Commission and local government, which is in some difficulty with the cutbacks in Federal funding.

It is clear that if we are to have proper access to those magnificent assets, and I am even more convinced that the Grampians are magnificent after spending four days there, there has to be a better negotiating plan between the responsible agencies, including the shires.
There is considerable variation between the shires and their commitment to the Grampians as a tourist area and some shires could lift their game. With the assistance of local members and, I am sure, the tourist association, the Government can make further progress.

Mr Miles asked me to comment on the Melbourne City Council's increase in parking fees at Yarra Park. I am not sure whether the honourable member asked the question on his behalf or Mr Guest's behalf, or whether Mr Guest would have asked me a slightly different question. It is not appropriate for me to comment on matters in the adjournment debate which have not yet been decided and I shall let Mr Miles know of my decision when I have discussed the matter with the Melbourne City Council, which I am about to do. I can assure Mr Miles that I will keep the people of the western suburbs, to whom he fleetingly referred, which is a nice change, in the forefront of my consideration.

Mr Baxter asked me a question about the need for dugouts in pine plantations on public land, which his information suggests may not be required but which are required on private pine plantations. I will investigate that matter as I am not sure of the requirements. I am proud of my department's record in the protection of officers, whether they be from my department, from the Country Fire Authority or volunteers in firefighting. I am sure they would want to ensure that that continues. One point I would like to correct in Mr Baxter's comments, and I know he was reporting other people's comments, is that there has not been a decrease in the number of fire personnel to fight fires in my department. In fact, since regionalisation there has been a considerable increase.

The Hon. W. R. Baxter—What is the strength of the talk that you are only going to fight fires for 8 hours a day? Is there any substance in that?

The Hon. J. E. KIRNER—That relates to the threatened action over the Emergency Services Superannuation Bill if Department of Conservation, Forests and Lands people were not included in the Bill. The Bill is now before the other place and the industrial matter is being resolved.

The motion was agreed to.

The House adjourned at 11.18 p.m.
QUESTIONS ON NOTICE

GOVERNMENT VEHICLE ACCIDENT CLAIMS
(Question No. 156)

The Hon. N. B. REID (Bendigo Province) asked the Minister for Agriculture and Rural Affairs:

What are the details of all payments made to the sixteen people injured in accidents involving unregistered and uninsured Government vehicles during the period 1 August 1985 to 17 September 1985 inclusive, specifying the source of those payments and full details of any unsettled claims?

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

There were no accidents involving unregistered and uninsured Government vehicles belonging to the Department of Agriculture and Rural Affairs during the period 1 August 1985 to 17 September 1985 inclusive.

CLOSURE OF ONE-MAN POLICE STATIONS
(Question No. 158)

The Hon. F. S. GRIMWADE (Central Highlands Province) asked the Minister for Conservation, Forests and Lands, for the Minister for Police and Emergency Services:

(a) What is the Government's policy on the closure of one-man police stations in country areas?

(b) Will Pyalong police station be closed?

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—That answer supplied by the Minister for Police and Emergency Services is:

(a) This Government would not consider closing any police station in Victoria unless a recommendation to that effect has been received from the Chief Commissioner of Police. The chief commissioner has also been advised that no recommendation for closure of a police station should be made before there has been full and frank consultation with the local community.

(b) The chief commissioner has not made any recommendations in the case of the Pyalong police station.
Wednesday, 19 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)—I direct my question to the Minister for Health and ask: is it a fact that “nurses have for too long been kicked around by hospital boards of management and doctors”, as stated by the Premier on the Michael Schildberger radio program yesterday?

The Hon. D. R. WHITE (Minister for Health)—I have a statement from the Premier in relation to that matter.

The Premier did not intend any adverse reflection on doctors and/or boards of management. On the contrary, he is very appreciative of their efforts in the current difficult situation.

In reflecting on hospital boards, the Premier was merely speaking, as he said, in an historical context. The point he was trying to make was this:

It is well known that, from the nurses' perspective, they have been the “ham in the sandwich” in the hospital system for many years, that is, under pressure from doctors and management, on the one hand, and patients and the public, on the other hand.

To that statement I merely add, “and significant neglect by the previous Government over 27 years”.

TRANSFER OF PATIENTS TO COUNTRY HOSPITALS

The Hon. K. I. M. WRIGHT (North Western Province)—The Minister for Health has already informed the House that some patients from public hospitals are being transferred to private hospitals; and the National Party commends this step.

However, I inform the Minister and the House that at country hospitals, such as the Hamilton Base Hospital, there is a capacity to admit up to 50 per cent more elective surgery patients than there would be at other country public hospitals in this category.

Will the Minister inform the House whether he will consider transferring patients to these hospitals to reduce the ever-increasing waiting list for elective surgery?

The Hon. D. R. WHITE (Minister for Health)—The Government is aware of the situation at the Hamilton Base Hospital. It is also aware of the pressure under which the Portland and District Hospital is operating, which has been brought to the attention of the House both by Mr Chamberlain and Mr Hallam.

As I have indicated on more than one occasion the regional director is in the process of and responsible for ensuring that there is an effective allocation of resources. The Hamilton Base Hospital has recognised that there is an opportunity to make some of its resources available to assist the Portland and District Hospital and steps will be taken to ensure that that takes place; to relieve the pressure at Portland.

In addition, I take note of the issue that the hospital has raised in respect of medical and surgical activity. It is true that in some parts of the country there is, relative to parts of the metropolitan area, a greater proportion of acute beds per head of population but it is not always the case that the relevant medical and surgical skills are necessarily also present.
However, where they do exist, the Government will take further steps to make use of those skills.

**BUILDING HEIGHT CONTROLS ALONG PORT PHILLIP BAY FORESHORE**

*The Hon. M. J. SANDON (Chelsea Province)—*Since becoming a member of Parliament and, indeed, prior to entering Parliament, I have been interested in the height of buildings adjacent to Port Phillip Bay. I would like to ask the Minister for Planning and Environment whether, in fact, the Government plans to continue the interim development order introduced twelve months ago to restrict the height of buildings to two or three storeys on land adjacent to Port Phillip Bay? In answering the question, would the Minister also indicate whether he perceives a difference between commercial buildings and private dwellings in respect of this order?

*The Hon. J. H. KENNAN (Minister for Planning and Environment)—*I thank Mr Sandon for the interest he has shown in the area, as has Mrs Lyster, in relation to bayside development.

*The Hon. J. V. C. Guest—*What about my interest in Port Melbourne?

*The Hon. J. H. KENNAN—I* acknowledge that. Late last year, the Government introduced height controls around the bay from Elwood to Frankston and the controls effectively prohibited developments in excess of two or three storeys for distances of 200 metres to 1 kilometre inland, depending on local conditions.

Fortunately, there has been very little high-rise development between Elwood and Frankston, and there is still an opportunity to protect this important area of coastline. It is not too late. The coastline needs to be protected from insensitive development.

There has been a good deal of public support for the introduction of these height controls. On Wednesday of last week, a twelve-month extension of the interim development order came into operation, so that a “holding control” will be in place while a planning scheme amendment is placed on exhibition for public comment, with the intention of permanently amending the scheme.

The effect of the planning scheme amendment will be to reinforce and to strengthen the height controls, which were introduced last year, and the major change will be a limiting of the height of houses to two storeys.

There is a difference between houses and commercial developments—and I am not suggesting that we are in favour of high-rise commercial developments, but certainly the major change will be a limiting of the height of houses to two storeys and most probably a three-storey limit for other forms of development.

I look forward to receiving public submissions on the proposed planning scheme amendment and there will be, in the ordinary way, every opportunity for public comment on it.

I would expect that the whole process, after exhibition and comment, will take possibly a good deal of the next twelve months; hence the reason for extending the interim development order as a “holding control” for the next twelve months.

I hope the introduction of final controls will provide the community with proper protection and sensitive development along this important stretch of Port Phillip Bay.

**WAITING LISTS FOR SURGERY**

*The Hon. B. A. CHAMBERLAIN (Western Province)—*Given the repeated statements by the Minister for Health to the public and to the House that public hospitals are coping well with the current industrial dispute, how does he respond to the statement by the
President of the Royal Australasian College of Surgeons, Mr Donald Macleish, that some patients have had to have limbs amputated due to the long wait for treatment?

The Hon. D. R. WHITE (Minister for Health)—Throughout the course of last week I made it clear that the situation was manageable, albeit with restricted patient care. That statement was amended over the weekend after advice from the Coordinator of Critical Care Services, Dr Bernard Clarke, that the situation had become more difficult in some hospitals specifically, and that statement was made public—I made a statement to that effect on Sunday. In addition, yesterday in the House I said that it was a tighter and more difficult situation.

The Hon. R. I. Knowles—Yesterday you said it was “manageable”.

The Hon. D. R. WHITE—I used both expressions. I made the position quite clear on Sunday, and Dr Bernard Clarke also released a statement on Sunday. Today Health Department Victoria made Dr Clarke available to make further comment, if called upon, at the proceedings before the Full Bench of the State Industrial Relations Commission.

In respect of elective patients waiting for vascular surgery, last week it was drawn to our attention that there was a patient from Tatura in need of vascular surgery at Prince Henry’s Hospital who, if not operated upon, because of a deteriorating condition might require an amputation. Fortunately in that specific circumstance that person has since been admitted to hospital and attended to.

I note and respect the remarks made by the President of the Royal Australasian College of Surgeons, but at the moment I am unaware of any other specific case where a person’s condition has deteriorated to such an extent that an amputation has become necessary.

The Hon. B. A. Chamberlain—Mr Macleish made a statement that such a situation has arisen.

The Hon. D. R. WHITE—I am unaware of any specific case; nor has one been brought to my attention. Each day the department has regular contact with representatives of the Australian Medical Association for and on behalf of all medical directors and all chiefs of medical staff, and that matter has not been brought to our attention.

The Hon. M. A. Birrell—Why don’t you ring up?

The Hon. D. R. WHITE—Mr Birrell should contact the Australian Medical Association. As a result of that contact with the association, one specific case was brought to our attention, which has been dealt with. Any other cases that are brought to our attention will also be dealt with appropriately.

OFFICE OF PSYCHIATRIC SERVICES

The Hon. R. M. HALLAM (Western Province)—I refer the Minister for Health to the seventh annual report of what was known as the Health Commission of Victoria—now Health Department Victoria—covering the year 1984-85 and more specifically to page 73 where it states:

In June 1985, the Premier announced the creation of a new Office of Psychiatric Services. While its role and functions are yet to be clarified this office will have a significant input to the development of overall policy of mental health services in this State. The 1985-86 year will see the implementation of this new structure.

Has that office been established and what services have been introduced specifically on a regional basis?

The Hon. D. R. WHITE (Minister for Health)—The Office of Psychiatric Services has been established. Health Department Victoria has been fortunate in obtaining the services of Mr John Rimmer from the social policy section of the University of Melbourne to assist in policy formulation. In establishing the Office of Psychiatric Services, Health Department Victoria has worked in close conjunction with all major institutions on programs to increasingly enable the department to move people into homes closer to their original
places of residence, and those programs are continuing. All of the programs are undertaken in close consultation with regional offices.

**BUSHFIRE PREVENTION**

The Hon. B. W. MIER (Waverley Province)—In view of the very dry season being experienced in some parts of Victoria, would the Minister for Conservation, Forests and Lands inform the House what action her department is taking to meet its responsibilities in State forests, national parks and other protected public lands?

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—I thank Mr Mier for his important question. It is a fact, as most honourable members will know, that although the season has been wet in most of Victoria, east Gippsland has a drought situation and there is considerable concern that there will be an early start to the fire season. Already, there have been some small fires in forest areas both in east Gippsland and in the far north-west of the State. It is proposed to introduce restrictions on the lighting of fires earlier than usual in these two areas.

My department, as in previous years, is well prepared for additional firefighting challenges, and will employ additional firefighters for mobile support crews, for Helitack crews and to supplement the normal departmental work force when that is necessary. Most of these employees are well seasoned in firefighting because they are employed each year to fight fires but, this year, they will be given refresher training courses.

In regard to equipment, there are six new 4000-litre four-wheel drive fire tankers, four mobile and two fixed fire retardant bases and six self-contained camp trailers which will be added to the already extensive firefighting equipment that we have. Also, we will have access to three helicopters and six fixed wing aircraft which are, of course, accessible under contract. We are continuing with our world leading position in having access to infra-red scanning equipment in aircraft so that we can use mapping to fight fires. That proved successful in last year’s north-east operation.

All departmental staff likely to be involved at the fire front are undergoing refresher training. In addition, specialist training courses are being organised for people who are doing aircraft work because this is a newer part of our operation and it requires special training. We have the cooperation of the Country Fire Authority and the armed services on that issue. Each region now has a fully accredited fire management team trained to handle any situation that is likely to develop.

**FOOTBALL AND CRICKET SEASONS**

The Hon. J. G. MILES (Templestowe Province)—I refer to the Minister for Conservation, Forests and Lands the determination governing Crown land used for Victorian Football League and Victorian Cricket Association matches which allows senior football and cricket clubs six months’ occupancy of those grounds for their sporting fixtures. I refer also to an article in the *Age* of 23 August which stated that the VFL had requested the State Government to “grant permission to extend the VFL season into March”.

In view of the serious concern expressed by the Victorian Cricket Association and by many cricket associations representing thousands of amateur cricketers and sportsmen about the possible encroachment into their season, will the Minister comment on the progress of this matter and give an unequivocal undertaking that the Victorian Football League will not succeed in its aggressive acquisition attempt to interfere in the legitimate rights of thousands of cricketers?

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—The honourable member has obviously dropped a catch in the slips because I advised the cricket associations last week that there would be no change in the allocations between the football and cricket seasons.
PENALTIES AND SENTENCES

The Hon. D. M. EVANS (North Eastern Province)—I refer to the Attorney-General some comments made by Mr Justice Nicholson at the VACRO—The Victorian Association for Care and Rehabilitation of Offenders—annual meeting when he was guest speaker last Monday night and addressed the issue of setting of penalties in Victoria. He drew attention to the provisions of the Penalties and Sentences Act and expressed the view that this Act did not give adequate and consistent guidance in setting penalties. He added that no data bank is available for the comparison of penalties for information of judges and those who are responsible for setting penalties.

Will the Attorney-General consider setting up such a computerised data bank on recent sentences and penalties for the information of those in the court system who have the responsibility of setting penalties?

The Hon. J. H. KENNAN (Attorney-General)—I have read Mr Justice Nicholson’s comments. He appeared to have forgotten that he was part of the process that gave rise to the Penalties and Sentences Act.

The Hon. B. A. Chamberlain—Cop that!

The Hon. J. H. KENNAN—I shall have more to say on this matter. The House will recall that concern was expressed by members of the Supreme Court judiciary in 1984 about the erosion by administrative discretion of the court’s power to fix sentences. Arising out of that, my department prepared and circulated a discussion paper and received comments on it from people, including Mr Justice Nicholson.

Following that a meeting was held between my officers and members of the Supreme Court Bench, including Mr Justice Nicholson, about what should happen. A seminar was then held at the Law Institute of Victoria, which was attended by Mr Chamberlain, Mr Justice Nicholson and others. At that time there was broad consensus around two propositions: one was that the Penalties and Sentences Act as it was then should be consolidated, drawing together a whole range of provisions from some eight or nine other Acts. The other was that some amendments should be made, such as an amendment to remove distinctions between probation, community service orders and attendance centre orders, and the introduction of suspended sentences, and that in the long term there were matters which needed to be referred to the Victorian Sentencing Committee.

The idea of a Sentencing Committee arose out of discussions within the Supreme Court judiciary. I accepted all of that, and Mr Justice Nicholson agreed to all of that at the time. There was detailed consultation about the Penalties and Sentences Act and considerable input from the judiciary, as my correspondence files show, in relation to the drafting of that Act.

Mr Justice Nicholson agreed to serve under Sir John Starke on the Sentencing Committee. I reject, therefore, any criticisms that Mr Justice Nicholson made in that speech in relation to the process that has occurred or on the amendments made to the Penalties and Sentences Act. I direct the attention of the House to the inconsistency between the position he took in 1984 and 1985 and the position he is now taking.

Those matters are now subject to the Sentencing Committee. Much more attention needs to be given to the collection of statistics and so on. The committee is not assisted by having one member go public in the way that has happened. It is important in this area to remember the process that has taken place. If various members of the committee—Mr Justice Nicholson’s views on these matters are not shared by all members of the committee—go public and indulge themselves in their own flights of rhetoric, the whole purpose of setting up a Sentencing Committee will not be achieved.
EMPLOYMENT TRAINING FOR INTELLECTUALLY DISABLED PERSONS

The Hon. M. A. LYSTER (Chelsea Province)—The Minister for Community Services is well aware of the special need of people with intellectual disabilities to have specific support in their efforts to gain employment. The Minister is responsible for a creative initiative in this area, namely, the Open Employment Training Program. Will she give details of the program to the House?

The Hon. C. J. HOGG (Minister for Community Services)—I thank the honorable member for the question. I shall attempt to be brief in giving details of the program. The initiative for open employment is a relatively inexpensive one, and one which, in my view, has a multiplicity of benefits.

The Government recently funded and established an Open Employment Training Program to provide access to paid and valued competitive employment in the general work force for people who have intellectual disabilities, particularly people who now attend segregated centres such as day training centres.

The program currently provides six staff who are called open employment trainers. They are employed in three of my department's regions, namely, Western Port, Goulburn-north-east and Central Gippsland. A workshop has been held to provide training for the new staff and they have recently begun work.

The open employment trainers' tasks involve assessing clients for jobs; finding suitable positions in the local work force; providing on-the-job training for clients; working alongside the client during the training period to ensure that his or her output meets general industry expectations; assisting with harmonious settlement into the work environment; and negotiating follow-up arrangements with the employer and the worker so that once the worker has become skilled and settled in the workplace the arrangements are ongoing.

The Government is pleased with the scheme. I watched some pilot examples in action at Seymour during the winter period. One young woman working in a clothing factory had been there for some weeks and she was gradually learning the skills that would get her regular full-time paid employment in the factory. A young man in an electrical goods factory in the same town was doing a variety of jobs. In each case management and fellow workers spoke glowingly of the contribution these young people were making in the workplace.

It is a real, but perhaps modest step forward. It may be that only a few people are getting out of the day training centres into the work force, but it is a step forward that should be thoroughly applauded.

NURSES' DISPUTE

The Hon. HADDON STOREY (East Yarra Province)—I refer the Minister for Health to the answer he gave to Mr Chamberlain regarding the statement of the President of the Royal Australasian College of Surgeons, Mr Donald Macleish. Is it a fact that the Minister has not consulted with the Royal Australasian College of Surgeons during the course of the nurses' strike and, if that is the case, will the Minister undertake that from now on there will be regular and constant consultations with the college, which represents the people in the front line of the dispute and who know exactly what is happening?

The Hon. D. R. WHITE (Minister for Health)—The method of liaison during the course of the dispute via the Australian Medical Association has been to set up a series of meetings. A series of meetings has been conducted and has included, firstly, all the medical directors of all major hospitals on a frequent basis. In addition, there have been meetings with the chiefs of the medical staff, including the leading surgeons responsible for the medical and surgical activities in all major hospitals. That contact, via a series of meetings, has included daily, if not hourly, follow-up with the Australian Medical Association being
invited to coordinate responses from the various sections of the medical profession, which I believe, in the current circumstances, is a more than adequate method of ensuring that the Government has regular contact with what is occurring in each of the hospitals. In addition, Government representatives have met regularly with the association and the directors of nursing.

GRAIN HARVEST

The Hon. L. A. McARTHUR (Nunawading Province)—I direct my question to the Minister for Agriculture and Rural Affairs. Honourable members would be aware that most Victorian grain growers have had an excellent season. Can the Minister inform the House of the estimates of the Department of Agriculture and Rural Affairs for grain production for the coming harvest?

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—I am pleased to respond to Mr McArthur’s question. The department’s forecast indicates a grain harvest this year of 4.5 million tonnes. To put that in context, if the forecast comes to fruition, it will be the second largest harvest on record.

The production of wheat is forecast to be 3.3 million tonnes; barley is forecast to be 500,000 tonnes; oats is forecast to be 360,000 tonnes; and field peas to be some 370,000 tonnes.

The significant factor in the grain forecast is the new status of field peas as a major crop. Honourable members would be interested to know that farmers have responded, in my view, to the difficult situation regarding the wheat crisis by diversifying into growing field peas. The area sown to field peas is some 220,000 hectares and that area, together with the forecast production, are both records.

The predicted wheat yield is 2.1 tonnes per hectare and the predicted barley yield is 1.67 tonnes per hectare, which would be the second highest yields ever recorded in Victoria. By way of interjection a number of members have asked about the prices.

The Hon. M. J. Sandon—Only the National Party members!

The Hon. E. H. WALKER—I point out clearly that grain farmers are having a difficult time. Honourable members should make no mistake about that. Even a good year will certainly not resolve a great many of the difficulties that grain farmers are facing and, for many of them, it is a crisis situation.

I point out that the Government is addressing that problem with all the resources it can put to the problem. I do not want honourable members to believe, because it is a good year, that all the problems will be resolved. They will not be resolved. However, in the context of difficult times it is pleasing to be able to say that the forecasts predict a good yield. The Department of Agriculture and Rural Affairs has an excellent forecasting record and I believe what I have been putting to the House this morning will come to fruition.

We will continue to work as we have, along with those in the grain business who are having a difficult time, and we will do all we can to support them.

PAPERS

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


Statutory Rule under the Teaching Service Act 1981—No. 297.
PERSONAL EXPLANATION

The Hon. REG MACEY (Monash Province)—Mr President, I desire to make a personal explanation. There have been a number of assertions made in this House which have misrepresented my actions and motives in relation to the South Melbourne Community Chest. At all times my intention has been to ensure that the community chest maximises its potential to raise funds for the local community and to return it to the reputation it had almost a generation ago when it helped establish a home for the aged and funded the purchase of a youth centre.

I have never invited a member of the press to this Chamber to be present in the gallery while I raised the issue of the community chest, and no member of the press has reported my remarks as a result of being present when I have raised matters of concern about the chest.

The South Melbourne press would not have written about my remarks in Parliament about the chest if the then Mayor of South Melbourne, Mr Ken Hickey, had not publicly raised doubts about the effectiveness of the chest's fundraising activities some months ago. Only then were some of my comments in Parliament tacked on to the major story about the mayor's concern about the chest.

Subsequently I wrote to the local paper and it published my letter in which I requested that the paper not associate the Attorney-General's department with me and any report about alleged ineffectiveness in the operation of the chest.

At all times my aim has been to improve the ability of the community chest to raise funds. I believe my offer of support in reducing the chest's administrative costs has been misrepresented in this House. I want to make it clear to the House that, in my letter to the chest, I stated:

A number of retired people with time on their hands have offered to assist me in my electorate duties ... so I am offering to assist the community chest in reducing its administrative costs, such as collating, letter addressing, etc.

Further, there is no connection between my standing for election to the governing council of the chest in 1985 and the chest's rejection of my offer of substantial administrative and fundraising support. The fact is that I nominated for the governing council in the previous year, but my nomination was rejected by the chest because of a technicality.

Further, as a South Melbourne councillor I seconded the motion which led to the chest being allowed the use of valuable council property at a peppercorn rental. I did this, thus confirming my support for the principle of the chest.

I made it clear to council at the time that I supported the move in a genuine attempt to encourage the chest to perform more effectively and to return to the community a higher percentage of the funds it raised.

I subsequently claimed that the chest's use of the property was less than efficient because, despite the rental and rate-free use of the two shops, its operating costs for each $1 distributed to charity or utilised for community benefit actually increased from a little more than $1 to $1.22.

The Hon. D. R. WHITE (Minister for Health)—On a point of order, Mr Macey is going well beyond a personal explanation. He is now debating the activities of the chest itself and his role in respect of the chest because of comments that may have been made yesterday.

The Hon. B. A. CHAMBERLAIN (Western Province)—On the point of order, Mr President, when making personal explanations, honourable members who believe they have been personally maligned are given wide discretion. The matters raised by the Attorney-General were extremely wide in their nature and, as I understand it, the form of
Mr Macey's personal explanation was vetted by you, Mr President, prior to the sitting. I also understand that Mr Macey has almost completed his remarks.

The PRESIDENT—Order! There is some substance in the point of order raised by the Minister for Health, but I shall give Mr Macey the opportunity of concluding his explanation.

The Hon. REG MACEY (Monash Province)—The comparable figure was only 59 cents in the dollar in 1977-79 when I was president of the community chest. At no time did I interject during the Attorney-General's statement to the House.

Finally, I believe my motives in offering to support the community chest have been misrepresented in this House. My offer to assist the chest was not party political and, indeed, my written offer to the chest acknowledged the fact that traditionally it accepts support from all political groups.

I refer to the fact that the current Chairman of the South Melbourne Community Chest is a member of probably South Melbourne's most famous party-political family, and she has stood as a party-endorsed candidate for public office in recent years.

Mr President, I thank you for the opportunity of correcting the misrepresentations that I have identified.

PUBLIC HOSPITAL SYSTEM

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

That the Legislative Council condemns the Cain Government for its chronic mismanagement of the Victorian public hospital system and in particular for:

1. Its failure to honestly and fairly implement a new nursing career structure;
2. Not introducing an industrial relations framework that minimises strikes and bans in the State's hospitals;
3. Breaking its promise to cut the waiting list for pain-relieving surgery in Victoria;
4. Not eliminating waste of public funds in the Health Department;
5. Failing to ensure that public hospitals can deliver key medical and surgical services to those in need; and
6. Causing the morale of health providers to fall to a record low.

This motion is about the systematic destruction of a once great public hospital system by the Cain Government. In simple terms, over the past four years the story of health in this State has been one of industrial unrest, bed closures, waiting lists and, as a result, enormous social injustice for Victorians.

Industrial unrest, bed closures and waiting lists will become this Government's political epitaph.

There is no doubt that the system which the then Minister of Health, Mr Tom Roper, inherited and called the best public hospital system in Australia, has, under the leadership of the Labor Party, been turned into one of the worst public hospital systems in Australia.

I regret reaching that conclusion, given the outstanding work of health providers and hospital managers who have endeavoured to ensure that it reaches the highest standards. However, that conclusion is inescapable.

The recent comments of the Victorian Hospitals Association Ltd, the Australian Hospital Association Inc. and the Minister's key adviser, Professor David Penington, and many others, indicate that the credibility of the system is severely in doubt and the expectations of its capacity to provide a service are now questioned at every opportunity.

The motion has six separate parts which I wish to discuss, and the first concerns the current crisis that surrounds our public hospital system.
Almost 4000 Victorian public hospital beds are closed today because of the mismanagement of the Cain Government. That is equal to more than 25 per cent of the State's 14,750 acute care beds. In political terms, "Liberal" beds have been closed by a Labor Government. Indeed, of the 4848 beds in major public hospitals in Victoria, 2315 are closed.

For metropolitan Melbourne, the major population base, 48 per cent of public hospital beds are unavailable for use no matter how ill one is and no matter how acute one's case may be. That is the legacy of this Labor Party Administration. In addition, one-third of the 84 intensive care beds in Melbourne are closed.

Today, approximately 14,000 nurses are on strike. It is only their second strike in Victoria's history; both of them having taken place under a Labor Government and both of them having occurred while the Honourable David White has been the Minister for Health.

The Hon. J. E. Kirner—Whose legacy has he inherited?

The Hon. A. J. Hunt—Tom Roper's!

The Hon. M. A. BIRRELL—That answer flows naturally.

Today, approximately 33 hospitals are effectively shut. Many teaching hospitals are being put on ambulance bypass because they simply cannot cope with the urgent cases that would otherwise come to their doors. Waiting lists for pain-relieving surgery have reached a record of 28,625 Victorians. That is nothing to be proud of!

Every measure of performance in the public hospital system shows that it is performing worse than last year and, indeed, is performing at its lowest ebb ever recorded. The waiting lists have never been higher; the strikes have never been more frequent; the human suffering has never been so great.

What is the cause of the current crisis—the Cain Government's mismanagement, deceit, broken promises and shameless efforts to mislead the nursing profession. I shall refer to the career structure in particular, which is the centre of the current industrial dispute with the Government.

The Government has bungled the implementation of the nurses' career structure and has almost openly tried to mislead the nurses about its actual content and the Government's commitment to it.

First, however, I shall put the matter in its historical perspective because it is not a new issue. The nurses will indicate quite clearly that they have been fighting for years for a new career structure. Who promised it to them—snappy Tom Roper! On 28 July 1983, Tom Roper announced a new career structure for nurses. In a press release of that day the then Minister stated:

The Government recognised the key role of nursing and nurses in patient care and was aware of concerns being expressed by many nurses about growing pressures in hospitals.

He went on to say that he was appointing an inquiry under that memorable person, Mr John McClelland, to review existing nursing establishments, compare the guidelines to adjust anomalies, review the organisational structure as it related to the use of nursing resources and identify factors affecting the rate of turnover, absenteeism and causes of staff shortages within individual hospitals and across specialties. He said it all!

That was a tremendous promise and got good publicity for the Labor Government. However, it was made on 28 July 1983 and what has been done since? Are the nurses to blame for the Government's incompetence and reluctance to take prompt action? Snappy Tom was back to it again.

The PRESIDENT—Order! I have already allowed Mr Birrell one slip with regard to terminology used for honourable members from another place.
The Hon. M. A. BIRRELL—I am sorry, Mr President. The Honourable Tom Roper was wrong again. On Thursday, 28 February 1985 he announced that some progress had been made. In a press release of that day, he stated that the Government was going to implement “a better career structure for registered nurses”. The then Minister stated:

We also aim to make nursing a more attractive, long-term profession by developing a better career structure.

That was said in 1985. It has been promised in every year of Labor Administration. The Government has been misleading on one point—it has not implemented it.

The nurses justifiably feel that they have been ripped off by this Government. Promises were made but never delivered. However, worse than that is the fact that when the Government got to the stage of having a career structure agreed to by the Industrial Relations Commission, it decided to implement it in a deliberately dishonest manner. It treated nurses like it had for the previous three years—as second-class citizens.

The nurses were alert to it. They got their pay packets and they knew that the great promise of the Minister for Health of $251 a week was nothing more than a “White” lie because it did not come true. Under the career package implemented by the Minister for Health the majority of nurses got nothing more than $6.50 a week. Some of them discovered that they were getting less than they did before and had to have it topped up. Big deal! No wonder the nurses felt let down and betrayed. They had been conned!

The con really came to light on reading the recent State Budget. The Government had allocated $42 million for hospital nurses, and it was proud to tell the press, the public and the nurses that the nursing profession was getting that extra money. That was just as untrue as the Minister’s statements that nurses would get up to $251 a week.

What happened when the Opposition asked the Government to break up the $42 million into components? The Minister said, in effect, “I cannot do that, that would be industrially sensitive. We cannot tell them what the actual break-up is”. It was industrially sensitive because it proved that the Government had deliberately not told the truth!

The $42 million never existed; it was plucked out of the air. The research the Opposition has done shows that the figure was a distortion. In fact, the Cain Government has only budgeted, and it is still the case, for $25.5 million to be paid to hospital nurses—not the promised $42 million.

Program No. 385 of the Budget, which is for short-term hospital services, indicates that an additional $42 million would be provided for nurses. The Budget adds to the illusion that that allocation is for hospital nurses by stating that:

It will give clinical nurses the incentive to stay at the bedside.

The illusion was in place. When the Opposition asked the Government for details, it denied them because the figure was not $42 million. How did the Opposition prove that? It got someone to be honest! The true position was conveyed to the Estimates Committee. In a letter dated 7 November to the Estimates Committee, Dr Sheehan, the Director-General of the Department of Management and Budget, stated that, upon revision, public hospital nurses will receive only “$33 million”. Linked to the already established fact that that includes $7.5 million of one-off back pay, the nurses are getting $25.5 million and not the promised $42 million. The Government deserves condemnation for nurses being upset and believing that they had been conned, because conned they have been.

The nurses went on strike and what did the Premier do? He came out to soothe the troubled waters by threatening legal action against nurses! I have not heard the Premier threaten legal action against other unionists who have gone on strike, but the nurses are different.

The Hon. R. M. Hallam—He threatened dairy farmers!

The Hon. M. A. BIRRELL—The Premier has threatened tough action against dairy farmers and nurses; the Premier gets tough when he picks on farmers and nurses. When it
comes to unionists who are affiliated with the Australian Labor Party the honourable
gentleman does very little at all.

To soothe the troubled waters even further, the Minister for Health came out with the
statement, "When in doubt, we are going to send all our sick patients to the Army
hospitals". That really calmed things down! Full marks to the Minister for Health! The
Opposition rang the Army hospitals and asked them how many beds they had? How one
gets a critically ill patient from Melbourne to Puckapunyal is one thing, but how many
beds are available? Remembering that 4000 beds are closed, the Army hospitals have 60
beds. Is that all we need for critical care? The Minister was having us on again!

If nothing else, this debate will expose the fact that the Government has changed its
story, statistics and rhetoric from day to day. The nurses have caught the Government
out, as has the Opposition.

The Government procrastinated in implementing a career structure that was promised
in 1983 and consistently failed to take decisive action to lift the morale of health
professionals and nurses in particular.

Are we to believe that nurses will take strike action at the drop of a hat, that they are
normally a militant group, that they are not committed to their task? Nurses would much
rather be back working and they find striking to be foreign to their normal objectives. We
know that. It is plain on its face that that is the truth. However, the Government, by its
tactics of deception and half truths, has turned the Royal Australian Nursing Federation
into a rogue union.

At this very minute, the federation is meeting with the Industrial Relations Commission
in conference. I shall not debate this now but I do ask why this did not happen a few weeks
ago. One of the reasons why it did not happen was that the Minister for Health and the
Premier had us believe it was "illegal" to have such a conference. They told us it was
against the law to talk to unions or to hold negotiations. What a load of nonsense! Any
industrial lawyer will tell you that that is an absolute contortion of the truth.

Of course, one can talk to unions. Heaven forbid; one Government does it all the time.
I refer to this Government. The problem in this instance was that the Government did
not feel cosy with this particular union; it had not dealt professionally with it in the past.

At this very minute the Industrial Relations Commission is talking with the nurses. It
made positive statements to the nurses last week and I hope that the commission can now
show more leadership than this Government has shown.

We believe the nurses have fundamentally made their point. We want this strike to end.

However, the onus is on the Cain Government to get this State out of a health crisis
that is of the Government's making. It must ensure that there is change in the industrial
relations framework of the hospital system. This is the second major issue I wish to
canvass.

What has happened over the past three weeks is just another chapter in the events of
the past few years under this Government. The strike today is the 26th major industrial
dispute since David White became Minister for Health. Who would have thought it
possible? Someone is making Tom Roper look good. David White is! Tom Roper is
walking around with a smile on his face. He knows that it has never been this bad before—
26 strikes or bans in the past twenty or so months. Tom Roper is relaxed because history
will say that he was not the worst health Minister; he did not have the worst track record;
someone else's record has exceeded his.

I shall not go through all the arguments with the Royal Australian Nurses Federation,
Hospital Employees Federation and associated bans and strikes that have occurred since
David White became Minister for Health. Suffice to say that 26 of those strikes and bans
have been major. That means that every month for the past two years Victorian health
services have been crippled by a major dispute, including the only two nurses' strikes in Victoria's history.

The current industrial unrest must be traced back to and seen in the context of the Cain Government's decision in July 1982 to strip individual public hospitals of their power to settle job complaints of employees. The Government's policy from that date has been to centralise all negotiations and conciliation powers in its own hands, but that policy has obviously backfired.

In July 1982, the Victorian Hospitals Association Ltd was stripped of its industrial relations mandate. The Government said to that association that it would handle all disputes; that disputes would be better placed in the hands of people like David White, Tom Roper, Steve Crabb, Bunna Walsh and the others who have such an "impressive" track record. Impressive it is because since we have had a centralisation of industrial relations power in Health Department Victoria and the Department of Labour, the strikes and bans have blossomed incredibly.

The Liberal Party strongly believes this discredited policy must now be scrapped and replaced by a framework that gives public hospital managers more rights when dealing with industrial disputes.

The Victorian Hospitals Association Ltd, which represents all public hospitals, should be allowed to represent the interests of hospital management in dealing with the Royal Australian Nursing Federation and the Hospital Employees Federation, just as the Victorian Hospitals Association Ltd did prior to July 1982.

If the Government learns nothing else from the current nurses strike, it must learn that the occurrence of strikes and bans is more its fault than the fault of the unions involved. If that industrial framework is not changed, we can kiss goodbye to the concept of industrial stability in our public hospitals in the future; not just for the resolution of this strike but for all future strikes.

I shall turn to the third major issue in this motion—the Government's broken promises on waiting lists. The facts were released last Friday by the Minister, as usual, late in the day so that they received little coverage. We make no apology for directing attention to facts that the Minister finds embarrassing.

In Victoria today, 28 652 sick people have been forced onto hospital waiting lists. That is the longest queue for surgery in the history of Victoria. It is an indication of how chronically ill this health system is. The figures for November 1986 can be compared with the figures for November 1985 when the Royal Melbourne Hospital's waiting list was 3188; it is now 3621. The Royal Eye and Ear Hospital's waiting list was 1028; it is now 1821. The Alfred Hospital's waiting list was 2937; it is now 3144. The Preston and Northcote Community Hospital's waiting list was 1444; it is now 2102. St Vincent's Hospital's waiting list was 1578; it is now 2035. What a chilling list of statistics of David White's so-called success in this portfolio.

That outcome can be measured against the promise so openly and proudly made by John Cain and David White at the last election. John Cain said in his policy speech on 11 February 1985:

I've also been particularly concerned about delays for patients wanting elective surgery. I recognise that there's been genuine community anxiety about such waiting lists. We provided $30 million in the last Budget to enable 7000 extra people on waiting lists to be treated in public hospitals. It has not been enough—more is needed. I'm therefore committing this Government to a further all-out assault on waiting lists by the immediate injection of an extra $10 million. The $30 million in the Budget—together with this special $10 million—will cut the waiting lists in half by the end of 1985. And it will mean that by the end of our next term, undue waiting lists for elective surgery in public hospitals will be a thing of the past...

That promise was made in his policy speech. In fact, instead of being cut by half by the end of 1985, waiting lists increased from 21 839 to 27 226. The Premier was more than 200 per cent out in his bold calculation. The promise was broken yet again.
However, David White came in on it too. Not to be outdone by the Premier's bold promise, he made a few of his own. Who can forget the press cuttings on 8 June 1985: the *Australian*, "Plan to slice hospital waiting list by 17 000 in two years", the *Age*, "White releases $7.5 million strategy to halve hospital waiting lists". Those headlines are great, but like most pieces of paper, they are beginning to fade, just as the promises are, because they have not been fulfilled.

As I pointed out, waiting lists have never been higher than they are now. They are moving upwards, not downwards.

We hold the Minister to account. He must stop breaking his promises and start delivering. He cannot raise expectations, as he did with the nurses, and not expect the community to ask when will he keep any of these promises.

The Minister went further. He is reported in the *Age* of 23 December 1985, as stating:

> We have created a setting to make it realistic to expect an important reduction...

> ...in waiting lists...

> ...in 1986.

What has happened? The waiting list has increased, not decreased.

In fact, when the Minister for Health made his promise, the waiting list was 24 000. At the end of 1985, it was 26 900; and today, it is 28 600. Therefore, another promise communicated to the public on this important area has been broken.

That is not all. The Minister made other promises, and they are endless. The Opposition seeks in this debate deliberately to document everything that the Minister for Health has said will be done, to prove that on every key promise there has been no progress and the promise has been broken.

On the *Willesee* program on 16 March 1985, the Minister made another key commitment in relation to the waiting list. He said:

> The intention is to set targets for reducing waiting lists, which will be made public ... on a regular basis.

He followed up that comment with a press release on 8 May 1985, in which he said:

> On July 8, 1985, we will announce projections for waiting list reductions as well as for the number of operations to be carried out. This will give patients a much greater degree of certainty about their operations and allow them to plan accordingly.

Therefore, the Minister promised on two occasions that he would announce projections for waiting list reductions.

The promise was reported, but what about the action? It has never been taken. Not a single projection has been released by the Minister for Health about a reduction in the waiting list. He conned the *Willesee* program and he conned the public through his press release. He has done nothing to keep his promise.

Of course this man lacks credibility among health providers. Of course he does, because they know that he talks it up, but he does not deliver. The 28 600 people on the waiting list do not need to be told that that is the case. That is just a snapshot figure; in fact, there are hundreds of thousands of people in this State who have found themselves forced on to the waiting list over a period of years, but at this stage the figure is 28 600.

That is not the only broken promise. First of all, the Minister said, "We will reduce the waiting list", but he did not. He then said that the Government would produce targets for reducing the waiting list and announce projections—but it did not.

The Minister then said he would spend money to reduce the waiting list. It is a little difficult to work out how much, but I am happy to rely on the glossy publication that the Government produced, "A Healthy Victoria—The 1985–86 Victoria Government
Recurrent and Capital Works Health Budget”. In that document—there are no page numbers—the Government said:

Waiting Lists

The budget provides $10 million to address this problem of which some $5 million has been allocated already to specific projects. . .

An amount of $10 million was promised to fix up the problem. How much of that was actually spent? There are two different reports. According to page 155 of Budget Paper No. 5, the situation was as follows:

$8.9 million was expended in 1985–86 on strategies designed to reduce the waiting times for elective surgery.

It was not $10 million, as promised. However, the rough version of the annual report of Health Department Victoria—the final version is not yet available—disagrees with both the Minister and the Budget Papers. The annual report states:

Almost $7 million was spent on specific strategies to reduce elective surgery waiting times.

Therefore, where is the truth? How much money was actually spent on reducing the waiting list?

What honourable members do know is that the Government did not spend the $10 million targeted for what the Premier had said in his policy speech was absolutely a key issue. The Government broke another promise.

Honourable members also know that, during 1985–86, fewer patients were treated in public hospitals than were treated in the last year of Liberal government. If honourable members do not like that comparison because it is political, they may choose any year; they may choose 1980–81.

In any chosen year, the legacy of Labor Administrations is that fewer people are being treated in public hospitals today than were treated in 1980. That is the legacy. More money is being spent but there is a lower throughput of surgical and medical cases.

As if the rest were not bad enough, the final insult on the issue of the waiting list was that the Minister said, “This waiting list stuff is getting a bit out of hand. We are receiving bad publicity about our promises. Let us call it ‘waiting times’. We will get an interesting formula together and have the people believe that the waiting times are low even though the number of people on the list is 28,599”.

On Friday last the Minister released about 30 pages of closely-typed computer printout, which was to have people believe that the normal waiting time in public hospitals is 2.49 months. The Minister is the only person who believes that! The Royal Australasian College of Surgeons, the Australian Medical Association and the Victorian Hospitals Association Ltd have all heaped disdain on those figures, because no-one believes they are true. They are a creation, an absolute mythology.

The Minister should speak to any surgeon and ask him whether he is able to admit a patient into hospital within 2.49 months. We know it is not true. Some patients simply cannot get into hospital at all because they lose hope; and many patients are waiting for more than three years for surgery.

This is the Government that is concerned about social justice! It has to be kidding! Honourable members should think about social justice for the people who are told, “You need an operation but, sorry, we do not have a bed”. Those people will say when they seek hospital admission, “But there is a bed on the eighth floor”, and the reply will be, “No. We do not have the money to run it”. They will then ask, “Are you saying that you have a bed in the hospital, but you will not admit me?” and the reply will be, “That is right”.

In some hospitals, the beds have been dismantled because, when told that they could not have mum or dad admitted to hospital, too many ingenious people went and found a bed in the hospital and said, “Here is a bed; we will put mum in here”. In response to the pressure the hospitals have now dismantled the beds. If one visits teaching hospitals, one
finds graveyards of dismantled hospital beds just waiting to be used when the Government gets its act together.

Therefore, the waiting list problem has not been solved. In fact, the problem is much worse than it ever was."

I turn now to the fourth major issue raised in the motion: waste in Health Department Victoria. The Government did its best in this Budget to cut spending on public hospitals and to increase spending on the central health administration.

If one wishes to do anything at all to support one of my prejudices, one can take such action. There has been a cut in public hospital spending of 2.4 per cent in real terms. That is a figure arrived at by the Victorian Hospitals Association Ltd. It is the same as the Opposition's figure, but I am happy to rely on the figure of the association—because the Minister for Health would be less likely to bucket the association than me. There has been a 2.4 per cent reduction in spending.

Over the past twelve months the Government increased its expenditure on the central health administration by almost 10 per cent in real terms. In other words, the bureaucracy has been the winner in health budget allocations. The central health bureaucracy wins; the hospitals lose out.

One must ask what the Minister has been doing with the money. One would expect that all the whiz-kids in Health Department Victoria—the sorts of people who earn more than $45 000 a year—would be providing sterling advice and excellent material. The Minister does not seem to think so. For this financial year, he has increased his proposed expenditure on consultants by 100 per cent. Last year the Minister spent approximately $600 000 on consultants; this year he is budgeting to spend about $1.2 million on consultants.

"Why are consultants needed? They are needed because the central health administration is not up to the job. It is reaping the financial rewards, but it is not providing the advice that is needed.

Honourable members should not forget a few quirks that provide examples of the waste. I have drawn one example to the attention of the Minister in correspondence, but he has not replied. I referred to what I call the mystery of the bonus bus. The Minister will recall that a bus was given to the organisation, Women in Industry, Contraception and Health. That organisation is associated with the Labor Party, but I shall not go into that.

It is interesting to note that the organisation did not ask for a bus, but Health Department Victoria provided it with a bus! The organisation wrote back to the Minister—and all these documents were released to me under the Freedom of Information Act—and said that it did not ask for a bus.

The organisation said, "We cannot use one; can we have a photocopier instead?" The Minister wrote back and said, "Look, we thought you needed a bus but if you do not need a bus and you want a photocopier you can have a photocopier but"—and this was the bottom line—"you have to spend the money by the end of the business year". Honourable members can understand the functioning of the Minister's mind in wanting to spend the dough! That was the aim.

It is absolutely outrageous that this organisation, Women in Industry, Contraception and Health, was given a Health Department bus when it did not want one; it is even worse that, without making a submission, it then asked for a photocopier and got one; but it is again even worse that the Minister says in effect "My primary objective is that you should spend the money before the end of the business year".

Who cares, I suppose, about $15 000? I am sure the Minister would say that it is a small amount of money compared with $2.2 billion. It is, but it is symbolic of what is happening in Health Department Victoria. If you are one of the favoured few, the money flows.
Just look at the St Albans Community Health and Resources Centre, which is in the Minister's province. Indeed, nearly all the members of the sacked board were close friends of the Minister. I am sorry; I cannot assume friendship between members of the Labor Party. They were all electors, branch members and colleagues.

The Hon. Robert Lawson—Which faction?

The Hon. M. A. BIRRELL—A different faction, I believe, the socialist left. Perhaps the Minister would care to comment. Just as in the case of the bonus $15 000 bus, the money was given away with no hassles.

If honourable members really want to consider waste they should consider the health regions, which were a creation of the former Minister, Mr Tom Roper. They were picked up with a certain cool enthusiasm by the present Minister. Not wanting to offend his party supporters, he has kept the concept going but, not wanting to interrupt Health Department Victoria, he has been a bit slow.

I shall make an announcement that the Minister is not prepared to make—no press release on this one—about assistant regional directors. Pappas Carter Evans and Koop Pty Ltd did a major study for the Government. It cost $375 000 and was on restructuring Health Department Victoria. Without going into details, it recommended what the regional structure should be and there was no mention made in its proposal for assistant regional directors. However, since then there has been a large advertisement in the *Age* seeking sixteen assistant regional directors—mini-bureaucrats—at a cost in salaries which ranged between $52 000 and $61 000 a year.

The Minister has done this in a time of scarce health resources; he has put taxpayers' money into a burgeoning health bureaucracy. The total cost of the sixteen new permanent public sector employees, when one includes overheads and superannuation, is $1·1 million a year. This is the expenditure for sixteen new bureaucrats who were not recommended by the Government's expensive consultants' report and when the Minister has been saying—as late as yesterday—"Oh, regions will not be costing anything. We are doing it within existing resources."

The Hon. N. B. Reid interjected.

The Hon. M. A. BIRRELL—We will get on to that one. The Minister is so proud of his regional directors that he has just sacked one.

The Hon. N. B. Reid—He went down the lift well.

The Hon. M. A. BIRRELL—I hope the Minister continues looking at the other regional directors as there are a few who should go in the same direction.

The Hon. D. R. White—Do you want to specify them?

The Hon. M. A. BIRRELL—Does the Minister want to tell me why he sacked the one he did? No, he does not. Of course not, that would be a bit hard to explain to the Labor Party branch structure. Assistant regional directors—are you proud of them? If you are, why have you not announced it?

The DEPUTY PRESIDENT (the Hon. G. A. Sgro)—Order! I remind Mr Birrell to address the Chair.

The Hon. M. A. BIRRELL—I am sorry, Mr Deputy President. The amount of $1·1 million has been expended. The Minister should announce it now and at least the nurses will know that the Minister has enough money to pay for sixteen new bureaucrats earning on average approximately $60 000 each when in fact no-one wanted those bureaucrats and they were not even recommended.

Finally on waste, I shall deal with Hospital Employees Federation members; I do not know whether the Minister is proud or embarrassed about them. The situation is a little
contradictory because in State Budget Paper No. 5, on page 164, the Minister says in reporting his successes:

... more than 1000 extra staff have been employed in hospitals to perform non-nursing duties.

The Minister nods his head; I guess that means he is proud of that. It is slightly contradictory to what he told the hospital managers and to what he told the Herald a few months ago, that he wanted to reduce what he called "hotel services".

For those not in the know, hotel services are non-shopfront hospital services, such as hospital cleaning, catering and so forth. What are the 1000 employees whom the Minister is proud of employing last year doing—providing hotel services! Every single one of them!

So, on one page of his State Budget report he says that he is proud of that achievement but in private with hospital managers—not in writing—he says, "Look, there is a lot of waste here; we have got to get rid of them. We have got to cut the cost of hotel services". The Minister cannot have it both ways. He cannot claim, one year, success in overturning what he said in the previous year was a great achievement. That is what the Minister is trying to do.

It is by cutting waste in the areas that I have outlined that it would be possible to reallocate money to the hospital services that are so necessary.

The final point I wish to make concerns the Government's intervention in and hindering of public hospitals in achieving their public role. The facts have been outlined in a document produced earlier this year by the Parliamentary Liberal Party entitled "Victorian Public Hospitals under the Cain Government". They have gone uncontested apart from one contradictory statement from the Premier. In brief terms the conclusions are these:

Public hospital expenditure has been cut as a proportion of the Victorian Government's total outlays between 1981-82 and 1985-86. Less has been spent by the Cain Government on hospitals as a proportion of total expenditure in every one of those years. Next, and equally importantly, the budget has been cut in real terms for public hospitals every year since Medicare was introduced.

Whilst the Cain Government said, "Rely on and use Medicare", it was also cutting its expenditure on public hospitals in real terms. This year, as pointed out by the bipartisan Victorian Hospitals Association Ltd, there was a cut in hospital budgets of 2·4 per cent in real terms. At the same time as cutting hospital expenditure, the Government was imposing expensive union-based industrial agreements on those hospitals.

There has also been massive political interference in the boards, if the financial interference was not bad enough. Perhaps the Minister in his response will tell the House about the stacking of the boards of management of Prince Henry's Hospital, Portland and District Hospital, Maroondah Hospital, Frankston Community Hospital, Queen Victoria Medical Centre and many others.

Perhaps he could tell the House why he put on people from his own political party after sacking people who had broad community support. The Minister says, "We should have freedom in our public hospitals and they should be able to work autonomously". Clearly the rhetoric does not match reality.

In putting together all these points, honourable members can see that today's crisis in the hospital system is, sadly, nothing more than just another chapter in a four-year long crisis. Most importantly, by putting these points together, the Opposition has shown that the promises have been broken on every occasion. Let the Minister say that he can keep his waiting list promise. Indeed let us see if he will actually say what the waiting list could or should be next month, next year or when he goes to people at the next State election, because we have questioned him and the Chief General Manager of Health Department Victoria and they baulk at it, because they know they are underachievers. They know that their management of the portfolio means that Health Department Victoria and the hospitals will be underachievers.
In terms of the current strike, the Government can take the blame because it has deceived, misled and, indeed, on many occasions simply told barefaced lies to the nurses. It is no wonder that a normally industrially passive group believed that it had to take major strike action that has crippled our hospitals.

Put together, the facts mean that the waiting list, bed closures and industrial disputations will be the political epitaph of the Cain Government.

The Hon. K. I. M. WRIGHT (North Western Province)—The National Party joins the Opposition in condemning the Cain Labor Government, not only for its inept handling of the current industrial dispute but also for allowing Victoria's public hospital system to decline to such a dangerous level.

The nursing career structure and salary negotiations were poorly handled by Health Department Victoria and the Royal Australian Nursing Federation. These negotiations were not assisted by the personality clash that exists between the Minister and the Secretary of the Royal Australian Nursing Federation, Ms Irene Bolger.

By all accounts the wording of the June agreement was poor and capable of being misinterpreted. I have a copy of the Registered Nurses Award according to the Industrial Relations Commission, which handed down a decision on 20 June 1986. I do not have the time during this debate to read the award in full but I shall refer to it.

In assessing the nurses' career structure, Health Department Victoria reduced everything to its lowest possible denominator, which is the reason for so much discontent among nurses, especially those in country areas with whom members of the National Party have had discussions.

Many nurses felt let down and, when the result of the restructure was known, many found they were demoted. This applies more to nurses in group 1, who had considerable responsibility and many who had been nursing for fifteen to twenty years. Some were to receive less money.

I shall refer to the grading of salaries from time to time and, therefore, Mr President, I seek your permission to table the various grades, and subgrades of nurses' salaries. I have already obtained the permission of the Opposition and the Government.

The PRESIDENT—Order! I have examined the document that Mr Wright wants to incorporate in Hansard. It is acceptable and follows the guidelines for incorporation of material.

Leave was granted, and the document was as follows:

REGISTERED NURSES RATES OF PAY/WEEK

<table>
<thead>
<tr>
<th>Grade</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grade 1</td>
<td>$345.20</td>
<td>$368.30</td>
<td>$388.70</td>
<td>$409.20</td>
<td></td>
</tr>
<tr>
<td>Grade 2</td>
<td>$424.50</td>
<td>$439.90</td>
<td>$455.20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 3 A</td>
<td>$485.96-$501.30</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 3 B</td>
<td>$516.60-$532.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 3 C</td>
<td>$547.30-$562.70</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 4 A</td>
<td>$578.00-$596.40</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
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</tr>
<tr>
<td>Grade 5 C</td>
<td>$751.90</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 5 D</td>
<td>$777.50</td>
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</tr>
</tbody>
</table>
The Hon. K. I. M. WRIGHT—The figures and grades in the table are also included in the Registered Nurses Award of 20 June 1986. Many nurses received a pay increase of less than $10 a week. Their hopes were built up by a press release of the Minister for Health reported in the Herald of 20 June 1986:

Some Victorian nurses will receive a pay rise of more than $150 a week under a landmark decision made today by the Victorian Industrial Relations Commission.

I guess hope springs eternal, if one is a nurse.

Many nurses would have read that report and would have decided that they were one of the “some”, and, therefore, they would receive a handsome increase to recompense them for the many years of training and dedication. Some nurses received no increase but at a later date the Minister for Health said that no nurse would receive less than he or she had been receiving before the award was decided on.

Following the decision of the Industrial Relations Commission in June, hospitals were asked to provide a profile of nursing staff allocations. I am assured by some hospitals that considerable time and effort were put into doing that. Indications are that when Health Department Victoria decided on the allocations, no notice was taken of the profiles. When the Minister responds at the end of the debate I ask him to explain what happened there.

The hospitals believe their profiles were not used. Not surprisingly, nurses acted unfavourably. Honourable members would know that charge sisters are doing the same work as other nurses but they have different classifications.

Mr Birrell failed to point out that country public hospitals have been treated, by and large, worse than metropolitan hospitals.

The Hon. N. B. Reid—That is right.

The Hon. H. R. Ward—Naturally.

The Hon. K. I. M. WRIGHT—Apparently the benchmark has been the larger teaching hospitals, and nurses’ responsibilities have been downgraded from there. Some of the large as well as smaller country public hospitals carry out an excellent job. If people in the country require surgery, most are happy to admit themselves to a public hospital in the country rather than in the metropolitan area.

On salary and gradings Victoria’s nurses could be treated in a similar manner. There are anomalies in this area in the metropolitan area. There are three major hospitals at Bendigo—Mt Alvernia Private Hospital, Bendigo and Northern District Base Hospital and the Bendigo Home and Hospital for the Aged. All three hospitals are under first-class management, as Mr Reid would agree.

The Hon. N. B. Reid—That is correct.

The Hon. K. I. M. WRIGHT—The three hospitals have excellent executive officers and effective and efficient boards of management. They are classified 4A, 3c and 3b, respectively. Honourable members can see the registered nurses’ rates of pay each week as set out in the document that I incorporated in Hansard.

Why is it structured in this way? Why has Health Department Victoria made this decision? To some extent, the benchmark is the number of patients who pass through a hospital each year as well as the bed occupancy.
The dispute was brought before the Registered Nurses Conciliation and Arbitration Board and the Industrial Relations Commission but final agreement was not reached. On 31 October Ms Irene Bolger and her militant advisers precipitated an indefinite strike.

Initially, the nurses were given widespread community support because the public perception—including that of the National Party and me—was that nurses worked extremely hard and were underpaid. Most honourable members would agree with that assessment.

In recent years nurses have had to become more skilled in the use of sophisticated equipment. Their work is also affected by frustration and disillusionment with their profession; hence, nurses are leaving hospitals in droves. Patients are staying in hospitals for less time, which places more pressure on the nurses.

For example, as a young girl a relative of mine nursed in a country hospital. She nursed for ten years before she was married. When her children were at school, she returned to nursing for another ten years but during this time she became completely frustrated by cost-cutting in the hospital, resulting in a shortage of dressings and little things like that. She became so frustrated that she left the profession.

This woman was a sister-in-charge of the operating theatre. She had a responsible job. Today she is working in the local chemist shop, serving behind the counter. What a waste of training and experience, which should be utilised in a public hospital. Members of the National Party have been told that many departments in the Myer stores are filled with nurses who have become frustrated with their profession. The obvious conclusion is that nurses need to be provided with good conditions and salaries.

At present public opinion seems to be changing. The community is sick and tired of the present power struggle. Victoria’s nurses are suffering. They tell me that many have been caused hardship during the strike because they have not received pay for the past three weeks. Some would have received funds from other sources.

So we have a catch-22 situation: the commission will not deal with the case until nurses return to work, and nurses will not return to work until their claims are met. Nevertheless, strangely and surprisingly, I hear today that in fact discussions are taking place. If that is so, the National Party is very pleased, and hopes that they do go back to work.

The situation in some of our country hospitals is rather interesting. The Bendigo Advertiser of 8 November 1986 reports that:

Nurses at two major Bendigo hospitals walked out of their wards and into the streets soon after 10 am yesterday as their week-long strike escalated around the State.

More than 250 Royal Australian Nurses Federation members from the Bendigo Base Hospital and the Bendigo Home and Hospital for the Aged were involved in a march to the Hargreaves Mall and then to the office of Mr David Kennedy, MHR (Labor, Bendigo).

The article went on to say that, strangely enough, Mr Kennedy was not at his office, and it later turned out that he had a headache. It was a very convenient time for him to have a headache because the nurses were most concerned about the situation.

The Hon. D. M. Evans—He has a few headaches, actually.

The Hon. K. I. M. WRIGHT—Quite so.

Under the heading, “Nurses row cancels 140 operations”, the Bendigo Advertiser of 17 November reported that:

More than half the Bendigo Base Hospital’s 280 beds lie empty as the Statewide nurses strike enters its 17th day.

Medical superintendent Dr V. Ratnayeke last night said the 280 bed hospital had only 120 patients.

Admissions were down and 140 operations had been cancelled in the first two weeks of the Bendigo walkout—60 in the first week and 80 last week.
So it can be seen that the strike is hitting home in country areas as well as in the metropolitan area.

I mentioned that we have a catch-22 situation. This could be described as a classic Mexican stand-off. The Government has been in a cleft stick and, having got into this mess, it cannot or could not create a precedent of negotiating while the nurses were on strike because, obviously, other unions are sitting back and watching.

The Hospital Employees Federation has been sitting back and has been strangely silent on the issue. I should imagine that when the matter is resolved—which I hope will be soon—the federation will probably have something to say about its own situation.

I have mentioned that some nurses have told members of the National Party that they cannot afford to stay out much longer. Even with that being the case, most intend to stick it out.

My colleague, Mr Tom Wallace, the honourable member for Gippsland South in another place, was walking past St Vincent's Hospital last night and spoke to some of the nurses who indicated to him that they were most concerned about their situation. They virtually pleaded with him and the National Party to do something in an effort to resolve the situation. Although they are loyal to their federation, the National Party senses that they are unhappy with the way in which the negotiations are going and feel that somehow the Royal Australian Nursing Federation and the Government should be able to get together in the name of humanity and on behalf of the sick and injured of Victoria who are being disadvantaged by not being able to obtain the hospital treatment that they require.

The Government allowed $42 million for the administration of the new nurses' career structure and pay. I noticed an advertisement in the \textit{Age} of 13 November 1986 under the heading, "A message for Victoria's nurses":

The Victorian Government believes these basic facts need to be made clear in the current hospitals' dispute:

1. The Government has already agreed to pay $54.7 million to Victoria's nurses as part of the award structure.
2. Nearly all nurses will get substantial wage increases. These are in addition to national wage case increases.

A number of other points are made in the advertisement.

I refer to the work of the Legislative Council Estimates Committee of which my colleague, the Honourable Roger Hallam, and the Honourable Mark Birrell are members. I commend the work that they have done because they have been able to obtain some financial facts that we, in this House, had not been able to obtain earlier. It transpires that the Government has allowed $42 million for this restructure. I guess other amounts are added on in the $54 million that I have just mentioned. Of that $42 million, Mr Birrell has been able to confirm that only $25 million has been paid to public hospital nurses. It appears that some $6 million to $9 million has been earmarked for other purposes, including the attracting of overseas nurses to this country.

The Hon. D. R. White—That is a separate figure from the $42 million. It is in the Budget Papers.

The Hon. K. I. M. Wright—I look forward to the Minister responding to this, because the nurses are quite certain that they have been misled in relation to this matter.

Obviously I have had discussions with a number of boards of management and chief executive officers; and the consensus from them when they were first informed of the nurses' new wage structure, was that $70 million to $80 million would have been required. It now seems that that figure is more in line with the actual figure than the amount that was mentioned earlier.

In my opinion and that of the National Party, even if the strike ends tomorrow—and I hope that this is the case—it will take years for our hospitals to recover. Mr Birrell has already mentioned that waiting lists for elective surgery were in the vicinity of 26,000 patients, despite the fact that the Minister and the Government indicated that they were
going to halve that figure, and the people of Victoria certainly feel let down about that. The figure is now approaching 29 000 and could rise above 30 000 at any time.

Many hospital beds have had to be closed. The Age has been monitoring these, so there is no need for me to go into that aspect. Those figures are a matter of public record, and it can be seen day by day that beds are closing down.

I was particularly concerned that yesterday on the radio—I think it was on Michael Schildberger’s program—the Premier blamed hospital managements for the present position. Nothing could be further from the truth. I believe our hospital managements are comprised of most efficient and effective people; they are highly trained and highly qualified and are doing their utmost with the finances and the situation that is presented to them. What hypocrisy! A classic case of passing the buck! An attempt was made during question time today to try to gloss over the situation, but I do not think the people of Victoria, the nurses, hospital managements or anybody else will be put off by this.

On Friday, with other honourable members representing the area, I went to Bendigo for the official opening of the renovated TAFE building. The Premier was visiting Bendigo to perform that task and he was given a really bad time. A large number of irate nurses were present with various slogans, some of them detrimental to the Minister for Health. Those nurses gave the Premier a really bad time. He was made abundantly aware of the strong feeling of nurses.

On Sunday I went to the official opening of a new wing at the Ouyen and District Hospital, where the management expressed gratitude to the Minister and the Government for the capital funding that had been made available to their hospital—after representations from themselves and their local members, of course.

The nurses there are still working and I commend them for that; although they have written to me since those comments were made to point out that they are supportive of their union in every degree but they are not willing to go out on strike.

I also commend the nurses at the Mildura Base Hospital who have also not gone out on strike. They are working harder than ever. I understand that this decision has been made because of the fact that the Mildura Base Hospital is in an isolated area, as honourable members would appreciate. However, they have informed me that they otherwise support the Royal Australian Nursing Federation. They are working out of uniform and they are each contributing $10 a day towards the fund to assist the nurses who have gone out on strike.

I was most concerned to learn this morning, however, from the efficient Chief Executive Officer of the Mildura Base Hospital, Sid Duckett, that the Building Workers Industrial Union has stopped work on the building to house the CAT scanner. That scanner will be extremely important to the health of the people living in the Sunraysia area and, in fact, to people living within a radius of 100 miles of the hospital. I cannot criticise strongly enough this union for the heartless attitude it has adopted with respect to the building to house the CAT scanner.

I refer now to the $35 million cut in hospital budgets, a cut that is supposed to represent a 1·5 per cent productivity saving. This comes at a time when there has been additional expenditure allocated for non-nursing duties. Several years ago, a similar budget reduction cut deeply into hospital financial affairs. Hospitals were asked to negotiate with the regional directors to determine what savings they could achieve but the budget of those hospitals has now been cut to the bone. They have been operating on reduced funds to effect savings over a number of years.

Whatever else one may say about expenditure, savings in hospitals, certainly expenditure savings, could not be effected among the nursing staff. Perhaps savings could be made in other areas of the hospital such as in the kitchen or there may be a person here or there who could be spared, but in the area of nursing, no savings can be made.
With those hospitals, once the budgets have been finalised, there is no avenue to further reduce services. Therefore, I ask: what has happened with the Budget in which an allocation of $35 million has been made? It must be some kind of rubbery figure if only part of the expenditure savings can be implemented because, certainly, the entire expenditure savings cannot be made.

Reference was made to the Regional Director of the Loddon-Campaspe Mallee Region. Dr Ian Cumming was active in moving around the various hospitals in the region endeavouring to make those expenditure savings. In fact, he wore out his welcome in a number of hospitals. He was openly feuding with the St Arnaud District Hospital and that made front-page news in the local paper. Politically, that would have been a matter of great concern to the Minister for Health.

It was no surprise to me when I heard that Dr Cumming had been peremptorily removed from that post.

The Hon. M. A. Birrell—Without any explanations!

The Hon. K. I. M. Wright—That is true. Apparently, it had something to do with the Echuca District Hospital, but Dr Cumming has received no explanation for his removal from the position.

In answering a question the other day, the Minister indicated that it was outside his jurisdiction. He had, I gathered by inference, "nothing to do with it"; it was a matter for Mr L’Huillier, the Chief General Manager of Health Department Victoria, but apparently Dr Cumming was not informed as to why he was being removed and, because his appointment is of such a public nature and, because it is germane to the terms of the motion moved by Mr Birrell with regard to the administration of Health Department Victoria, the public is entitled to know why he was removed.

As everyone knows, he is a card-carrying member of the Australian Labor Party and I suggest that puts a different light on things.

The President—Order! As honourable members are aware, the Commonwealth Parliamentary Association has invited honourable members to participate in a 75th birthday celebration, which takes the form of a luncheon function on the patio. The honourable member will resume his speech after the suspension of the sitting for lunch.

The sitting was suspended at 12.45 p.m. until 2.4 p.m.

The Hon. K. I. M. Wright—Time will not permit me to elaborate on all of the matters I wished to raise. However, I refer to an article that appeared in the Age on 21 June 1986 under the heading “Nurses’ pay deal will spark flow-on rush”, which states:

Victoria’s 40 000...—perhaps that should read 14 000—

... nurses yesterday won pay rises as high as $241 a week in a decision that is certain to spark a demand for a flow-on by hospital workers in all States.

That was a masterly understatement because very few of the registered nurses will receive pay rises as high as $241. Student and first-year registered nurses will not receive any pay increase at all.

Student nurses work hard and perform many menial tasks, but they spend only 50 per cent of their work time in the hospital; the rest of their time is spent studying.

Under arrangements stipulated by the Federal Government, student nurses have to undertake college training but will not be paid.

The St Vincent’s Hospital Branch of the Royal Australian Nursing Federation (Victorian Branch) has provided the National Party with a copy of the outstanding issues that need to be resolved. There are twenty in total. They include pay anomalies involving first-year
registered nurses, grade 1, and student rates of pay; grade 2 registered nurses; qualification allowances and so on. As I said, there is insufficient time for me to do justice to the list of outstanding claims.

In the preamble of the response by the federation, it claims that the Victorian Government in its position paper of 12 November 1986 stated that the total number of publicly-funded registered nurse positions was 13 000. It further states:

Prior to the commission's decision of 20 June 1986 the number of registered nurses 1st year to 5th year positions stood at 9400, which equals 72 per cent of the total.

The Government has stated that as at 31 October 1986 following the commission's decision registered nurse 1st year to 5th year positions stood at 3500, which equals 26.93 per cent of the total.

The federation claims that when one considers that there are 230 grade 1 positions or 38 per cent of the total at the Alfred Hospital, 289 grade 1 positions or 51 per cent of the total at the Royal Women's Hospital and 149 grade 1 positions or 37 per cent of the total at Prince Henry's Hospital, one realises the large differentiation between the figures.

I imagine that the Government is saving approximately $500 000 a week while the strike is on. Approximately 10 000 nurses are on strike, each of whom receives an average wage of $400 a week.

Obviously it could seem that the Government has a vested interest in keeping the strike going as long as possible.

The Hon. D. R. White—Don't be stupid!

The Hon. K. I. M. Wright—If the Minister would allow me to finish, I was going to continue by saying that there would be other overriding factors that would more influence the Government's actions. I should like the Minister to explain what is the saving.

Infant welfare centre nurses is one group that has been singled out for unfair treatment. I refer to an article that appeared in the Bendigo Advertiser on 4 November 1986 under the heading "Strike hits infant welfare centres" and states, inter alia:

Infant welfare centres in Bendigo have been closed in a Statewide strike by sisters over their new nursing classification.

Infant welfare sisters are now classified at grade 3b of the nurses' career structure.

In view of this, we believe we should be classified at grade 4a.

I understand that those nurses today visited Parliament House to express their concern. Some discussion was held on whether they would be better off if their administration was transferred from local government to Health Department Victoria.

There are many anomalies, but, as an example, the St Vincent's Hospital provides PUVA therapy for the treatment of debilitating skin diseases. It is the only public hospital in Victoria to provide this treatment and equipment.

The nurse who runs this service is a sole practitioner under the guidelines of the dermatology consultant of the hospital. She is responsible for the treatment of 30 patients or more at any one time, and has been so responsible for the past nine years. Although she is graded as a grade 1 nurse, under the award she requires constant supervision, but yet there is no-one who has her knowledge or expertise because she is the only person who has operated in this particular field. Numerous similar instances have been drawn to the attention of the National Party.
In summary, it is clear that the handling of the dispute has been bungled. This is uncharacteristic of the Minister for Health because other matters to which he has turned his attention have been rectified.

It is essential that the industrial dispute should be settled very quickly, and I hope today's discussions are of some value, although the indications today are not those that would give one much optimism. Unfortunately, it is a fact that many nurses will not return to the profession. What is required is an agreement that is fair to all parties. Nurses must be compensated fairly for their years of service and qualifications. The National Party supports the motion.

The Hon. D. R. WHITE (Minister for Health)—I oppose the motion. A new career structure for the nursing profession is in the process of being implemented. Nurses in the public sector are being paid in accordance with that profile, which is a cost of $54·7 million. It includes retrospectivity to 20 June of 100 per cent and to 1 January of 50 per cent. Twenty matters are outstanding in the current dispute. A process is available for dealing with those matters, which was drawn to everyone's attention by Mr Garlick, the Acting President of the State Industrial Relations Commission. In a statement he made last Monday he said that the conciliation processes had been exhausted. He stated:

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 House is debating the manner of the resolution of the dispute. At present many hospital beds are being ripped up at the Freemasons Hospital in pursuit of a wages claim; today bricks have been thrown through the window of the home of a person who has spoken out publicly against the nurses' pay claim.

I emphasise that there is an appropriate process for the resolution of the dispute. However, what does one hear from the spokesmen of the Liberal and National parties on this issue? Clearly, they are faced with two options. One is the due processes of conciliation and arbitration before the State Industrial Relations Commission; the other is the course of industrial activity that is being pursued at present.

The opposition parties are giving the green light to the current industrial activity. More than that, they have signalled by their statements today that the RANF, in pursuit of its claims, by going out on the grass and taking industrial action in defiance of the Full Bench of the commission, is pursuing the right course of action. By adopting that policy the opposition parties are giving the green light both to the resident medical officers of the Hospital Employees Federation (No. 1 Branch) in pursuit of the nurses' claim and the Hospital Employees Federation (No. 2 Branch) in pursuit of the psychiatric nurses' career structure. Faced with those two options as ways of pursuing the matter, Mr Wright and Mr Birrell are saying that the correct course is the pursuit of Industrial action by going out on the grass.

The Hon. M. A. Birrell—You know that is not true.

The Hon. D. R. WHITE—I remind Mr Birrell that during industrial action last year he drew the attention of the House to that fact. Mr Birrell moved a motion that is on the Notice Paper, under General Business, No. 3, which states:

That this House condemns the Hospital Employees Federation (No. 1 Branch) for the massive and totally unjustified disruption it has caused, and is continuing to cause, within the State's hospital system.

Mr Birrell has never pursued that motion because, following the resolution of that dispute at the Royal Melbourne Hospital last December when the Hospital Employees Federation (No. 1 Branch) lost 1000 members, the union has never embarked on a similar course of action—that was because of the manner in which that dispute was conducted and resolved by the Government. Consequently, Mr Birrell has never raised that matter again.

The Hon. M. A. Birrell—I raised it in this speech.
The Hon. D. R. WHITE—Mr Birrell has never pursued the motion that he moved—it has been on the Notice Paper all the while. He did not pursue it on any one day of General Business since last December. So much for the handling of the debate on the Hospital Federation Employees (No. 1 Branch)! I refer to the Royal Australian Nursing Federation and its current industrial activity. Not one qualification and not one word has been said in the debate by members of opposition parties other than to condone the current spate of industrial activity.

They must recognise that if this course is pursued to its logical conclusion the outcome can be only that the green light will be given to the resident medical officers of the HEF (No. 1 Branch) and the HEF (No. 2 Branch). It will cause the effective abolition of the State Industrial Relations Commission, which the Opposition wants, and the effective abolition of the central wage fixing mechanism, which is slowly and surely putting Mr Birrell, who is merely a weak opportunist, not a member of the new right, into the hands of the new right.

Mr Birrell vacillates from one day to the next in the views that he expresses. It is true he placed a small paragraph in the public notices in the form of a press release asking nurses to go back to work—after he had been lobbied by the Private Hospitals Association of Victoria, Inc.—but the next day—today—he had nothing to say about that.

It is true that others on the Liberal Party back bench have gone out of their ways, unsolicited, to come and say to the Government that it is pursuing this issue and its resolution in the correct way. There are others on the Liberal Party front bench, including heirs apparent in the leadership of the Liberal Party, who are saying to the Government that it is pursuing this matter in a correct way. There are members of the National Party, excluding Mr Wright, who have gone out of their ways, unsolicited, to say that the Government is pursuing this matter in the correct way. But, what does one hear from Mr Wright and Mr Birrell?

The Hon. M. A. Birrell—Will you give the names?

The Hon. D. R. WHITE—I shall give Mr Birrell the names after this debate.

Approaches have come from the Liberal Party back bench in this House and the Liberal Party front bench, including aspirants for the leadership, and from within the National Party. I have heard from two members of the Opposition and the National Party in this Chamber but I have heard from many more outside the House who are in agreement with the way in which the Government is pursuing the resolution of the dispute.

They know and any sensible person knows that if this dispute is not resolved by the proper processes, the membership of other organisations pursuing legitimate claims, such as the resident medical officers, State-enrolled nurses and psychiatric nurses, will be saying to their respective union leaderships that there is only one way to pursue these issues—that is, out on the grass. The debate today is the work of two two-faced opportunists who are unable to pursue and incapable of pursuing the claims that they made last year in the motions listed in their names on the Notice Paper, for obvious reasons—because the HEF (No. 1 Branch), since December 1985, has been pursuing industrial claims legitimately, as the RANF will in future.

In respect of the other claims made during the debate, I reiterate that the wage claim that is being pursued has been responded to by the Government. It is not just an across-the-board decision and an across-the-board increase—that was not sought by the RANF. The RANF wanted a new career structure based on work value. This has resulted in an increase of $54.7 million, with retrospectivity to 20 June of 100 per cent and retrospectivity to 1 January of 50 per cent. Any further decisions of the State Industrial Relations Commission will be over and beyond that.

Between 1981-82 and 1985-86, gross operating expenditure of public hospitals has increased by $450 million, or the equivalent of almost $110 per person, an increase in real terms of 10 per cent. I refer honourable members to the great myth about nurses leaving
the public hospital system and nurses leaving the work force. The average participation rate over the past ten years has been 62 per cent; it is currently 67 per cent; two years ago it was 65 per cent; 67 per cent of registered nurses are currently in the work force. As at January 1986 there were 1429 registered nurse vacancies and in June there were 923 registered nurse vacancies; as at September it was 883. In 1977 there were 32 900 registered nurses in Victoria and 61 per cent were working; in 1986 there were 45 000 registered nurses and 67 per cent are working. In 1977 there were 9200 registered nurses in the public hospital system; in 1985 there were 12 900.

The Hon. M. A. Birrell—What is your point?

The Hon. D. R. WHITE—The point is that, of the people who were able to be employed in the work force who are qualified as registered nurses, a higher proportion are currently in the work force than was previously the case.

The Hon. M. A. Birrell—Are you saying that there is no shortage of nurses?

The Hon. D. R. WHITE—There is no question that there is a shortage. I was not saying that. I am referring to the nurses' dispute.

It is not the case that nurses were leaving the public hospital system. The participation rate has increased, and the new career structure will provide an opportunity of enhancing the prospect for managers to retain nurses in the work force because it reinforces the opportunity for nurses to be employed in clinical areas.

It is correct that the range of increases varies. For grade 1 nurses, who comprise 26·9 per cent of the work force, the average increase is $12, with a base pay of between $345 and $409. For grade 2 nurses the average increase is $42. For grade 3, which is the charge nurse area in medical and surgical wards, the average increase is $135. For grade 4 nurses, the average increase is $139, and those increases exclude penalty rates that may be up to 20 per cent a week.

Mr Wright made the point that larger hospitals were allocated a higher percentage of grade 1 positions than smaller hospitals, and he quoted some examples. Larger hospitals do have a larger proportion of training positions, such as post-graduate nursing students, graduate nurse training programs and other informal training positions.

For example, at the Royal Women's Hospital, 250 positions are allocated to grade 1, and, of those, 137 positions are reserved for post-graduate nursing students, of which 111 are for midwifery students attracting other applicable pay rates. That qualifies, to some extent, what is believed to be misplaced perceptions about the number of people in grade 1.

Many claims have been made about the level of increases. Two nurses appeared on the Today Program on GTV Channel 9 on 13 November. Both of them claimed that the increases in salary under the new award were poor. One of the nurses was a charge nurse who received an increase in gross renumeration of $191.30 a week. The second was a course coordinator who received an increase of $120 a week.

In respect of the changes that have been taking place in the health portfolio over recent years and that have led to some industrial turmoil, let me go through some of the so-called industrial disputes. I recall one occasion in June 1985 when Mr Birrell and Mr Knowles waited with bated breath on whether the Government would transfer physical and intellectual disability services to Community Services Victoria, an overdue expectation of the community for ten or twenty years, which the Liberal Party had failed to realise.

Mr Knowles and Mr Birrell said that the Government would not have the courage to take on that decision, but it did. Industrial disputation arose from that move. Fortunately, it has settled down and Victoria now has effective community-based programs for the physically and intellectually disabled in Community Services Victoria of deinstitutionalisation and programs to bring people closer into the community, something which was commenced in other parts of the world in the 1960s.
It is correct that there was industrial disputation with the Hospital Employees Federation (No. 1 Branch) which was sporadic and incidental, and the august initiators of those industrial campaigns now happen to have been recruited to the Royal Australian Nursing Federation. What did Mr Birrell say about those industrial disputes? As I said earlier, he has not pursued a Notice of Motion which has been on the Notice Paper for ten months during 1986 because there has not been any activity by the Hospital Employees Federation (No. 1 Branch) that has justified him doing so.

One thing must be made clear and reinforced as it is not getting through to Mr Wright or Mr Birrell, despite the fact that it is now the twentieth day of the dispute. It is that if the dispute is not resolved by the proper process, the Royal Australian Nursing Federation will be given the green light to pursue each and every further claim by the current method, and it will be a green light for every other employee group in the community. That is what Mr Wright and Mr Birrell are seeking.

The Hon. K. I. M. Wright—We are telling you to do it by the right process.

The Hon. D. R. WHITE—Mr Wright did not reflect on one aspect of the industrial activity that has been taken by the Royal Australian Nursing Federation—not one word of that was placed on the record. He has condoned everything that has occurred over the past twenty days, including activities at the Freemasons Hospital and the bricks that have been thrown through the windows of the homes of people who have had the courage to speak out on this issue. Those people are not helped by the statements of Mr Wright in this House.

As for the double standards, it is unbelievable that on the one hand Mr Birrell has not pursued the motion concerning the Hospital Employees Federation (No. 1 Branch) while on the other hand he has not made any statements about what constitutes the proper process for the resolution of this issue. Last Monday the Acting President of the Industrial Relations Commission stated:

The commission has legal responsibilities and will proceed to determine the matters in dispute by arbitration. In case anyone thinks they might go outside this process, section 47 (6) of the Act provides, in effect, that, relevant agreement between the union and employers shall be void of any force or effect unless the agreement is offered by the commission and registered.

No agreement will be approved by the commission which is contrary to the State award principles. In addition, by its refusal to accept the commission’s position of holding a conference contingent upon resolution 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 anybody else that the matters in dispute will be resolved by a process of negotiation.

Unlike the Opposition and the National Party, the Government has stuck to the letter of the law. In regard to the issues that the honourable member has raised, I shall make the following points: he mentioned the 2.4 per cent in the Budget. It was subsequently withdrawn by the Victorian Hospitals Association Ltd in a joint statement on hospital budgets prepared on 14 October, which is now the process that is being adhered to for resolution of the outstanding matters, and they are now pursuing the issue of the 2.4 per cent.

The shortage of clinical nurses has had a major impact on the Victorian hospitals system. Health Department Victoria, in response to that and in pursuit of what was the No. 1 claim of the Royal Australian Nursing Federation in 1984–85, appointed 1000 people to undertake non-nursing duties in public hospitals at a cost of more than $24 million. That initiative is intended to relieve the workload of nurses. Despite what Mr Birrell said about the opportunities for productivity savings in the hotel services area, those funds are not in jeopardy, nor are any of those positions, because most of those positions form part of the work of a ward clerk and the other people who provide direct assistance to patients in professional areas, and the Government is not looking for savings in that area.
On 20 June a new nursing award was introduced which was designed to encourage clinical nurses to remain at the bedside, with substantial awards for people assuming positions of responsibility, such as associate charge nurses or charge nurses in medical and surgical wards, and also in high dependency areas.

The new award introduced major changes to the nurses career structure with increases in wages. In addition to that, and quite separate from it, improvements in holiday pay and penalty loadings were also awarded by the Registered Nurses Conciliation and Arbitration Board at a cost of $8 million on 1 January 1986. In addition, funds have been provided to enable refresher courses to occur and also for post-basic courses.

In pursuit of a claim that commenced ten years ago, not one year or four years, but ten years, the Government is putting into effect the transfer of nurse education. In addition, and quite separate from the $54.7 million, Health Department Victoria has commenced the recruitment of more than 500 nurses from overseas to reduce the stress on the existing work force. Many of those nurses have already arrived in Victoria's hospitals and, of those 500 nurses coming from overseas, 305 of those positions represent additions to the net establishment of major hospitals, particularly at the Alfred Hospital and the Royal Melbourne Hospital.

The Government, in addition to those initiatives, has pursued a number of other initiatives in the past two years. They include the opening of the Essendon and District Memorial Hospital, a legacy of the previous Administration. The Government acted on the recommendations of the Lovell report and approved of the Alfred Hospital establishing a radiotherapy unit. The Government proceeded with the new Queen Victoria Medical Centre at Clayton. The Government pursued the construction of additional beds at Maroondah Hospital and Frankston Hospital.

The Government inherited from the previous Administration beds in the lift wells at Frankston and Maroondah hospitals, but both hospitals will be concluded during the life of this Parliament. The Government has proceeded with the relocation of and construction of additional beds at both the Western General Hospital and Sunshine and District Community Hospital, and the creation of a modern medical centre. These initiatives have been long overdue.

The Government has also increased the provision of critical care funds and has provided new technology in the form of magnetic resonance imaging machines at the Royal Melbourne Hospital and a lithotripter at St Vincent's Hospital.

The Hon. M. A. Birrell—You do not put that down as an initiative, do you?

The Hon. D. R. White—The location of a lithotripter in a public hospital such as St Vincent's was not pursued or achieved by way of regulation.

The Hon. M. A. Birrell—You banned it, that was part of your support for private enterprise!

The Hon. D. R. White—The establishment of the lithotripter was achieved by way of negotiation and sale by the private consortium of their lithotripter. Regarding the issue of presenting targets and providing greater autonomy to the public hospital system, the Government has provided four hospitals with hospital agreements and in those hospital agreements honourable members will note not only numbers from June 1986 but also the target levels. If honourable members cared to read the Austin Hospital agreement for 1986-87 they would find targets being set for each form of elective surgery provided at the Austin Hospital and agreed to in turn by the regional director.

Mr Birrell raised a number of other matters that I wish to address. The honourable member referred to waiting lists. It is correct to say that as a result of industrial action there has been an escalation in waiting lists. I am pleased to also inform the House that one has to look at the issue of waiting time for elective surgery. Whatever the number of people waiting on a waiting list for elective surgery, the most appropriate statistic is the
waiting time. If a category of surgical activity has an eighteen months' waiting time and there are only 1000 on the waiting list then that clearly is unsatisfactory. However, if a surgical activity has 10 000 on the waiting list and a waiting time of less than three months, then that is reasonable. In other words, the most appropriate mechanism for determining the system is the average waiting time for elective surgery, which is currently 2-49 months. Clearly, with the more difficult elective surgery activities such as vascular, orthopaedic and ENT, the waiting time is not satisfactory.

The steps the Government has taken to reduce the waiting time for those categories of elective surgery are not helped by the current circumstances, but this circumstance has to be dealt with in an appropriate manner and by the proper process, otherwise the whole hospital system will be disrupted indefinitely. The matters have to be dealt with by the most appropriate mechanism, which is by the Full Bench of the Industrial Relations Commission.

The Full Bench of the commission is meeting today, but has adjourned to have a private conference on a number of outstanding matters. The Government looks forward to those issues being resolved through the appropriate procedures and not by the methods Mr Birrell and Mr Wright quite clearly condone.

The Hon. K. I. M. Wright—Why did you not do it two weeks ago?

The Hon. D. R. WHITE—There was an opportunity some time ago for those matters to be pursued. In September this year the Royal Australian Nursing Federation indicated that it wished to pursue a claim in respect of student nurses. The federation was informed by the chairman of the wages board and by the Chairman of the Industrial Relations Commission that the claim would have to be pursued by way of an anomalies conference; that it would be an exercise in futility for either employer to meet with the Royal Australian Nursing Federation and seek to negotiate separately. As late as 20 October 1986, Mr Korfiatis appeared before the wages board on behalf of the federation and indicated that the federation considered it appropriate to consider its position by February 1987. The Royal Australian Nursing Federation knew and understood the process for resolving the dispute. It knew and understood that the matter had to be pursued by way of an anomalies conference. It knew and understood that the base grade nursing salary and the qualification allowance also had to be pursued either by a log of claims or an anomalies conference. It sought to introduce and wrap up the other sixteen to eighteen items and say, "None of those matters would be handled other than by negotiation with the Government". The federation was not prepared to pursue any form of negotiation other than negotiations that included the student nurse claim, the qualification allowance and the base rate of nurses.

The federation has been informed often, and again as recently as 20 October, that it was not an appropriate mechanism. The Royal Australian Nursing Federation sought, as recently as last Friday week, to pursue the matter by way of conference. Last Monday week the federation was told by the chairman of the wages board that there was no opportunity for further conciliation in pursuit of the federation's claims because there had not been a return to work.

Outstanding issues do need to be considered for the resolution of the dispute. The classification process can take into account several factors, the benchmark position, associated job features, Statewide consistency of application, the review of all submissions and the hospital profile by the Classification Review Committee.

A variety of inconsistencies were identified across the State and submissions were received on those matters. Considerable effort was made to apply standard interpretations to avoid disadvantaging nurses who may have been graded in a completely different way to the health care sector. Fourteen thousand positions were reviewed in publicly-funded health care institutions in an effort to resolve the issue. It is clear that some matters were identified by the federation and the department. The Government has indicated that in pursuit of those matters, whether they be in the designated areas, the issue of comparable
complexity and so on, including the teaching hospital status, post-graduate student classification and the clinical specialities, they can be resolved effectively before the Industrial Relations Commission at any time and at the initiative of any party and that they do not require and still do not require any form of industrial activity for their resolution.

Let me make it clear, when the industrial activity took place last year, and arising from that, the Full Bench of the Industrial Relations Commission met and considered the issues by way of work value over a period of seven months. During the course of those deliberations the federation agreed to a career structure. There was a difference in the remuneration attached to those positions and the gradings. The Government had made an offer and was not opposing the wage increase. It was not opposing the career structure and made a substantial offer. The federation sought additional funds.

The decision of the commission was well in excess of the Government offer. So much for the commission being a captive of the Government! Our estimate for 1986-87 was originally $22 million because we believed there would be a phasing in of the decision over a period of two or three years and because we believed people would be benchmarked at the lowest position of the new grade and not necessarily at the midpoint.

On both those areas the commission found in favour of the RANF, which increased immediately the cost of the implementation from $22 million to $38 million, plus $8 million for retrospectivity, and allowed $4 million for offsets, which took the cost to $42 million.

After we received the hospitals' submission for the implementation of the career structure it became clear that the cost would be in excess of $42 million. During October and after the Budget we sought additional funds to implement the career structure, taking the cost up to $54.7 million.

This has been the basis upon which the career structure has been implemented. During September and October, we, in conjunction with other parties including the Victorian Hospitals Association Ltd, the association of directors of nursing and, at the time, representatives of the RANF, identified areas that needed to be addressed further, including designated areas.

Because we believed there could be a fairly clear definition of what constituted a designated area and a fairly clear indication of how that should be applied uniformly across the State, that is a matter we believed could be determined as part of the settling-down process before the commission.

We indicated, in respect of supervisors, that consideration should be given to broadening the scope of supervisors so they could be upgraded to assistant directors of nursing, and documented the position in that respect. There is not much difference between the Government's position and that of the association of directors of nursing. Certainly the RANF expressed views about that. In respect of associate charge nurses, the full bench of the commission has already foreshadowed that, at the earliest opportunity, it will be prepared to arbitrate on the matter because it has heard from the respective parties. It knows and understands most of the issues and it is quite likely, as it did last Wednesday and Monday, to foreshadow a decision in favour of the RANF in regard to the people occupying positions as charge nurses, or people who would otherwise be charge nurses in the old structure, especially those in operating theatres.

It is also true that the Government is prepared to examine other issues regarding the grading of the position of associate charge nurse and the number attached to each charge nurse position. We have made a submission to that effect to the commission.

On the issue of outstanding matters with regard to nurse educators, the RANF knows—and other parties know—that on three of the four issues of our offer, the RANF is in agreement with the Government. That was known and understood before industrial action occurred.
We have put forward views in respect of maternal and child health and midwifery and, in respect of the designation of midwifery units, our position is known and understood, as are our views on extended care, clinical specialists, positions not covered by award classifications and associate directors of nursing. These matters are on the table. They are in addition to the $54.7 million.

In respect of the comparable complexity, we have sought to amend the award by including an additional three hospitals to make them the equivalent of teaching hospital status, namely, Box Hill Hospital, Western General Hospital and the Preston and Northcote Community Hospital. That is known, understood, has been made public and been the subject of full-page advertisements in the newspapers. Documentation has been submitted to the commission, all of which addresses that outstanding issue.

Those matters can be effectively resolved before the commission, as was the original claim. For a long time, this dispute has been effectively about the student nurse issue and the base rate. The RANF has proper processes by way of log of claims and the anomalies conference to pursue these matters. It did not take the opportunity of doing that. The Government would assist in bringing these cases forward if it were convenient for the RANF.

Let no-one mistakenly believe there are not substantial increases in the pay packets that are not available in these tight economic times to any other section of the work force, including grade 1, where there are 3500 positions obtaining increases of up to $22 a week; in grade 2, where people are getting increases up to $67 a week; grade 3, up to a $127 a week and in grade 4, up to $178 a week. Those increases do not include prospective penalties that might occur. As I said—and I reiterate—the average level of increase for grade 1 is $12; grade 2, $44; grade 3, $135; and grade 4, $139.

It is clear that we are dealing with a complex new career structure that does involve—and has already involved—substantial remuneration and substantial financial benefit to a section of the work force. There are outstanding matters that need to be pursued. The Government is adamant that these matters can be pursued only by the proper industrial processes. At no stage did the Liberal Party spokesman or the National Party spokesman do other than condone the current industrial activity that is being pursued.

The Hon. B. A. Chamberlain—we believe they should go back to work.

The Hon. D. R. White—at no stage did those spokesmen do other than condone the current industrial activity that is being pursued and, as a result, gave the green light to resident medical officers, the Hospital Employees Federation (No. 1) Branch in pursuit of State-enrolled nurses, the Hospital Employees Federation (No. 2) Branch and all other sections of the work force that the appropriate way to pursue a resolution of these disputes is out on the grass. For those reasons the Government opposes the motion.

The Hon. M. A. Birrell (East Yarra Province)—Today the chickens came home to roost for the Minister for Health.

He was challenged, as the Minister for Health, to answer allegations and he has failed dismissively by focusing on only one of six issues raised and not speaking about the other five issues. The Minister has been a dismal failure in meeting his own promises and the promises of the Premier. Let me not be diverted by examining the other five issues; let us first look at the one issue the Minister puts forward and the distortion.

It was good today—absolutely perfect—that the Minister got up and did in this place what he has been doing to nurses and hospital managers; he did not tell the full truth. It is normal now because the whiz-kid who came in from the Gas and Fuel Corporation and the water supply Ministry is finding it difficult to tell the nurses that they are just menial line managers. That is what the Minister wants to tell them. He is not winning their confidence; he thinks a bland memorandum will do and, when he strikes trouble, he does not tell the full truth.
Let us start off with the absolute distortion of the stance of the Opposition and the National Party. In his speech Mr Wright made it clear—and I made it clear in my speech—

The Hon. D. R. White—Not at all.

The Hon. M. A. BIRRELL—The Minister should listen and he might learn. Mr Wright and I both made the point that we wanted the nurses to go back to work. Mr Wright made the point in the various newspapers to which he referred and I have made the point in press releases.

The Minister knows that is so because he gets my press releases as quickly as I put them out. The Opposition knows that the Minister is particularly interested. Perhaps he may have seen the joint statement issued by the Leader of the Opposition and me on Friday, 7 November. If he did not, I shall quote it to him. The press statement said:

The Liberal Party does not condone industrial action. . . . The nurses must immediately agree to return to work.

Perhaps the Minister missed my press release on Thursday, 13 November. So that he can get it right in his mind, I shall quote it for him. The press release stated:

The nursing profession has made its point and the strike must end.

The nurses now have the opportunity to provide the leadership which the Government has not given; by acting in the public interest and going back to work they will enable their claims to be settled promptly.

Perhaps the Minister missed another press release or did not read my comments reported in the Sun and Age last week. On 14 November the first paragraph of my press release stated:

"The striking nurses should immediately agree to return to work. secure in the knowledge that the Industrial Relations Commission and now the public are alert to the Government's deception," the shadow Minister for Health, Mark Birrell, said today.

Did the Minister miss those comments? Of course, he did not. The Minister has distorted the truth at every opportunity because his case is so weak. He tried to do it to the nurses but he was caught out.

Firstly, the Opposition has never said on any occasion that it supported the strike activity. However, members of the Opposition enjoyed seeing the Minister's position humbled. The Minister has been dishonest from the beginning of the dispute and he has now been proven to be dishonest. The Minister misunderstood the Opposition, as he has misunderstood all health providers in Victoria.

Secondly, the Opposition has always believed an early conference should have been held. Today it is being held. It is interesting that the Minister has stated that negotiating with the nurses would be against the law. What law specifically states that the Government cannot talk to a union? Perhaps the Minister has missed that point, despite it being a key factor in this debate.

The Minister must have missed the comments made in the Weekend Australian of 15-16 November where a person who is not a politician demonstrated that what the Minister has said is nonsense. The Registrar of the Industrial Relations Commission of Victoria, Mr Jim Folino said:

I don't know of any section of the Industrial Relations Act that says you can't negotiate.

There is no law against negotiation.

The Minister deliberately locked himself into a corner. The Minister is the major reason for the strike continuing, yet he has dared to say in this Chamber that progress has occurred and a conference is being held today. Why could not a conference have been held a week ago? When did the Minister call for a conference? Where was the public leadership offered to Victorians? There was no leadership offered because the Minister thought he could bluff the nurses. Last Saturday's Age was correct in saying that the Minister's basic
problem is that he is sexist. The Minister thought he could con the basically female nursing profession. Fortunately, he has not been able to do that.

The Registrar of the Industrial Relations Commission stated that the point of law referred to by the Minister was not a law.

The Opposition has always wanted the dispute to be finalised and resolved by an industrial arbitrator or conciliator. The Minister should have been throwing out into the public domain some potential grounds for settlement. It would not have hurt if the Minister told the truth; that would have advanced the debate enormously.

There are five other points to which I shall refer. It is disappointing that the Minister saw fit not to talk about them. They involve the pathetic failures of Health Department Victoria in other areas for which it is responsible.

What is the Minister’s confident prediction today on the direction that waiting lists will take? Will they rise to 29 000? Does the Minister stand by the Premier’s broken promise that waiting lists will be halved? Does he stand by his own broken promise that waiting lists will be reduced this year? Does the Minister have no promise to make because he has no faith in the health policies of the Australian Labor Party? The Government cannot have an appropriate policy on waiting lists because they will increase under the Minister’s administration. That situation will only change if there is a change of government.

If I am wrong in what I have said during my speech today, why does the Minister not reply to my comments about waste in Health Department Victoria? I should have thought the Minister would have come to the defence of his department when such an attack has been made, or does he not do so because what I have said is true.

Is it for the same reason that the Minister did not defend community health centres that I attacked some months ago? The Minister received letters from his constituents—and I received copies—asking why the Minister had not defended community health centres.

What about the Ministers defence of hospital budgets? Does the Minister disagree with the Victorian Hospitals Association Ltd, on the same page of last Saturday’s Age, when it said that hospitals will have to reduce services? Not one word from this Minister!

This wounded Minister has promised the world and has delivered something less than a quarter acre allotment. The Opposition has called the Minister to account, but he has failed.

The House divided on the motion (the Hon. R. A. Mackenzie in the chair).

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Majority for the motion | 1 |

AYES
Mr Baxter
Mr Birrell
Mr Chamberlain
Mr Connard
Mr de Fegely
Mr Dunn
Mr Granter
Mr Hallam
Mr Long
Mr Macey
Mr Miles
Mr Reid
Mrs Varty
Mr Ward

NOES
Mrs Coxsedge
Mr Crawford
Mr Henshaw
Mrs Hogg
Mr Kennan
Mr Kennedy
Mrs Kirner
Mrs Lyster
Mr McArthur
Mrs McLean
Mr Sgro
Mr Van Buren
Mr Walker
Mr White
AYES
Mr Wright
Tellers
Mr Knowles
Mr Lawson

NOES
Tellers
Mr Landeryou
Mr Murphy

PAIRS
Mr Evans
Mr Grimwade
Mr Guest
Mr Hunt
Mr Storey

Mr Arnold
Mrs Dixon
Mr Mier
Mr Pullen
Mr Sandon

TRUSTEE (AMENDMENT) BILL

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

OBJECTS
The Bill seeks to amend the Trustee Act 1958 by adding to the investments which that Act authorises a trustee to make from trust funds. The Bill recognises the need for the list of authorised investments to reflect the increasing sophistication of the financial marketplace and for trustees and trust beneficiaries to benefit from access to certain profitable and secure investments which they currently cannot enjoy.

BACKGROUND
Under Victorian law, a trustee can only invest trust funds in investments set out in the documents which establish the trust or in the authorised investments set out in the Trustee Act. Authorised investments are secure investments. They include investments as diverse as securities issued or guaranteed by Governments and certain loans secured by registered first mortgages. Each authorised investment is likely to preserve the capital invested by the trustee and to guarantee a reliable flow of income. The interests of the trust beneficiaries are unlikely to be adversely affected by the trustee investing funds in these investments.

The list of authorised investments should not be inflexible and immutable. It should reflect the sophistication of the Australian financial markets and the continuing innovation in those markets resulting from the competitive pressures of financial deregulation. The list should also recognise the need to give trustees access to secure and profitable forms of investment as and when the investments come on to the market. The need to ensure that the list is flexible has been recognised by this Government in, for instance, giving certificates marketed in the secondary mortgage market authorised investment status.

As trustees have access to considerable capital resources, extensions to the list of authorised investments can assist in the way the Victorian economy develops. Authorised investment status for certain types of investments in Victoria can make it more attractive for trust funds to come to Victoria from other States and more attractive for trust funds to stay in Victoria and be used for Victorian purposes. By giving authorised investment status to investments which channel funds into secure productive activities we can also create a climate which facilitates economic expansion. Authorised investment status given ahead of other States, also adds to Melbourne’s growing reputation as the financial capital of Australia.

However, extensions to the list of authorised investments cannot be made without paying close attention to the security each investment offers to trustees and to trust beneficiaries. To ignore these considerations could leave a trustee, with limited access to legal or financial advice, open to possible legal action by the beneficiaries of the trust. It could also result in the loss of capital and income benefits which should accrue to trust beneficiaries from a trust estate. In adding to the list the Government is acutely aware of the need to ensure that beneficiaries in particular do not suffer from trustees making these investments in these ways.
PROPOSED ADDITIONS TO THE LIST OF AUTHORISED INVESTMENTS

The Bill seeks to give authorised investment status to the following investments:

- mortgage backed certificates;
- bank endorsed bills of exchange;
- units in certain unit trusts schemes; and
- shares and certain prescribed company securities issued by publicly-listed Australian companies which satisfy certain strict conditions.

The Bill ensures that only those investments which satisfy the most stringent of prudential requirements will qualify. It also requires trustees to take certain precautions both before investing in and whilst holding certain of these investments.

(1) MORTGAGE BACKED CERTIFICATES

These are negotiable certificates similar to certificates currently available in the secondary mortgage market, which have had authorised investment status since 1985. Mortgage backed certificates give the holder an interest in the mortgage described in the certificate. The mortgage is held on trust for the certificate holder. Like the secondary mortgage market, a market for these certificates frees funds tied up in the mortgages to which they relate for other purposes. Authorised investment status for mortgage backed certificates will give the secondary mortgage market considerably more depth. It will also add to Melbourne's developing reputation as the financial capital of the country, particularly as no other State has yet legislated to give investments such as these authorised investment status.

(2) BANK ENDORSED BILLS OF EXCHANGE

Australian companies use negotiable bills of exchange as an alternative means of raising capital. Bills of exchange accepted or endorsed by a bank are a particularly attractive way of raising capital because they offer the holder the security that a bank will meet the obligations owed to the holder upon maturity should the person principally liable on the bill default. Bills of exchange accepted by trading banks with a maturity of fewer than 200 days have had authorised investment status in Victoria for a number of years. As bank endorsed bills of similar maturity offer similar security to the holder, there is no reason why they should also not have authorised investment status. South Australia has given bank endorsed bills of exchange authorised investment status and then only recently. This amendment to the list of authorised investments, therefore, means that Victoria will be the first major financial market in Australia to allow trustees to invest in these types of bills.

(3) UNITS IN CERTAIN UNIT TRUST SCHEMES

Unit trusts have become an increasingly popular and effective way of directing dormant savings to productive investment. In January of this year there were over 100 public unit trusts operating in Australia and investing in property, company securities and other financial instruments. By giving authorised investment status to units in public unit trusts, trustees and their beneficiaries will be given the chance to benefit from the economic development which a unit trust facilitates. Authorised investment status will give unit trusts access to substantial trust funds which are presently not available to them. The only State in Australia which has given authorised investment status to units is Western Australia. It is this Government's view that it is in Victoria's interest to do the same.

(4) SHARES AND OTHER PRESCRIBED SECURITIES IN CERTAIN AUSTRALIAN COMPANIES

Shares and other securities such as notes and debentures issued by companies are more conventional examples of how companies can raise capital. They also allow the holder of the security or the registered shareholder an interest in the activities of a company.
Authorised investment status will, therefore, give Australian companies which qualify access to the substantial volume of trust funds controlled by trustees in this country. Authorised investment status will also give trustees a chance to share in the future wealth of these companies in a way which is not currently possible.

None of the major financial markets in this country allow trustees to invest in these types of securities, although in Western Australia and South Australia shares and certain securities have had authorised investment status for some time. It is time that Victoria took the initiative and allowed trustees and trust beneficiaries and Australian companies the benefit of authorised investment status for these shares and securities.

**PRUDENTIAL REQUIREMENTS**

The Bill sets out the prudential requirements which must be satisfied for investments to qualify as authorised investments. The main requirements are the following:

(1) Mortgage backed certificates will only be authorised where the trust documentation relating to the issue of the certificates is approved by the Corporate Affairs Office on prescribed conditions and where the mortgages to which each certificate relates would themselves qualify as authorised investments.

(2) Only bills of exchange which mature no later than 200 days after they are acquired will be authorised and then only if endorsed by a bank caught by the Banking Act of the Commonwealth or endorsed by the State Bank of Victoria.

(3) Units in unit trusts will be authorised only if the documentation relating to the trust meets the requirements of the Corporate Affairs Office under the Companies Code and under regulations to be made under the Trustee Act. The regulations under the Trustee Act will require the Corporate Affairs Office to look at such matters as the types of investments the unit trustee can make.

(4) Shares and prescribed securities will be authorised only where the issuing company is an approved corporation. An approved corporation is one that, for certain specified periods before the securities are acquired, has satisfied prescribed conditions about paid-up share capital, the declaration or payment of dividends and the relationship between prescribed assets and prescribed liabilities. It is expected that the prescribed securities will be certain debentures and convertible notes in approved corporations. The conditions to be prescribed for qualification as an approved corporation will ensure that only those securities of the most stable and continuously profitable companies which have a sound capital structure will qualify as authorised investments.

**OTHER PRECAUTIONARY REQUIREMENTS**

The Bill also sets out certain other steps a trustee must take before investing in and while holding units in unit trusts and company shares and securities. These steps will together ensure that the interests of trust beneficiaries are protected where these investments are made. The Bill requires any trustee intending to invest in securities or units first to seek the advice of an appropriately licensed independent expert about whether the investment is satisfactory. While holding these investments the trustee will also have to seek the advice of the investment adviser every six months about whether to retain the investments. Should investments in company shares or securities no longer be authorised because the issuing company is no longer an approved corporation, the trustee will be in breach of the trust unless it can establish the elements of the statutory defence set out in the Bill.

I am confident that these requirements and precautions will not only protect trust beneficiaries but also will ensure that trustees will exercise abundant caution in deciding whether to invest in or retain these types of securities.
SUMMARY

This Bill is a further reflection of the Government's initiatives to foster Melbourne's financial and capital markets and the economic development of Victoria. This Bill is evidence of Victoria's place at the forefront of responding in constructive ways to the needs and demands of our developing financial markets. The Bill also reflects our acute understanding of the need to protect trustees and the beneficiaries for whom they act while ensuring that trustees have access to new and secure forms of investment as they become available. I commend the Bill to the House.

The Hon. B. A. CHAMBERLAIN (Western Province) (By leave)—Before moving that the debate be adjourned, I ask the Attorney-General whether he desires this Bill to pass through both Houses before the end of this session.

The Hon. J. H. KENNAN (Attorney-General) (By leave)—It is unlikely. It would be helpful for the financial markets but I understand there may be a lack of time. Unlike the Planning and Environment Bill, notice of which was given on the first day of the sitting and other Bills such as the De Facto Relationships Bill, for which early notice was also given, this Bill comes in late and I recognise that the Opposition may want a little more time.

The Hon. B. A. CHAMBERLAIN (Western Province)—I move:

That the debate be adjourned until the next day of meeting.

The motion was agreed to, and the debate was adjourned until the next day of meeting.

APPROPRIATION (1986–87, No. 1) BILL

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

Clauses 1 to 3 were agreed to.

Clause 4

The CHAIRMAN (the Hon. G. A. Sgro)—I inform honourable members that at this stage they may discuss the programs shown in the table which forms part of clause 4 and which appears at pages 5 to 140 of the Bill.

I ask honourable members to nominate the particular program or programs to which their remarks are directed.

The Hon. N. B. REID (Bendigo Province)—I refer to Program No. 584 under police and emergency services and the contribution made by the Cain Government to the fight against crime in Victoria.

The Herald of 11 October 1986 reports a statement by the Minister for Police and Emergency Services that there would be no cash for police. The report states:

Budget constraints meant that Police Force numbers could not be increased this year, the Minister for Police and Emergency Services, Mr Mathews, said today.

That is an absolute disaster for the Victoria Police Force because the level of crime in Victoria has been escalating at an alarming rate.

I refer briefly to an information paper compiled by the Parliamentary Library indicating that crime frequency in Victoria during 1984–85 and 1985–86 increased to the extent that a crime is committed every 1 minute 43 seconds. That statistic should cause an enormous concern to Government members, especially bearing in mind what has occurred in the Victoria Police Force during the reign of the Cain Government.

I refer to the early days of the Cain Government when it attempted to achieve the promised recruiting levels. From 1982 to 1984–85, 415 fewer trainees were taken into the Police Force than in the previous three years under the Liberal Administration. When
that figure is compared to the appropriation in this year's Budget and the escalation in crime figures, one finds a correlation between the two. The lack of recruitment of trainees to the Victoria Police Force during that period has opened up a gap of knowledge, expertise and ability and shortfall in numbers in the Victoria Police Force which is leading to this rapid escalation in crime.

I refer to serious crimes that are included in the major crime index used by the police: homicide, serious assault, robbery, rape, burglary theft, motor vehicle theft and fraud. In addition, a number of other crimes are not on that index but they are referred to as "other offences". They comprise: arson, drug offences, firearms offences, minor assault, property damage, prostitution and sexual offences other than rape.

The document compiled by the Parliamentary Library does not have any political bias. In fact, the figures are away from the political arena to a great extent. However, they highlight the number of crimes committed throughout Victoria during 1984-85 and 1985-86. The total major crime in 1984-85 was 222,825 and the total in 1985-86 was 249,113, an increase in major crime of 11.8 per cent over the previous year.

However, a statement was made by the Minister for Police and Emergency Services that, because of serious Budget constraints again, the Police Force numbers could not be increased this year.

That has to be considered in the context of the findings of the Neesham inquiry into the Victoria Police Force. When the report of that inquiry was received by the Minister, the Age editorial of Thursday, 22 August 1985 stated that the Neesham inquiry believed the Police Force was 1,400 officers below strength. One must also bear in mind that 415 recruits were not able to be taken in by the Police Force over a three-year period from 1982 because of lack of funds.

The Neesham inquiry took three years to investigate the situation and to compile and produce a voluminous report and present it to the Government for action. One must take that into consideration along with the fact that in this year's Budget, yet again, there will be no increase in police numbers for Victoria.

I do not need to remind the Committee of the serious problems relating to drug offences and increased crime that have been occurring in the Bendigo area, particularly over the past twelve months.

The Hon. J. H. Kennan—You recently accused Mr David Kennedy of pork-barrelling, did you not?

The Hon. N. B. Reid—By his remarks, the Attorney-General seems to be saying that Bendigo is doing well.

The Hon. J. H. Kennan—Why did you accuse him of pork-barrelling? What did you think was in the barrel?

The Hon. N. B. Reid—I am saying that staff resources have not been provided to the police to fight crime in the Bendigo and north-central areas.

The Hon. J. H. Kennan—Why did you accuse Mr Kennedy of pork-barrelling?

The Hon. N. B. Reid—The Bendigo City Council has been extremely aware of the situation. It has been making representations, with me, to the Minister for Police and Emergency Services for a long period. That dates back to the time when I was the shadow Minister for Police and Emergency Services between 1982 and 1985.

The council and I made numerous representations to the Minister seeking increased police strength for the Bendigo and north-central areas of Victoria to try to overcome the increase in crime and the escalation in drug-related activity.

The Hon. J. H. Kennan—Do you want a cut in Government expenditure?
The Hon. N. B. Reid—Yet again, the Government makes no provision in this year’s Budget of additional cash for the Victoria Police Force to enable an increase in the staffing levels.

The Hon. J. H. Kennan—Did you hear what the Chief Commissioner of Police said on the radio this morning?

The Hon. N. B. Reid—The Attorney-General is well aware of the problems in Bendigo, but he is not at all sympathetic to its case.

The Hon. J. H. Kennan—It has done very well. You think they have been pork­barrelling!

The Hon. N. B. Reid—The Attorney-General took the opportunity of attacking Mr Wright and me when we made representations to the Minister for Police and Emergency Services for additional police in that area. It is quite obvious that we will not receive any assistance from this Government.

The Hon. J. H. Kennan—That is not the chief commissioner’s view. He was very supportive on the Schildberger radio program.

The Hon. N. B. Reid—Some member of the Government might like to explain what the Government is doing with the money, because it is quite obvious that the Police Force is not receiving the benefit of additional finance from the Government.

The Hon. J. H. Kennan—That is not what the chief commissioner said this morning.

The Hon. N. B. Reid—The Government is providing funds for such things as the Ministry of Transport early retirement scheme. It costs approximately $1 million to employ 50 additional police in the Victoria Police. What does the early retirement scheme of the Ministry of Transport cost? The Attorney-General might like to answer. Is it $68 million?

Many additional police could be employed for that amount. Members of the Victoria Police are asking, “What is the Government doing with the money that it could use for the employment of additional police staff and the provision of resources?”

One has only to examine the list that was compiled by my colleague, Mr Birrell, to note the sorts of things on which the Government is spending money.

The Hon. J. H. Kennan—Did you hear the remarks of the chief commissioner on the radio this morning? Are you bucketing the chief commissioner?

The Hon. N. B. Reid—Mr Birrell was saying that the Government is wasting its money. One has only to talk to members of the Police Force to hear what they have to say. They ask about the $500,000 that the Government spent on laying grass along Swanston Street as part of its pre-election fiesta.

The Hon. J. H. Kennan—Did you oppose that?

The Hon. N. B. Reid—Of course I did.

The Hon. J. H. Kennan—Did you oppose the financing of the Chinese museum in Bendigo?

The Hon. N. B. Reid—That is another matter. However, I do oppose the Government wasting money on the Chinese museum in Melbourne and not providing any to Bendigo.

The Hon. J. H. Kennan—Do you oppose the financing of the Chinese museum in Bendigo?

The Hon. N. B. Reid—The Government wasted money in Melbourne instead of providing it to Bendigo.

The Chairman (the Hon. G. A. Sgro)—Order! I ask Mr Reid to address the Chair.
The Hon. N. B. Reid—Mr Chairman, the Attorney-General provoked me on that matter, and I have responded to his interjections because the Government is not prepared to assist the Victoria Police Force.

It would much rather waste its money; it would rather spend $500,000 on laying grass along Swanston Street. For what purpose did it do that? In fact, the amount of $500,000 could have been used to employ 25 additional police. That is the reality. However, instead, the Government spent that money to lay grass along Swanston Street.

There are many more examples of such wastage. The Victorian Trades Hall Council received a grant of $151,000 for trade union arts associated with the Australian Council of Trade Unions. I could tell the Committee what the Victoria Police Force could do with $151,000 if that money were channelled towards the Victoria Police Force rather than to the ACTU for trade union arts.

Another grant was made to the Victorian Trades Hall Council for industrial information indexing; it received $88,000 for that purpose. These are the items to which the members of the Victoria Police Force refer when speaking to me. They ask, "How come the Minister can make a statement that there is no cash to provide for the police, yet the Government is wasting its money and resources on some of these things?"

It is quite inappropriate for the Government to provide amounts of that sort to those types of interests rather than considering the safety and well-being of Victorians and the level of crime, which is escalating throughout Victoria.

The Police Force has also directed my attention to the cost of the media unit of the Department of the Premier and Cabinet, which has a bill in excess of $600,000 per annum. They have said that the Premier seems to be able to find the money for the Government Media Unit so that he can produce his own publications and promote the Government, yet, when it comes to important issues such as law and order and the protection of the community, the Government is failing.

In fact, the Government has allocated no funds to the Victoria Police Force in this year's Budget to allow for an increase in staffing levels, although the force is already 415 police behind.

As I said before, the Neesham report said that the Victoria Police was 1400 under strength, but the only answer that the Government has been able to give is to employ additional public servants to provide administrative assistance to the police. I concede that some of that administrative assistance has been quite helpful to the police.

However, there is a limit as to how far one can go in providing administrators when what the community wants and needs is fully trained and professional police. That is where the Government has failed and failed miserably!

The Police Force recognise this and it recognises that many areas of Victoria are faced with difficult situations. This is particularly obvious when one reads some of the publicity in newspapers throughout Victoria.

An article in the Sun of 15 October 1986 indicated that in the Shire of Werribee, which is a rapidly growing part of the State, there is a population of approximately 60,000 people and the number of police stationed at Werribee is 29, which has not changed for eight years. Honourable members would understand just how rapidly Werribee has grown during that eight-year period. It has probably doubled or even trebled its population, and yet it has the same number of police as it had eight years ago. At night, the area is often unguarded when its sole night patrol unit is called to another suburb.

Members on the Government side of the Chamber supported money being spent on the shonky programs that I have explained to the Committee. The Government can waste money on an early retirement scheme in the Ministry of Transport, yet it cannot find the money for the Victoria Police Force so that Werribee, Bendigo and many other areas of
the State can be adequately protected and safeguarded through a 24-hour service so that law and order can be maintained.

It is obvious from the article in the Sun of 15 October, which quotes the officer in charge at Werribee, Senior Sergeant Joe Broad, who said that the unit—which is the only one for at least 60 000 people—was often called to Laverton when the station there was closed for the day because of police shortages in the south-western suburbs.

Here the police are trying to offer protection for more than 60 000 people. There are probably 100 000 people in that area, taking into account Laverton and other areas around Werribee, but only one police unit is available to try to cover that whole expanse of the south-western suburbs.

It is understandable that the Victoria Police Force is registering its complaints publicly in articles such as that which appeared in the Sun, yet the Minister has said that there will be no additional cash for the Police Force this year and there will be no increase in staffing.

The resources are another question that has not been addressed in the appropriations. It is incredible in this day and age of modern technology that the police do not have a computerised fingerprinting register. Obviously that is required. In this time of advanced technology it is absolutely essential that that sort of facility be made available to the police, because although the present system ultimately does come up with extremely good results the process involved is laborious.

There was recent evidence of the fine work done by the Victoria Police Force when it came up with some fingerprints on a vehicle which led to the apprehension of a person who was ultimately charged with the murder of two people at Shepparton, Abina Madill and Gary Heywood many years back.

The Hon. W. R. Baxter—That occurred only because New South Wales police have the right to fingerprint but our police do not.

The Hon. N. B. Reid—That is correct, Mr Baxter. I was leading up to that. There is no point in having a computerised fingerprinting setup without the police having the ability to take fingerprints. As honourable members are aware, officers of the Victoria Police do not have the power to take fingerprints and that is unfortunate because it restricts them in their work.

I am also indebted to a member of the National Party for another article, I am pleased to say. The National Party was reported in an article in the Herald of 29 October which said that there were 22 police to protect 375 00 Victorians in country areas. I am acutely aware of this because of the situation in Bendigo, particularly because of the drug problem there and the large population. It is obvious that there is a drift of the criminal element to country areas because it knows and understands that many of those areas are left unprotected and do not have the high level of police surveillance that other areas might have.

It is obvious to me and to the people of those communities that there has been a shift in the area of drug-related crimes and activities, particularly in the manufacture of drugs such as amphetamines, which have been discovered in the Bendigo and north-central areas. The police are struggling to find the resources to ensure that all of central Victoria—and, in fact, all of Victoria—is adequately protected.

The Minister for Police and Emergency Services has acknowledged the lack of numbers in the Victorian Police Force. An article in the Herald of 18 August said:

Police facing “stress poser”

The Victoria Police faced “formidable problems” in responding to the problem of stress, according to the Police Minister.

Is it any wonder that the Police Force is having problems?
It is not receiving adequate funding and it is not receiving an adequate number of recruits. It is not being provided with the resources to do the job.

It is also obvious that the Minister recognises this from the fact that, at the opening of a seminar on stress in the emergency services at which the Minister was speaking, he said there was a problem and that the members of the force were under stress. Who can one blame? One can blame only the Cain Government and the Minister for Police and Emergency Services because of their lack of concern and their failure to allocate funds to provide for the adequate manpower and resources the police need.

I know the cost of providing additional police is high. It costs about $1 million for 50 officers to be recruited into the Victoria Police Force, but the Government must address the question. It can no longer continue in the role that it is playing at present with the Police Force, leaving it under-resourced and undermanned, because the increase in crime, for which I have quoted the figures, will not go away.

A gap in expertise occasioned by the low numbers of recruits from 1982 onwards is now moving right throughout the whole system.

The people who would have been taken into the Police Force in 1982, now, approximately four years later, would have been front line members of the force and would be developing their expertise, ability and experience to a high level, which would have equipped them to become involved in a full range of police activities and inquiries.

The gap has now moved through the system and is demonstrating that the Cain Labor Government has failed the community of Victoria in providing adequate law, order and support.

The Police Force is in need of many things; it needs increased powers to allow its officers to take names, addresses and fingerprints. It is hoped it will not be long before State and Federal Governments consider approving telephone taps—under correct supervision—in the apprehension of major criminal networks. The police would welcome the opportunity of being able to investigate in this way. This was recommended by the Stewart Royal Commission some years back.

One of the difficulties faced by the Police Force is that many experienced officers are leaving the force on medical grounds. Earlier I referred to an article in the Herald of 8 August in which the Minister for Police and Emergency Services was reported as having said that police were leaving the force because of the stress under which they were working, the increased crime rate and the people with whom they were working. The Minister is aware of this, yet he is doing nothing to alleviate the pressures under which the police are working.

The Minister for Police and Emergency Services advertised in all Melbourne metropolitan newspapers that his answer to providing the Police Force with assistance was to establish a single person Police Complaints Authority. That statement was reported in the press of 11 December 1985 as was the statement that a salary of between $70 000 and $75 000 per annum was being offered for the person to hear those complaints. What about the police officers being able to complain about the lack of support, manpower and resources the force receives from the Government? The Minister has his priorities wrong.

The Minister should be concerned about law, order and the protection of the community. He should ensure the Police Force has adequate staffing and resources to perform a most difficult task.

The Hon. ROSEMARY VARTY (Nunawading Province)—I shall discuss two separate issues: the first relates to Program No. 385, which is health, short-term hospital services; and Program Nos 693 and 694, transport, which relate to roads. As there was insufficient time earlier to discuss in more detail the health area, I take the opportunity of including this subject in my remarks now.
I take up the comments made by the Minister for Health about the allocation of capital funding for an increase in bed numbers at the Maroondah Hospital. The Minister stated that funding for an additional 100 beds had been approved. The Government has been saying that since January 1985, prior to the last State election. The Sun of 11 January 1985 reported the then Minister of Health, the present Minister for Transport in another place, as saying:

Maroondah Hospital's casualty services are to be upgraded, at a cost of more than $15 million.

Announcing this yesterday, the Health Minister, Mr Roper, said a further 100 beds would be provided, plus a new medical services block, including extra operating theatres.

How is that for an election promise?

The Hon. W. R. Baxter—It has not happened yet!

The Hon. ROSEMARY VARTY—No, not one cent has been spent.

The Hon. E. H. Walker—What item are you talking about? Program No. 385, short-term hospital services?

The Hon. ROSEMARY VARTY—Yes. It is another instance of the Government pork-barrelling—making promises during an election campaign and not fulfilling them. This is raising the expectations of the community.

The outer-eastern area has been deficient in health services for a long period. In 1985 the Government promised that the situation would be rectified with the addition of 100 beds at Maroondah Hospital. The health providers, patients, voluntary workers and the community at large expected that those 100 beds would eventuate. What has the Government done for the community?

I invite honourable members to consider what is happening at Maroondah Hospital. At present, it has 112 beds; an occupancy rate of 85 per cent; and eight of the hospital's beds are occupied by nursing home patients. That is another story that is related to the shortage of nursing home beds in the Maroondah area. I shall not deal with that subject in this debate.

During the past year the occupied bed days of the hospital have increased by 9.3 per cent. What has the Government done about the hospital's waiting list? In November 1985 that waiting list had 496 names on it; in November 1986, there were 721. That represents an increase of 45 per cent. Most of the cases are orthopaedic, patients waiting for elective or, as I would term it, pain-relieving surgery, because in most cases orthopaedic surgery relieves intense pain.

The annual report of the Maroondah Hospital dealt with the waiting list and at page 7 stated:

This increase in the waiting list has occurred predominantly in the specialty of orthopaedics. This situation is compounded by Maroondah Hospital having only 112 acute beds.

The committee of management firmly believes that there is an urgent need for an infusion of capital funding at Maroondah Hospital to allow services to be substantially developed, thereby providing for the expanding of acute care requirements of the outer-eastern area of Melbourne.

Promises have been made but they have not been fulfilled by cash up front. What has that done to the morale of the health providers? Of course, the staff and the patients on the waiting list suffer.

The Maroondah Hospital has a wonderful band of auxiliaries which has been working for more than twenty years to provide funds for equipment. Some 200 people are directly involved with the auxiliaries. As identified in the annual report of the Maroondah Hospital,
last year approximately $78,488 worth of equipment was purchased as a direct result of the efforts of those auxiliaries.

In addition to not receiving those funds for additional beds, the hospital in this current year is being asked to reduce its recurrent expenditure by some 3 per cent. What will happen? Of course, services will be reduced and a further blow-out in the waiting list will result.

One is led to the inevitable conclusion that this Government and this Minister, in particular, are more interested in increasing the health bureaucracy than in providing adequate health services. If one examines what has occurred in the health bureaucracy in the past twelve months alone, one finds that the Minister increased spending on central administration by almost 10 per cent in real terms. That is where the money went that should have gone to the Maroondah Hospital.

Public hospital care in the eastern suburbs is in absolute crisis. Not only has the Minister not kept promises on additional beds for the area, but, in addition, his totally inept handling of the current crisis adds to the problem. He has placed in jeopardy the health not only of the residents in the eastern suburbs but also all Victorians.

This morning when I saw the Minister trying to defend his position, I could not help but think that he is like Dr Coppelius who, as honourable members may remember, was that wonderful toymaker who made magical dolls that he wound up. They danced to the tunes that he played until they ran down, and then they all flopped down.

An Honourable Member—You mean the Minister looks like Pinocchio?

The Hon. ROSEMARY VARTY—No, he looks like Dr Coppelius. I am sure that is the attitude he takes to the handling of the health portfolio. The problem now is that the clockwork is well and truly broken. It certainly is a sorry story when one sees not only the professionals suffering but also other groups like those voluntary helpers who work in auxiliaries at Maroondah raising large sums of money, who go on attempting to justify their position, knowing that they do not have the support of the Government.

I move now to the area of road funding, Programs Nos 693 and 694. Program No. 693 deals with metropolitan road facilities and Program No. 694 deals with rural and provincial city road facilities. I want to examine that reference as it affects the outer-eastern municipality area, as defined by the Outer Eastern Municipalities Association.

At page 306 of Budget Paper No. 5, the following appears:

The metropolitan road facilities program covers the maintenance and provision of roads (other than National Roads) within the Melbourne Statistical Division (MSD). This road network is about 20,000 km, with the RCA having direct responsibility for 560 km. Municipalities manage 1310 km on behalf of RCA, using funds allocated from this program, and are themselves responsible for the remaining 18,000 km of roads...

It goes on to specify the objectives:

The main objectives of the metropolitan road facilities program are to maintain and selectively improve the level of service provided by roads and, in particular, to improve safety for all road users; develop the road network, so that roads serve their functions in the accepted area hierarchy. ...

Under the heading, "Rural and Provincial City Road Facilities: Program No. 694", the following appears:

The rural and provincial city road facilities program is responsible for the maintenance and provision of roads (other than National Roads) outside the Melbourne Statistical Division.

It continues:

This program includes expenditure on provincial city and rural arterial roads. Provincial city road problems are similar to those for the metropolitan area, but on a smaller scale.

What is the Outer Eastern Municipalities Association and what are its concerns? The association comprises the municipalities of Croydon, Doncaster and Templestowe,
Healesville, Knox, Lillydale, Nunawading, Ringwood, Sherbrooke and Upper Yarra, a wide geographic area.

The Local Government Engineers Association has produced a paper that deals with road funding and establishes its position on road funding. Before going into the detail of the Outer Eastern Municipalities Association’s concern, I shall detail some of the trends that the Local Government Engineers Association sees for the impact on employment and cost effectiveness, because it is relevant in considering how Government funds are allocated.

When examining past funding trends, the Local Government Engineers Association said:

The negative funding trend...

...combined with the increase in vehicle registrations, increased vehicle travel and increased allowable heavy vehicle gross mass since 1970, has placed the Victorian road system in a crisis situation.

It deals with the impact of roadworks on employment and says:

It is estimated that 88 jobs are created directly and indirectly for each $1 million allocated to infrastructure construction. Of all expenditure on roads approximately 64 per cent goes directly to the employment of labour.

When dealing with the cost benefits, as the association identifies them, it says:

A Federal Government study by the Bureau of Transport Economics reveals that road spending generates a return to the community of more than 3 times its value in overall benefits.

It then goes on to deal with what happens if the road system is inadequate and if the levels of maintenance are insufficient because, in the long term, the cost of doing that work is far greater. Further, the association estimates that roads in poor condition increase fuel consumption by anything up to 15 per cent or more.

In addition to that aspect there is, of course, tyre and vehicle component wear and, when travelling on a very rough road, tyre and component wear is as much as two or three times greater than that occurring when driving on normal, smooth suburban roads in good condition.

It is pointed out that road costs add to the cost of manufactured goods. It has been estimated that some 25 to 30 per cent of the cost of manufactured goods is due to transport costs, remembering that 80 per cent of freight that is consigned is carried by road transport. Therefore, we have the scene set that affects a vital part of our economy.

These components have an immense impact on what happens and I did not even mention the safety factors. As honourable members are aware, roads in good condition reduce the number of road accidents and certainly reduce the potential for road accidents.

I detailed the municipalities involved in the Outer Eastern Municipalities Association and I point out that those municipalities cover the bulk of the Yarra Valley, the Dandenong Ranges and urban municipalities located at the foothills of the Dandenong Ranges so their road system, of course, includes State highways, tourist roads and forest roads that are State Government responsibility, together with arterial and local roads that are the responsibility of local government.

That eastern road area was identified in the METRAS Arterial Road Strategy Report, M5, as having in its first priority listing, eighteen roads with two-lane sections that needed upgrading to four lanes. That compares with the north-east region, which only had five; the south-east region which also had five; and west and north-west regions which had seven each.

Therefore, one can see that that outer-eastern area has a large number of roads that are still only two lane roads but need upgrading to four lanes. In fact, we have more roads needing upgrading in that region than the total number of roads in the other regions.
The concerns of the Outer Eastern Municipalities Association in relation to road funding fit into three groups: the matter of delays, the level of funding, and the means by which funding is distributed. Those three concerns cast very real doubts on the possibilities of achieving the objectives of road funding.

What are the delays and what are the reasons for those delays? I suppose everyone would like to know exactly why there are delays but, in fact, the delays in funding being provided have occurred for the past two years.

It seems as though the Acting Chairman thinks I have said something funny; never mind, to most people this is a serious matter.

Last year, the road funding that had been allocated was not received until August, bearing in mind that the municipal financial year commences on 1 July by which time it has had to set its budgets. This year funds were not received until September. The Minister for Transport, Mr Roper, threw a little light on the problem when, in a letter to the City of Croydon on 19 June, he said:

You will recall that last year I undertook to ensure advice to councils of allocations prior to 30 June. The Road Construction Authority was on target to do so until I received a most unwelcome letter from the Federal Minister, Mr Peter Morris.

He then went on to say:

I have now been advised by the Commonwealth Minister for Transport that the Commonwealth Government intends to severely reduce its proposed allocation to road funds to Victoria in 1986–87. The proposed Commonwealth funding cuts will result in Victoria receiving $23 million less than expected in 1986–87. The total cut in Commonwealth road funds to Victoria over the last two years is in excess of $40 million.

He concluded by saying:

I appreciate the difficulty which this delay in notification is likely to cause and I would seek your support in my efforts to have the Federal Government urgently review its current unsatisfactory proposals.

Well, that really helps a lot!

Examining those four levels of funding and the means of distribution of that funding leads one to a better understanding of the impact that the delays in funding have on municipalities. These concerns of the Outer Eastern Municipalities Association have been brought to the attention of not only the Federal Minister for Transport but also the State Minister for Transport on a number of occasions. One of the real problems is in being able to disentangle just what areas are State responsibilities and what areas are Federal responsibilities and where the commitments really lie. When one examines the position, it really is difficult to sort out.

There are certainly a number of clear points of contention regarding the level of funding that, in turn, heightens the impact of the delays. There is no doubt that the technical bases for increases in funding have been clearly established because both the National Association of Australian State Road Authorities and the Bureau of Transport Economics has said that an effective, well maintained road system is acknowledged as a precondition for economic well-being and related employment.

What about the funding level for members of the Outer Eastern Municipalities Association? Some people might pretend to say that over the whole of the State there has not been much of a cut in real terms; it has been only a minor cut. That might be true in the overall scheme of things; however, in relation to the Outer Eastern Municipalities Association that is not so. Funding for that area has decreased markedly since 1982–83. At that time it was $9.49 million. In 1983–84 it was $9.4 million; in 1984–85 it was $9.38 million; so one can see, that in real terms, road funding for that area is decreasing.

The level of Commonwealth road funding to Victoria has fallen despite its contribution of 24.2 per cent of resources to the petrol levy fund. Victoria receives, in return, a much lower proportion of its contribution of 24 per cent; Victoria receives only 20 per cent.
Grave problems also arise when one examines the statistical misrepresentation the Road Construction Authority compiles in its funding data. That is because of a practice of double counting, when funds allocated in one year are not expended until the following year.

This results in apparent underexpenditure by local authorities. Since the Australian bicentennial road funds are notionally allocated over a period of years, with specific approval then being sought, the program is particularly susceptible to such double counting; for example, in the main roads allocation and particularly in joint projects between councils. That causes further confusion.

Again, there are problems with inappropriate and inconsistent road classification. The rationale at present for classification at State and Federal levels is both unclear and inconsistent. However, it is pleasing to note that, in a letter dated 30 October, the Minister for Transport indicated that he was going to undertake a review of those road classifications. In that letter, the Minister makes the point that has been made a number of times by the Outer Eastern Municipalities Association that:

It would be much clearer for all concerned with road funding and management if the State and Federal systems were the same, or at least more closely aligned.

At least that would be a step in the right direction. The Minister goes on to state:

The need for removal of anomalies and inconsistencies is long overdue and it is hoped that, in partnership with local government, a more appropriate set of road classifications can be developed for the 1980s and beyond.

All honourable members would say “Hooray” to that.

The task of separating the sources of funding at the State level is extremely difficult. There is, therefore, a lack of associated accountability in its distribution. Under State guidelines, funding ostensibly for roads may, on economic grounds, be diverted to public transport development, which reduces actual Federal levels of funding for roads. All honourable members have a very real concern about those sorts of things occurring.

Those delays put municipalities in an almost impossible situation because when municipalities attempt to work out their budgets, they need to know what levels of funding they are likely to receive. It is like trying to gaze into a crystal ball. When councils attempt to set their budgets and then discover that the amounts they are subsequently allocated for roads do not measure up to those budgets, something has to suffer, and it ends up being either the roads or some other local program.

In 1982–83 councils were given approximately three weeks to submit lists of road priorities to State and Federal levels of government for their funding. Those groups then spent approximately twelve months considering and, in essence, largely authorising the proposals submitted.

Further, while the Federal and State financial year commences on 1 July, councils are frequently not informed until September of their allocations. This prevents “tooling up” for programs and for the work that needs to be done. Notification allowing one month in which to spend allocations is not unusual, yet totally ineffective. It is apparent that notifications are being received later each year.

Councils were advised by the Road Construction Authority on 14 October 1985 that the 1986–87 funding requirements were to be submitted by 7 November 1985, giving them exactly three and a half weeks in which to submit their funding requirements.

The poor old Shire of Healesville really got it in the neck from the Road Construction Authority because it was finally advised by the authority of rural road funding for Myers Creek Road on 18 April 1986 for work which was to be constructed and final claims submitted for reimbursement no later than 16 June. So that gave the shire exactly two months to obtain tenders, have all the work completed and spend the money. It was completely unrealistic.
All of these problems prevent forward planning, and in rural areas heavy rainfall affecting road conditions in winter prevents immediate expenditure of funds whose timing ignores such extraneous factors.

There needs to be a review of the Federal and State administrative arrangements so as to simplify and streamline an unwieldy process. The current process gives scant regard for the time required by local government to define and rank road priorities and to gear up for construction relative to the period which State and Federal Government's appear to require merely to process and check the progress of such submissions.

The timing of allocations should also take account of seasonal construction periods, and be made in advance of rather than in the middle of the relevant financial year.

The Federal Government is responsible for national highways throughout Australia and can dictate to the States where and how these funds are to be spent. All other roads are the responsibility of the States and local government, with the State Government holding the purse strings over local government and thus dictating to local government which roads are to be funded. So it is clear that local government is dependant on both levels of government, administratively and financially.

It is of major concern to local government that the Federal grants destined for local government, through the State Government, can be reassessed and redistributed and not find their way to assist the needs of local government. That has occurred with the bicentennial roads program.

What is occurring is that the definition of local roads has been restricted to represent particular local roads, such as a low volume link from an arterial main road to a local shopping centre.

It would assist if the Federal and State Governments, in consultation with local government, could reaffirm the definitions so as to direct the funding to the level and category of greatest need. The timing of the distribution of funding is of concern to local government. It was intended under the Australian Land Transport Program to provide sufficient advance notification to give local government the ability to plan ahead.

The road network in the Outer Eastern Municipalities Association region, because of the lack of an adequate fixed rail public transport system, is the lifeblood of the region.

The delay in allocation and receipt of road funding is having serious long term effects on planning and development of this important region. The delay has put municipalities in an impossible position for financial planning; the delays impose additional costs as interest on overdrafts and they make a mockery of the Government's stated objectives of distributing road funds equitably, efficiently and with minimum administrative requirements.

The Hon. ROBERT LAWSON (Higinbotham Province)—I refer to the prospect of raising the gunship Cerberus which at present lies in Half Moon Bay, transferring it to the Duke and Orr dry-dock alongside where the Polly Woodside now resides, and restoring it.

For some years there have been proposals to raise the Cerberus which at present acts as a breakwater in Half Moon Bay. It is proposed to refloat the Cerberus, to take it up the Yarra River, and berth it alongside the Polly Woodside. The proposal is that the old Duke and Orr dry-dock, which was filled in during the 1930s, be evacuated and the Cerberus go there to be restored. The National Trust of Australia (Victoria) is keen to do that because the Polly Woodside is its most important exhibit in Victoria. It attracts great numbers of people and if the Cerberus is put with it and restored, it will be an important exhibit and a memorial to the history of Victoria.

I refer to the importance of the Cerberus in the history of Victoria. It was built in Great Britain in the 1870s and was a gift from the Government of Great Britain to the Colony of Victoria. At that time Victoria was in fear of an invasion by the Russian empire, and the capture of Melbourne and Sydney by the Russian navy. Fort Pinchgut in Sydney Harbour
is a memorial to that time because that was built as a fortification and guns were put in to combat Russian war ships as they entered the heads. Fortifications and guns from that period are still to be seen at Warrnambool and Port Fairy. Why the Russians would invade either Warrnambool or Port Fairy is beyond imagination—one would think they had more important points to attack.

Because of this Victoria was given the *Cerberus* by the British Government and, to accommodate it, a fortification of giant boulders was erected facing the rip and it is there to this day. The open end faces Melbourne and an arc of boulders faces the rip. When the alarm was raised, the *Cerberus* was to steam out, take up a position in this necklet of boulders, pump 500 tonnes of water into its tanks, sink down to a low free board and engage the Russian war ships as they came through the heads. One could say that it did a good job because the Russians never came.

The *Cerberus* was never moved outside the Port Phillip Heads in the whole of its service life but remained in the waters of Port Phillip Bay. It was not designed as an ocean-going vessel and, when brought to Victoria from the United Kingdom, it had a terrifying voyage particularly in the Bay of Biscay where it faced severe gales. There was an added difficulty because the crew deserted at every port and a fresh crew had to be recruited. It had the sailing qualities of a brick and after arriving, never left Port Phillip Bay.

The historical importance of the *Cerberus* is that it was one of the first ironclad warships. There is no other comparable warship anywhere in the world today except the original *Monitor* gunboat which took part in the famous battle in the American Civil War. The *Monitor* now lies upside down in 300 feet of water off the American coast. The Americans are proposing to raise it from its watery grave and to restore it, as it is now proposed that the *Cerberus* be restored.

This is a difficult task but the salvors say that if Victoria can raise the money, they can raise the *Cerberus*. I do not know whether honourable members have heard of the screw steam ship, *Great Britain*. It was the first all steel screw driven ship in the world. It was built by a very famous Victorian engineer called Kingdom Isamboed Brunel and his ship served all around the world and eventually ended up broken in half on the reef in the Falkland Islands. The people of Bristol from whence it came decided that they would like it back, so they sent a German salvage team to the Falkland Islands to raise it, to put it on a huge raft and to bring it back to Bristol. The German experts brought it back and they slipped it back to the original dock where it was built. Now it is an important tourist attraction and a reminder to the people of Bristol of the great ships of the past.

There are two schools of thought about the *Cerberus*. One is exemplified by Mr Baxter who said when I first mentioned the matter that it should be left where it is, but others with more imagination believe the *Cerberus* is an important part of the history of Victoria, that it should be preserved and that if it is to be placed in the care of the National Trust of Australia (Victoria) it will be lovingly restored. The *Polly Woodside* was in a decrepit state a few years ago when it was a discarded coal hulk, moored in the Maribynong River by the Shepherd Bridge. Many people did not believe it was possible, but the *Polly Woodside* has been fully restored and, in all respects, it is ready for sea. The *Cerberus* can be brought up the Yarra to its final home.

There is no doubt that if the *Cerberus* was restored it would add to the ambience of Melbourne. It would be a tourist attraction that would draw ship lovers from all over the world as well as generate interest among ordinary tourists. There are plenty of artifacts of the *Cerberus* around to add to such a display. At Ballarat, at Lake Wendouree there is a breech loading gun which was part of its armament and, if the National Trust asks politely enough, the City of Ballarat may possibly return the cannon for the sake of the display. The Navy has the wheel of the *Cerberus* and the Navy also is interested in having the *Cerberus* restored. A short while ago someone asked me about the cost of that, and I shall deal with it now. The costs have been estimated. They come to $3.5 million which is a
large figure, as anyone will admit, but in the context of the value of the project to Victoria, it is an excellent investment.

Various societies are interested in raising the Cerberus, such as the Australian Navy, the National Trust of Australia (Victoria), the ship lovers society, the City of Sandringham and various other groups of people who believe it to be worthwhile. I point out that the salvors, after studying the Cerberus, have indicated that if it is not removed within the foreseeable future, the rust will eat so far into the hull that it will collapse. There are 1000 tonnes of metal on the deck and two gun turrets. If it were to collapse, it would cost Victoria far more to remove the wreckage than the present removal costs. Once it collapses, it will become a navigational hazard, a hazard for people using the bay and for people who sail or swim in the area. It will have to be cut up under water, which is a hazardous, expensive and difficult exercise. The City of Sandringham and the National Trust have applied to the Federal Government for funds, which seems a worthwhile expense to me, and if the Government could back this plea to the Federal Government for funds for this purpose under the bicentennial program it would be an important reminder of the history of Victoria.

Some of the finest tourist attractions in this State have been saved by private people deciding that the attraction is worth saving, not by Government intervention. For instance, I do not know whether it was the Cain or Bolte Government that closed down part of the Puffing Billy line. I am not blaming anyone as that is the way things were done twenty years ago. Part of the line was closed and dismantled from Emerald to Cockatoo and then a landslide occurred on the line and it was proposed to close down the rest. However, a group of enthusiasts decided to keep that line open and it has gone from strength to strength. The consequence is that Puffing Billy is now one of the most important tourist assets of this State. It is publicised overseas and there are pictures of the train crossing the trestle bridge in tourist brochures. It is an example of a tourist attraction saved from oblivion by the actions of a few enthusiasts.

I highlight the fact that not one cent of Government money was spent on the Polly Woodside. It was sold by the owners for ten shillings to the National Trust of Australia (Victoria) and the National Trust raised the money needed for restoration. Hundreds of enthusiast mariners, including members of the Seamen’s Union of Australia, have worked without pay on the Polly Woodside, which is now one of Victoria’s premier tourist attractions.

There is an opportunity for the same to happen with the Cerberus. For the first time, the Government will face some cost in providing a tourist attraction, but I recommend it strongly. Having dealt with that subject at length, I now turn to transport.

I direct the attention of the Committee to metropolitan passenger services, country, provincial and interstate corporate services and generally country and provincial services in the programs listed on page 170 of the Bill. My belief is that the Government has distorted the transport budget in Victoria because it appears that it has a fixation on fixed rail transport. The bulk of the transport dollar is being spent on fixed rail transport, but I venture to suggest that the majority of Victorians never use a train. They prefer motor cars, and only a minority of Victorians use the rail transport system. Therefore, I believe the Government has distorted the transport system by spending inordinate amounts of money on the railways and the tramways system.

The Hon. B. W. Mier—Do you want to close them down?

The Hon. ROBERT LAWSON—There is no question of closing down the fixed rail system. It does a valuable job for the public, but too much money is being spent on it. The Government claims that it was in a run-down condition and at the point of collapse, but I do not believe that to be correct. It could have been restored for far less money than the Government has spent on it and the Government could have slowed down its program of buying new trains and instead restored the Harris trains.
The Hon. B. W. Mier—The Harris trains were full of asbestos.

The Hon. ROBERT LA WSON—The Harris trains were in operation for twenty years or more, and I do not think Mr Mier will find any record of railway personnel suffering from asbestosis. It was a story put around at the time. The railway transport system could have been kept in good running order with much less money than has been spent on it.

The Government has been buying passengers at vast expense, whereas much of the money that has been spent on fixed rail should have been spent on roads because it is roads that generate income not trams or trains. I shall demonstrate that fact in a minute from figures produced by the various transport bodies.

The Opposition wants Melbourne and Victoria to be run properly as an entity able to generate income for its people. In fact it is in the eastern and southern suburbs of Melbourne where wealth is generated. In the western suburbs many of the industries are dying. The area of Higinbotham Province, that I represent and further south and east, has the largest concentration of light industry in Australia. It is a growing area, but the money that is being spent on fixed rail transport is of no use to the industries in those areas. They need roads, freeways and a ring road around Melbourne so that goods and services can be freely transported around the metropolitan area. The Government has failed those industries. It has spent money on non-income-generating systems and has ignored income-generating transport.

I direct attention to the balance sheet of the Victorian Transport Borrowing Agency, which will be abolished shortly. Its functions will be taken over by the Victorian Public Authorities Finance Agency—VICFIN.

During 1985–86 the Victorian Transport Borrowing Agency borrowed $558 million. Most of that money will not be used to improve our road system, but will be poured into fixed rail transport. I suspect many of the loans are to pay off the interest accrued on previous loans. The debt is growing all the time and the Government is forced to borrow more and more money to pay the interest. The Government has converted old loans. The Opposition is not against that but against the borrowing of money to pay the interest cost. It is a ruinous program for any Government or agency. It is about time the agency was put out of business because it has almost no staff and yet its activities cost approximately $167 000 for 1985–86. For an agency with almost no staff which uses the facilities of other agencies, it seems a considerable amount of money to cover running costs.

Some $558·762 million has been borrowed by the agency in 1985–86 and most of that money is going in the wrong direction. Unless the Government is prepared to change its ways it will get into more trouble. The Opposition maintains that the railway system could have been restored and used for many years to come by outlaying far less in expenditure. It is like buying a Rolls Royce to go down to the local shops when a far cheaper vehicle would perform the same task. The Opposition wanted the Government to use cheaper vehicles, but it is now too late because the money has been expended.

I draw the Committee's attention to the report of the Metropolitan Transit Authority of Victoria for 1985–86. The report indicates that last financial year the authority had a net loss of $140 million as against a net loss of $219 million for 1984–85; a difference of $79 million. However, the report is not accurate because the Victorian Government grant for 1984–85 was $267 million and in 1985–86 the grant was $332 million. The authority lost $140 million last financial year, but for what purpose—merely to move people around the metropolitan area!

The annual report for 1985–86 says that a light rail transit system will be introduced. This proposed North South Light Transit system will cost around $11·5 million. That large amount of money will have to be borrowed, but a similar system which uses buses could be introduced at a far less cost. The new system may or may not mesh in with the tram or train system or it may stand on its own. It is a foolish concept and the Committee
needs more information to ascertain whether it is compatible with the train or tram system.

In his preliminary remarks to the report of the State Transport Authority for the year ended 30 June 1986, the chairman, Russel Ingersoll, states:

The most public example of how we must improve to meet the needs of our customers is in the freightgate area.

The simple equation is there for all to see—we spend $40 million for a return of $9 million.

If that is not an indictment of the system, I have never read one. The authority is spending $40 million for a return of $9 million. No matter what economies are put in place, I cannot see the authority changing that equation. Perhaps it may spend $35 million this financial year and obtain a return of $10 million!

Mr Ingersoll further states:

As the Minister said we either get better or we get out.

Under those circumstances it might be better to get out. The chairman continued:

The customers who are our lifeblood have walked away from our LCL system in droves because continuing industrial action had made the system unreliable.

They are not my words, but the words of the Chairman of the State Transport Authority.

The managing director, Mr Fitzmaurice, states in his report:

By the time the shunting dispute was fully resolved approximately $14·9 million had been lost in freight and parcels revenue. This was the dominant influence on freight and parcels revenue which fell from $191·7 million in 1984-85 to $177·2 million for 1985-86.

The difficulty is that the dispute may not yet be resolved. The same factors still exist and will lead to disputation in the future. Unresolved arguments about redundancies in the various transport systems still exist and I predict that a damaging dispute will occur in the future which will cost the taxpayers of the State considerably more money.

Under the heading “Financial Performance”, the report states:

After removing the effect of the abovementioned treatment of superannuation and pension payments, the operating loss before finance charges and Government subsidies increased by $45·5 million or 15 per cent to $342·5 million. Finance charges increased by $21 million to $65·4 million resulting in a net loss for the year before Government subsidies of $407·9 million. This represents an increase of 19·5 per cent over the previous year’s figure of $341·3 million.

The annual report of the Ministry of Transport for 1985-86 mentions the METRAS system. Under the heading “Operations” on page 15, the report states:

Because of funding constraints, METRAS nominates high priority major improvement proposals totalling about $300 million from a candidate list of justifiable projects of about $1000 million, demonstrating the shortfall in meeting travel demands and community expectations.

If honourable members have examined the METRAS metropolitan map, which is a proposal for the linking up and extension of the freeway system, they will realise it is another mess because there is no overall plan discernible in those proposed extensions.

I have demonstrated that roads are all-important for the future of the State. The rail and tram systems are not all-important. They provide a worthy service but, if the Government wants to generate income for the State, it is important that the road system should be upgraded. If it is at the cost of the fixed transport system, so be it. The Government has its priorities totally wrong and is spending money in the wrong areas. The sooner it comes to realise that it should change direction, the better it will be. The more money that is spent on a system that continually loses money and requires direct subsidies by the taxpayers of the State, the worse the situation will be in the long run.

In contrast, the roads are prime revenue raisers. I direct the attention of honourable members to the Budget documents which show the amount of money that is raised in
petrol tax, from various fees levied on motorists and also the amount of money that is taken out of the system by the Federal Government in the form of fuel and road taxes and so on.

Very little of that money comes back to the State. Victoria has suffered a grave injustice so far as the road system is concerned. I hope the State Government will take up the matter seriously with the Federal Government in the hope that the roads and the people of Victoria can obtain better justice than they are getting at present.

The Hon. R. I. KNOWLES (Ballarat Province)—I refer to Programs Nos 192 to 198 beginning at page 30 of Budget Paper No. 3 which relate essentially to community services. I wish to make some general comments about the overall approach to this section of the Budget.

The programs show some increases and include some new initiatives reflecting Government priorities. The two largest increases have occurred in respect of the Home and Community Care Program and the Supported Accommodation Assistance Program. Both these programs are sponsored by the Federal Government and involve a joint Commonwealth-State funding arrangement.

I wish to make it clear that I am not opposed to the objectives of either of those programs. I think they are certainly worth while. However, the point I wish to make is that, by being involved in the joint programs the financial implications remove, to some significant extent, the capacity of the State Government to set its own priorities.

When the Commonwealth Government offers additional funding based on a matching basis, it is difficult for the State Government to knock back such funding. However, in taking up the funding, the State Government must provide additional funds.

I shall highlight this in terms of community services. Although there has been a significant increase in the funds allocated to the Supported Accommodation Assistance Program and the Home and Community Care Program, there has, in fact, been a cut in real terms to those programs which are designed to support and care for children who are the responsibility of the State.

Those children who are currently wards of the State or who are subject to court supervision orders exercised by the staff of Community Services Victoria have not actually received an increased allocation; there has been a cut in the funding of those services.

Those services are a clear responsibility of the State Government. We have a long way to go in terms of the opportunities provided for those children. This was highlighted to me when I spoke to staff involved in the administration of the Winlaton Youth Training Centre and the Baltara Reception Centre. One of the staff members said that one never sees wards of the State becoming success stories and achieving public recognition.

We should recognise that the first priority with respect to community services should be given to those for whom we have a statutory responsibility to care. I am concerned that, by entering joint Commonwealth-State funding arrangements, the State reduces its capacity to set its own funding priorities.

A further concern I have is that the approach of the Federal Government to various programs alters over time, either within the life of an existing Government or with a change of Government.

The most recent example was the Commonwealth Government’s decision last year to withdraw funding for preschool education. Although the initiative was introduced by the Whitlam Government and continued by the Fraser Government, the Hawke Government withdrew the funding.

That placed the State Government in the position of having to find the additional $9 million to maintain the existing preschool services or to wear the odium for the withdrawal of those services. My concern is that—in entering programs such as the Home and
Community Care Program and the Supported Accommodation Assistance Program—exactly the same dilemma will occur at some time further down the track. The Federal Government might say, “We are reducing or withdrawing our support for either or both of these programs”.

That leaves the State Government with the decision of either finding additional resources within its Budget to maintain those programs, or discontinuing them. If the Government must find that additional funding, the Victorian community will not be getting any more services than it currently receives. It is the preschool argument all over again. In that case, the State Government found the additional $9 million, but only one additional preschool place was provided. Alternatively, if the Government discontinues the programs it is seen by the community as being the Government responsible for withdrawing the services.

I highlight that difficulty without questioning the objectives of the programs although, as I understand it, some of those involved in the two programs are concerned about some aspects of the guidelines. However, that is a separate issue to the point I am making.

Program No. 193 makes reference to the provision of funds for the long awaited Poverty Action Program. No one supports poverty. However, I would have to say that the $950 000 that has been allocated is exactly the same amount as has been drawn from other areas of the responsibility of Community Services Victoria and packaged together and called the Poverty Action Program.

When discussing the Appropriation Bill last year I expressed concern about how these funds were going to be used. I strongly support the measures emanating from the Ministry of Consumer Affairs to provide resources for financial counselling agencies to increase the skills of the poor so that they can escape the poverty trap.

I am concerned that some of the funding which will be devolved from the Poverty Action Program will be used to develop or to promote an argument for more funding to be provided by the Commonwealth Government. I fully accept that many of these community groups have an advocacy role, but it is equally important that the State Government provide those services that will—in concrete terms—do something about either relieving poverty or mitigating some of the effects of poverty.

The next initiative I wish to address involves the increased funding for the infant welfare service. I congratulate the Minister for Community Services on attracting additional funds for that service. We are at one in terms of the value of that service to Victorian families. Of all of the reviews that have occurred over the years, one of the significant points to emerge has been community acceptance and support for the infant welfare system of child and maternal health sisters.

The additional $200 000 that has been provided has allowed the Minister to extend that service to areas which previously did not have access to infant welfare centres or where the demand has far exceeded the capacity of the service in that area. The funds have also allowed the Minister not to proceed with the reallocation of sessions in Victoria to the extent that would have occurred if additional funding had not been made available.

I wish to raise with the Minister an issue relating to child and maternal health sisters which involves the current dispute between the special interest group of the Royal Australian Nursing Federation and the Municipal Association of Victoria. This is a matter that I raised on the motion for the adjournment of the sitting on 11 November concerning the department’s involvement in attempting to seek a solution to that dispute.

The Minister in her response on that occasion stated that it was a matter for the federation and the association to resolve. However, I put to the Minister the strong view that, as the State Government provides 60 per cent of funding for the salaries of nursing sisters, Community Services Victoria must have an involvement in seeking a solution.

The new structure for the nursing profession suggests that child and maternal health sisters should be employed at a 3B classification. The special interest group of the Royal
Australia Nursing Federation argues that that is inappropriate and the classification should be 4A. Its argument is based on the fact that nurses have undertaken a full-time two-year course in maternal and child health education, that they operate in the majority of cases unsupervised and that the standard of service they provide will be threatened in the long term unless people are encouraged to undertake that course of study and enter this important field.

Under a 3B classification, qualified sisters would be treated in the same way and would receive the same salary as a single certificate sister working in a community health centre. I further understand that the department has advised regional managers that, despite the classification under which a municipality employs its child and maternal health sisters, whether it is 4A or 3B, the State Government will meet only 60 per cent of their salaries.

I understand that some municipalities are employing nursing sisters at the 4A classification while others are following the advice of the Municipal Association of Victoria and employing them at 3B status. That discrepancy is bound to create unrest. A sister working in one municipality can be classified at 4A and another sister in an adjoining municipality, providing exactly the same service—having exactly the same qualifications, undertaking the same duties and operating without supervision—can be classified at 3B, yet the former is paid $50 a week more than the other on a full-time basis. The Committee can readily understand that that will create discontent among nurses.

I seek from the Minister an undertaking that she will meet a deputation from the special interest group of the Royal Australian Nursing Federation to further explore the possibility of resolving this dispute. The high standard that has been established in child and maternal health centres must be maintained; people must continue to be attracted to undertake an additional two-year course—now a diploma, but it will be upgraded to a degree—and the structure and classification should recognise that additional responsibility and study that has been undertaken and people must be encouraged to enter the service.

I wish to also direct the attention of the Minister to the services for the intellectually disabled. Honourable members will recall that a wide-ranging debate took place on the Intellectually Disabled Persons' Services Bill which, for the first time, established a separate Act to give recognition to the special needs of people with disabilities and to their families; the need for appropriate services to be developed; and that those services should provide an opportunity for people with disabilities to reach their maximum capacity and lead a life in the community with as few restrictions as possible.

That program was a long time in the development stage. The Government took up the initiative that was put in place by the Honourable Bill Borthwick when he was Minister of Health; it further expanded that approach under the former Minister of Health, Mr Tom Roper, and brought the Bill to fruition under the leadership of the Minister for Community Services. I am pleased that that development had bipartisan support.

However, I request that the changes that were heralded have not been developed in practice. I am concerned that there is widespread unease ranging through to frustration and anger that more has not been achieved, given the expectations that were raised.

Some $800 000 has been allocated this financial year to implement the provisions of the Act. However, that is at the cost of the development of no additional community residential units. I understand that the Government is concerned that the cost of those units would be $150 000 a year, but it was known the units would be costly before the Government headed down that path.

A former director of the then Mental Retardation Division along with the Government pushed for the deinstitutionalisation of St Nicholas Hospital. He made it clear that that hospital being established as a community residential service was not a cheap option. There is misunderstanding in the community that if we get rid of institutions and develop community based services, savings will be made. If those services are to be developed correctly, it will not be a cheap option. That has come through to me as I have moved
around talking to many people involved in the provision of those services. They believe it is cheaper to run hostel type accommodation than it is to run a community residential unit.

I reiterate the concerns I expressed when the relevant Bill was debated. Institutionalisation must be seen not only in terms of bricks and mortar but also in terms of the legal parameters. There is some indication that the implementation of the Act is leading to a paper warfare. There is concern among some service providers that the officers who were appointed to work with those providers to develop more appropriate and more individual programs for the best interests of intellectually disabled people are dictating to the service providers about the changes that must be made.

The final point I wish to make relates to integration. The concerns I shall express arise from the joint responsibility of Community Services Victoria and Health Department Victoria, particularly for the aged and disabled. Joint responsibility also occurs between Community Services Victoria and the Ministry of Education when young children are involved.

The Minister has previously acknowledged that difficulties exist which must be worked through. That is not a criticism of the present Government; it is a criticism of the structure of government. We tend to focus on a department as having a defined responsibility and another department having separate responsibilities and never the twain shall meet.

During the last State election campaign, the Opposition had a policy for the establishment of a department of human resources. That might not be the perfect solution, but it was an effort to try to develop an overall policy concept to be implemented through the various service deliverers rather than Community Services Victoria being responsible for children up to the age of five years and then having limited responsibility beyond that. Community Services Victoria assumes responsibility for disabled people when they reach sixteen years of age until the stage where Health Department Victoria accepts responsibility for them.

Integration of disabled people into the education system has not been adequately addressed. More work needs to be done in that area and a less doctrinaire approach must be taken. The current approach is that integration must take place at all costs without taking into account the fact that many disabled people need specialised services.

Mrs Varty has previously pursued the issue of the Irabina centre, which is a classic example of what I am talking about. I am conscious of difficulties that arise with the schools for the blind and deaf where there is a rejection of the concept of a specialist service developing a person with a particular disability to a level where he or she can be integrated. A need exists for additional support for the staff in our schools to take up the educational role for those with disabilities.

There is no simple solution to the problem. I argue that it is more than just an issue of resources. Approach and attitude must be considered and a less doctrinaire approach must be taken.

They are the issues that I wish to raise and I would appreciate a response from the Minister for Community Services at some stage, especially on the request for her to see a deputation from the special interest group of the Royal Australian Nursing Federation so that she can take an active role in finding a resolution to the current dispute.

Progress was reported.

RACING (MISCELLANEOUS AMENDMENTS) BILL

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. J. E. KIRNER (Minister for Conservation, Forests and Lands), was read a first time.
PLANNING AND ENVIRONMENT BILL

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. J. H. KENNAN (Minister for Planning and Environment), was read a first time.

FISHERIES (MASTER FISHERMAN'S LICENCES) BILL

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

The Hon. R. S. de FEGELY (Ballarat Province)—The Bill amends the Fisheries Act 1968 and provides for the transfer of certain master fisherman's licences issued pursuant to section 13 of the Act.

The main purpose of the Bill is to protect fishing resources in Victoria's bays, inlets and estuaries and to look after the welfare of commercial fishermen and ensure an equitable balance between recreational and commercial fishing interests.

The protective effect of the Bill will be to create a situation that will reduce the number of fishing licences in the bays, inlets and estuaries in Victorian waters. A system has, therefore, been devised to assist people wishing to leave the industry to do so.

If people who wish to leave the industry, either because of age or a desire to do something else, can find another fishing licence holder who also wishes to leave, their two fishing licences can be combined into a consolidated licence and those two fishermen can then relinquish their previous licences.

According to the department, a number of older fishermen are not utilising their fishing licences efficiently or effectively, whereas most of those who wish to come into the industry are younger, more innovative and keener operators who find that they must expend considerable amounts of money and invest heavily in the industry if they wish to fish to the utmost capacity.

If one-for-one licences were allowed within Victorian waters and were held by those younger, keener fishermen, the resource would soon be overfished and would create problems for the future.

Under the principal Act, for a person to acquire a consolidated fishing licence, he must have had experience in the industry for a sufficient period of time to prove to officers of the department that he is a fit and proper person, who knows and understands the fishing areas and the laws that prevail and, in the opinion of those officers, is a suitable operator to hold a master fisherman's licence.

Although the Opposition supports the Bill, it is concerned about the method of transfer of these master fishing licences because in the longer term, if not the short term, these licences will become valuable.

The fishermen who combine their licences into a consolidated master fisherman's licence will obtain a piece of paper that will allow them to leave the industry—and to leave most likely with considerable financial gain. The concern is that in the longer term the price of these licences will escalate to the stage where it may be difficult for people coming into the industry to afford them.

It might be worth considering a system where licences were surrendered to the department when people were ready to relinquish them and leave the industry. Those licences could then be put up for tender to suitable, properly qualified fishermen and the proceeds from those tenders could be put back into the industry for research and development.
This is a worthwhile Bill. It will do what it sets out to do, that is, protect the fishing resource in our bays, inlets and estuaries around Victoria. I commend the Bill to the House.

The Hon. D. M. EVANS (North Eastern Province)—The National Party has no objection to the Bill. Two of my colleagues in another place, the honourable members for Gippsland East and Warrnambool, have a special interest in the fishing industry because of substantial fishing operations within the electorates they represent.

It is important that the fishing industry be efficient and be sustainable in the long term to maintain the health of the industry, the employment opportunities and the wealth created by that industry in communities such as Warrnambool in the south-west, Lakes Entrance and other areas in east Gippsland.

I am indebted to both honourable members for their advice about the advantages of the Bill for the fishing industry in Victoria.

The second-reading speech and explanatory notes on the Bill point out that the Bill allows for the transfer of certain master fisherman's licences and for the consolidation of two master fishing licences into a consolidated licence. The intention of that provision is to reduce the number of licences and to increase and trim the efficiency of the industry.

Proposed section 13AB allows for the director to invite by public tender applications for the issue by the director of one or more master fisherman’s licences which are endorsed to permit the taking of fish in a particular prescribed bay, estuary or inlet.

The Bill also provides the opportunity of issuing fresh licences and, as it were, of bringing fresh blood into the industry at the discretion of the Director of Fisheries and Wildlife.

The other interesting point is that that will be done by tender. No doubt, there will be some spin-off to the Government's coffers as a result of that proposed subsection.

The abalone industry is also mentioned in the Bill. I direct attention to the real problems of licensing abalone fishermen and ensuring that they have some abalone to fish for. I suppose the same problems could be experienced by the scallop industry, but that is not mentioned in the Bill.

If a licence fee is to be charged and if an area is to be specifically set aside for the operation of that licence, one also has to take into account whether a sufficient resource exists to be won by a licensee. No doubt, there will be less and less of the resources as people take the opportunity of changing from one area to another from time to time. There will be a decrease in the value of licences and, therefore, there should be a commensurate reduction in the level at which the licence fee is charged.

The Hon. J. E. Kirner—Not if we decrease the number of fishermen.

The Hon. D. M. EVANS—That is a fair comment. This will also lead to the consolidation of more licences with the commensurate refunding of portion of the fees already paid. Therefore, there will be some degree of allowances for efficiency and movement within the fishing industry. Of course, that ties in with proposed section 13AB, which will enable the issuing of new licences by tender from time to time.

It is extremely important to maintain a healthy stock of fish in the sea, whether they be abalone or other shellfish or other types of fish, and to ensure that the licences that are issued are such that over-fishing, over-commitment or over-harvesting of the resource will not occur.

There is also some degree of responsibility on the fishermen concerned. To some extent, they serve their own self-interests and business interests, as do many of the business people in this State who use a natural renewable resource. If they can look after that resource, it will be there in years to come and they will be able to continue their business—provided that they do not become rich, move out and enter another area of business.
Although the mining approach and the use of all the available resource that occurs in some areas may have been prevalent in a number of industries some years ago, that is no longer the case. I believe we now have a more professional and less itinerant approach. I am sure that is the approach that the fishing industry will also adopt. If it is not prepared to adopt that approach, I suggest it should be regulated in such a way that it can adopt it.

In general terms, the National Party believes this is a worthwhile Bill. It is workable and, as I understand it, it has the agreement of the industry. I understand that there has been consultation within the industry on this issue.

Finally, I advise that my two colleagues in another place, the honourable members for Warrnambool and Gippsland East, who have a keen interest in this industry, have indicated that they believe it will be of value to the industry in their electorates, and, of course, it will ensure the well-being of the industry generally in Victoria.

The Hon. B. A. MURPHY (Gippsland Province)—I support the Bill. I also congratulate Mr Evans for his foresight in supporting the Bill. This is an important measure, particularly to country areas, because it carries out the Government's policy of allowing transferability of licences while, at the same time, making the results of the use of the resource available to the people by providing that a portion of the licence fee should go to the Government. In this way, the people of Victoria, who own the resource, will directly obtain a share of the resource.

The Bill also contains the important proviso that people must undertake training, that they must work on a boat for a year, in the case of bay and estuary fishing. They will be involved in the industry as apprentices, as it were, so that they will be aware of the type of fishing undertaken and how much of the resource can be taken from a particular area.

I pay tribute to the report produced by a group headed by Mr Michael Arnold, which addressed the need for transferability of commercial fishing licences. The report was presented to the House in August this year, and the Bill has been introduced into Parliament as a result of the recommendations in that report.

The measure also has a role in protecting amateur fishermen from being exploited. It includes the involvement of experts in the fishing industry, who know their local waters and who have been trained in the area, to ensure that an area is not overexploited. The abalone industry has now worked out a system to guard the resource available. It has ensured that there is a viable abalone industry both for the present and for the future. The abalone fishing industry is mainly an export industry and the Bill will apply more to fishermen who are involved in providing fish for the Victorian public.

The Bill provides for a two-for-one system of licence transfers. It will enable master fishermen to sell licences that they have not been using fully. There have been many cases in the professional fishing industry, particularly on the Gippsland Lakes, of fishermen becoming old and no longer being able fully to use their licences. The Bill will allow those licences to be sold on a two-for-one-licence basis. In that way, a young fisherman who wishes to make the best use of that licence will be able to do so.

The Hon. J. E. Kirner—There has been good consultation at local level.

The Hon. B. A. MURPHY—That is right. I know that local fishermen had some concerns. I commend the Minister for Conservation, Forests and Lands on finally resolving that problem by making herself available to concerned individuals, both in this House and at Lakes Entrance and Paynesville.

That is the way in which the Government should act: it should consult fully, especially with commercial interests, because sometimes when changes are made those interests are afraid that they will lose some benefit.

In this case, the Minister has assured the fishermen in such a way that they no longer have those concerns; they have full confidence in the policy.
I congratulate the Minister on introducing a much-needed reform into the fishing industry. I also give credit to those officers of her department who have worked over the past few years to bring about this policy.

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 moving, I thank honourable members for their cooperation and support for the Bill.

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

PLANNING AND ENVIRONMENT BILL

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

That this Bill be now read a second time.

The Bill embodies the first comprehensive overhaul of Victoria's planning laws since statutory planning was introduced in 1944. The legislation was always difficult to interpret but has become thoroughly obscure after many years of ad hoc additions, deletions and modifications, combined with judicial interpretations of key concepts. Planning law affects all of us in our daily lives and the legislation should be widely accessible—provided that it is not obstructed in the Legislative Council—but it has become the personal property of a handful of consultants, legal advisers and bureaucrats to interpret to an increasingly bewildered public, and they are the groups that the Liberal Party seems dedicated to protect.

The existing legislation is based on an outdated idea of the planning process, and that start of process, apparently, defended only by the Liberal Party. Town and regional planning as we know it is a product of the nineteenth century—a century in which the Liberal Party in this place would find the greatest comfort—when the interest of the surveying profession in planning was strongly established in the United States of America and other countries of the then new world, including Australia. In Europe the technique of zoning developed, to avoid the worst effects of the industrial revolution by segregating incompatible land uses. In Britain reaction against the squalor of the industrial revolution led to measures for improving the physical surroundings of the workingman.

These origins gave town planning a strong bias towards the design professions of architecture and surveying, together with civil engineering because of its importance to road and utility planning. The early planning legislation on which the present Town and Country Planning Act was based, envisaged planning as a design process. The process culminated in a plan which was then to be implemented. In Victoria the State was divided into counties and parishes and towns were laid out across the countryside according to a preconceived view of the future—a bit like the Liberal Party's preconceived view of the past. This blueprint method had its successes as the wide boulevard approaches to the City of Melbourne testify, but it is out of place in this society in the 1980s, as a basis for planning law.

In drafting the Planning and Environment Bill, the Government has taken the view that planning involves many judgments of value. Genuine differences of opinion over means and ends are the rule rather than the exception. For these reasons, the Bill establishes a framework within which a continual process of planning for the best use of the land-based resources of Victoria can be successfully carried on.

Before proceeding to discuss the Bill's provisions, I should acquaint the House with the process of consultation which the Bill has been through. When the Government was elected in 1982, it found moves for the much needed reform of the planning law gathering
dust on the bureaucratic shelf—and it was suggested that some of these proposals date back even to the time of Mr Hunt's spell as the Minister for Planning.

There was universal acceptance—this was four years ago—that reform was immediately required but the political will was missing in the 1970s and up until 1982—and in some places it is still missing. The then Minister, the Honourable Evan Walker, now the Minister for Agriculture and Rural Affairs, quickly moved to have proposals for new legislation documented and circulated for public comment in August 1983—over three years ago.

At the same time as submissions—more than 200 of them and this is more than three years ago—were being received on the paper, the Government was moving to rationalise the administration by bringing together those elements dealing with the physical environment in the new Ministry for Planning and Environment, because the previous Government had not only failed to give attention to legislation but also it had failed to give attention to proper administration.

The submissions were evaluated by the Ministry and subjected to the scrutiny of a review group of experts from the professions and from local government. The report of the review group was published more than two years ago and it spelt out the principles on which the Bill before the House is now based. More submissions were received after the publication of that review report and these were also taken into account.

In June this year, a draft Bill was widely circulated and comments were invited. That Bill gave effect to the proposals which had been circulated in 1983. So, what we had was three years of discussion of the principles and then a Bill in the middle of this year. There were modifications made, of course, over that three-year period. Officers of my Ministry did something the Liberal Government never did, they went out and gave a series of seminars across the State to assist interested persons in making effective submissions about the first draft of the Bill. More than 160 were received. Many suggestions tendered verbally in the seminars were also directly influential in the final form of the Bill.

I feel I can safely say that few Bills have been through a more extensive or thorough process of public consultation—more than three years in principle and then detailed seminars where the Ministry actually went out to affected groups and held seminars outside the central business district.

Given the long acknowledged need for reform, the Government has decided that the time for action has come—and, of course, it is always action that disturbs and affronts the Liberal Party most. All submissions have been taken into account but, as could be expected, there were some that the Government did not agree to. Some submissions—indeed, most of them—have continued to address the principles established, in the previous round of consultation.

What we have found since the Bill was introduced in the first week of the sittings in the other place, with amendments following——

An Honourable Member—It was not the first week!

The Hon. J. H. KENNAN—It was the first week. The honourable member should check his Hansard, notice was given on the first day. In the two months that have expired since then the submissions that we have received and the matters that have been raised at seminars go, fundamentally, to matters of principle and not detail. Those matters of principle have been publicly discussed for more than three years.

Turning to the Bill itself, the first thing that will strike honourable members who are familiar with the existing legislation is that it is in plain English. This was a matter that had been uniformly praised in the submissions and indicates that the Government's goal of making the law accessible to those it affects has been realised. The Bill shows what can be done in a way that the previous Government never endeavoured to do. The previous
Government, in 27 years, never attempted to grapple with plain drafting styles or to make
the law more accessible to ordinary people in any shape or form.

The Bill shows what can be done even in an area as difficult as planning law. One need
only look at the existing Town and Country Planning Act and compare it with the layout
of the new Planning and Environment Bill to see what tremendous progress has been
made. The Government intends that this straightforward approach will be carried through
into the planning schemes, I emphasis, made under the proposed legislation.

I pay tribute to Professor Robert Eagleson, who is Professor of English at Sydney
University and who has had a big input into the drafting of the Bill and it will have an
input into the planning schemes that are made under the proposed legislation to make
them more accessible in a way that the Ministers for Planning in the 1970s never dreamed
of and certainly lacked the political will to achieve.

The Bill establishes, as the paper suggested more than three years ago, a single planning
scheme in every municipality and two discretionary planning approval processes—permits
and amendments to schemes. All decisions on amendments and permits must take account
of significant effects on the environment and may take account of social and economic
effects, which widens somewhat the range of relevant considerations. This widening of the
planning process has a great deal of support but the Government will be closely monitoring
the results to ensure that it does not give rise to unjustifiable delays or costs to applicants.

Parts 2 and 3 of the Bill establish planning schemes and provide for their amendment
by various planning authorities. The duty of planning authorities to properly plan their
areas and develop policies and strategies is set down. Each scheme is made up of three
sections. These are matters of principle that have been discussed for years:

the State section is the same for all schemes and the planning authority for this section
is the Minister;

the regional section is uniform across a region, which may be an established region,
such as the Geelong region or the metropolitan area, or a number of municipalities
which have cooperated, and the planning authorities are the regional authority, where
there is one, or the Minister; and

the local section applies within a municipality and to any adjoining land not in
another municipality, such as land under water, and the planning authorities are the
council or the regional authority, where there is one, or the Minister.

The local section must be consistent with the regional and State sections and the regional
section must be consistent with the State section. In this way policy can be implemented
on a Statewide, regional or municipal basis.

It is the Government’s intention that any amendments to local sections proposed by a
regional authority would be consequent upon changes to a regional strategy or otherwise
deal with matters of regional significance.

The Minister may appoint additional special purpose planning authorities to prepare
particular amendments. This is to allow for agencies putting forward proposals to be able
to take them through the amendment process. The Minister must approve all amendments.

Parliament can disallow amendments, as it can with statutory rules. In this regard,
honourable members should note that the Ministry will be giving enhanced service to
Parliament by ensuring that copies of all the scheme ordinances are maintained up-to-
date in a place accessible to honourable members of both Houses.

The authority which must enforce a scheme and deal with permit applications—the
responsible authority—is distinguished from the planning authority, which prepares
amendments. The duties of the responsible authority—almost always the council—are
clearly stated.
Finally, in relation to amendments to schemes, copies of an amendment will have to be lodged with the Ministry, the regional authority, where there is one, and the council before it comes into effect.

Now, I can see Mr Hunt has receded and the dark gnomes have emerged from the dark recesses to take over. Only the National Party likes me to elaborate on what is in the second-reading notes.

Permits and appeals are dealt with in Part 5 of the Bill. The major innovation here is the introduction of referral authorities. This is the framework for the "one-stop-shop", which the previous Liberal Government talked of but failed to bring about. It was the result of failure of imagination and political will.

This is the aspect that is strongly supported by so many people in the industry and about which one senior industry official said to me, "How could anyone oppose the Bill?" I said to him that there was a two-word answer to that question—Legislative Council—which will oppose anything, however sensible or however far the progress goes. I am not talking about Mr Baxter.

The Hon. W. R. Baxter—That is an unfair assertion.

The Hon. J. H. Kennan—Do not be stirred up by this. By the provision that permit applications be referred to various authorities, the requirements of those authorities can be given effect through a single permit, together with the local council’s requirements. Strict time limits will apply to both responsible authorities and referral authorities.

I understand the importance in the Bill of the fact that the clock is not made to start ticking every time a new request for information is made.

One of the great problems that proponents of development have had to face with planning authorities—and this is addressed in the Bill—is that when a request for additional information is made, the clock starts ticking again. If one has a time limit of 60 days on the request, on the 59th day the clock goes back to zero, and so on. Therefore, the 60-day time limit can become a 100-day time limit.

One can well understand that in some quarters this change is not welcome because of the time limit imposed. The opposition to that sort of procedure can easily be converted to calls for more time and consultation. Let there be no mistake; the Bill is all about a one-stop-shop and time limits. That is a rational, sensible scheme.

The measure requires some determination and political will, if we are to make progress. The people in the industry understand this fact. Their frustration with the planning processes revolved around time limits. During the next sessional period I shall introduce a Bill to do the same thing with the Building Control Act.

Appeals will lie with the Planning Appeals Board. A Bill to give effect to the Government’s decision to make the Planning Appeals Board a division of the Administrative Appeals Tribunal will be introduced later in the sessional period. Again, although there have been disasters like the Wade case, the Opposition is reluctant to any change to any Bill.

The Hon. B. A. Chamberlain interjected.

The Hon. J. H. Kennan—It is a tragedy if Mr Chamberlain thinks that way. There will be no change to the procedure, powers or informality of the board but the process for determining points of law will be considerably improved by the change.

Again, the Bill establishes a one-stop-shop. It is a tragedy for the community that the parties that profess to be in favour of expeditious business, getting things done and cutting through bureaucratic red tape have seen fit to undermine these proposals and support the existing proposals, which in the real world are known to be unsatisfactory.

The board’s power to cancel or change permits once they have been issued is considerably wider than the existing power of responsible authorities. Third parties who can demonstrate
that they are substantially affected may apply to the board to have a permit cancelled for the limited reasons set out in the Bill. The Government understands that this provision could seriously undermine the status of permits obtained and will be closely monitoring the use that is made of these provisions. However, the intention is to dispose of disputes quickly and fairly through the Planning Appeals Board and to avoid costly legal proceedings.

Provision has been made for minor amendments and correction of mistakes, by the responsible authority, and for replacement permits.

The power to impose conditions on permits is clearly set out in the Bill. The power is intentionally wide but, from an abundance of caution and in response to submissions, a number of specific kinds of conditions are mentioned. This has been a fruitful area for litigation in the past and the Government does not intend that responsible authorities acting in good faith should find their power to include conditions inadequate, particularly as permits will include conditions imposed by Government agencies as referral authorities.

The compensation provisions set out in Part 6 largely reflect the existing provisions of the Town and Country Planning Act. Nowhere in the Bill is the evidence of the plain language and straightforward style of it more striking. This should be contrasted with the ancient Bill administered—with no change to its drafting style by the previous Liberal Government—for 27 years.

The right to claim compensation has been clarified and the possibility of payments for solatium to householders and necessary expenses to all claimants has been recognised. Following the report on compensation by Mr Stuart Morris, the right to claim in cases of proposed reservation for public purposes has been clarified and the Minister administering the Land Acquisition and Compensation Act is given power to deal with cases of hardship. For administrative reasons, very small claims will not be allowed and compensation will not be recoverable when reservations are removed if it was paid more than six years previously.

The enforcement provisions in Part 7 of the Bill address problems in the existing provisions at both ends of the spectrum. The current procedures are seen as being unable to cope with minor offences and as being ineffective in major cases. The enforcement order is to deal with the latter and the on-the-spot fines are for use in the minor cases. Enforcement is in the hands of the responsible authority, with enforcement orders subject to appeal. Temporary orders from the Planning Appeals Board will be available in urgent cases. Parties other than the responsible authority will be able to seek orders where their interests are affected. The overall objective of the enforcement provisions is to achieve conformity with the scheme, not to punish offenders.

Only the community and those who want an expenditious planning proposal will be punished by the attitude of the Liberal Party in this place.

Parts 8 and 9 of the Bill generally re-enact the existing provisions relating to panels and advisory committees.

Division 1 of Part 10 of the Bill sets out the powers of responsible authorities and powers of compulsory acquisition. The existing Order in Council procedure before compulsory acquisition powers can be used has been dropped, since the Bill anticipates the enactment of the Land Acquisition and Compensation Bill, which requires either reservation in the planning scheme or a certificate of the Governor in Council.

The agreements with owners provisions in Division 2 of Part 10 augment the existing powers by providing explicitly for agreements in anticipation of ownership and for bonds and guarantees. There are powers of amendment which anticipate some registered agreements lasting a long time.

The remaining divisions of Part 10 largely re-enact existing provisions. In relation to the Minister’s powers as against councils, the existing Act incorporates certain provisions
of other legislation by reference, whereas the Bill makes these explicit. There are appropriate safeguards for local government.

The regulation-making powers in Part 11 of the Bill are intentionally wide and include the power to prescribe fees. Regulations will, of course, be subject to the procedures under the Subordinate Legislation Act. The Government is committed to wide consultation on the regulations and no particular fees regime has been decided upon at this stage.

The amendments and repeals in the schedule are largely consequential upon the changed procedures arising from the substitution of the Bill for the existing legislation. Where changes go beyond this, the intent is to coordinate the procedures under the Acts in the schedule with those in the Bill and simplify procedures generally, consistently with the public interest.

That simplification which the community and the users of the planning process want so much, and which the property section of the *Age* has for months been calling for each week, is now about to be denied by the Legislative Council and it is proper, of course, to describe it in this context as the red war and the war on public interest proposals.

The PRESIDENT—Order! I suggest that the Attorney-General keep to the context of the speech as circulated. He will have ample time in the Committee stage if he wishes to make any embellishments to it. The reason for the second-reading speech is to explain to the House the purpose of proposed legislation. It is a long second-reading speech, and I suggest that the Attorney-General keep to it.

The Hon. J. H. KENNAN—On a point of order, Mr President, with respect, we made it quite clear yesterday, and it is the position, that I am not limited to reading the notes. They are, after all, only notes for a second-reading speech. It was Mr Hunt's practice, as was pointed out in this House last night, very often to extemporise completely. There is no rule of practice in this or other Parliaments that a Minister is limited to the second-reading notes. I need not refer to the notes at all. They are only notes for a second-reading speech, and I am at liberty to do so if I want to add things and extemporise. That is the rule.

The PRESIDENT—Order! I point out that it is a request. I am requesting the Attorney-General from the chair in this instance to keep to the circulated notes, as it is such a long speech, and I am suggesting that he will have ample time when speaking on clause 2 in the Committee stage to make many of the points he is making now, rather than going over them again.

The Hon. J. H. KENNAN—That would be so if there were an undertaking that the Opposition was prepared to take the Bill into Committee during the current sitting.

The Hon. H. R. Ward—What has that got to do with it?

The Hon. J. H. KENNAN—My point is that, if the attitude of the Opposition is that it will not allow proper debate on the Bill during the current sessional period, I am certainly more than at liberty to say what I think now. It is the only chance the Opposition will give me.

The PRESIDENT—Order! The Attorney-General has no indication at all of the Opposition's attitude to the Bill. He is only assuming that the Opposition may wish to defer it beyond this sessional period. He has no indication in that regard, and I am requesting him to keep to the context of the speech as circulated with the view of making during the Committee stage many of the points that he is making now.

The Hon. J. H. KENNAN—I shall continue, Mr President, but I can assure you that I am relying on comments made by spokesmen for the opposition parties in the other place this afternoon.

The Hon. Haddon Storey—But we had not had the advantage of hearing you, at that stage. That may make a difference.
The Hon. J. H. KENNAN—Before concluding, I would like to draw the attention of honourable members to those provisions of the Bill which make the proposed process more straightforward for applicants and more accessible generally.

The point of the Bill is to streamline these procedures and introduce a planning process that is more accessible and fair to the community generally and saves time and money. Those aims, and the expression and achievement of those aims in the Bill, have been generally commended by all of those interested persons, other than some parties in the system who do not like having time limits and other requirements for efficiency imposed upon them.

First, notice is required to be given to owners of adjoining land of all permit applications, unless the scheme says otherwise.

A fundamental point arises in cases like that of the group of Waverley residents against the council and the Wade case. It is fundamental that proper notice should be given. The Government will stand firm on that. It is a matter on which there is no room for compromise.

To comply with this requirement, an applicant will have to either:

- give notice to the persons specified by the responsible authority; or
- post the notice by ordinary mail addressed to "the owner", with the appropriate address.

In addition, a copy of every application is to be available at the council's office and the applications register is to be available for inspection.

The Government recognises that some councils may see this as an added onus, but, in the public interest, having regard to what happens when there are not these mandatory advertising requirements, we see this as more than justified.

The purpose of these far from onerous requirements is to ensure that councils cannot consider applications of which no notice at all has been given. The circumstances, if any, in which the scheme ought to waive this requirement will be considered only when amendments are proposed.

Apart from the existing rights of appeal, the jurisdiction of the Planning Appeals Board is to be widened to include all disputes under the Act—another important provision to ensure that disputes are concentrated in the Planning Appeals Division of the Administrative Appeals Tribunal and not in the courts of law.

The powers of the board in relation to cancellation of permits have already been mentioned. The purpose here is to allow for quick, inexpensive resolution of disputes, however they arise.

The procedure for amendment of schemes has been considerably simplified—another streamlining measure.

There is to be one system. There is no procedure for revocation. This is very important: there is no procedure for Ministerial IDOs. Amendments put forward by the Minister or the regional authority will travel much the same course as those proposed by the council. The advertising procedures are flexible to allow for more notice of large proposals and quicker processes for minor or urgent amendments.

The panel procedures apply to amendments proposed by any planning authority but the report of the panel is to be made available from the time it is received by that authority.

The powers of regional authorities in relation to amendments and permits have been standardised, but the Government recognises that the use of these powers will have to be different from region to region.
Planning scheme ordinances are to be maintained by the Ministry and distributed from a central location. The form of ordinances will be standardised, with the help of Professor Eagleson, and the language used simplified. Over time, as technology allows, maps will be included in the centrally maintained system. We are rapidly automating many parts of the Ministry for Planning and Environment to allow for greater efficiency in this regard.

To make things straightforward for permit applicants, the following improvements are to be made:

1. Wherever possible, standard requirements will be set down in the planning schemes, rather than a permit or referral being specified. That will allow the concept, which has been applauded, of planning as of right. That is, if it falls within those standard requirements to which I have referred, there will be no need for a permit. That is another important step forward that has been hailed as major progress in enlightened forums.

2. Standard information to accompany permit applications will be included in schemes, wherever possible.

3. Forms will be standardised and the language and layout simplified, again with the help of Professor Eagleson.

4. Applications may be changed by agreement before advertising, to assist applicants to frame their applications so as to have the best chance of success.

5. Procedures for service of notice by ordinary post have been retained and their use will be encouraged to reduce delays.

6. Requests for further information from the applicant will have to be made within a definite time, usually 28 days.

7. Referral authorities will have to decide if they want further information in a shorter period, usually 28 days, to allow the council to meet the time limit. That is another important provision when one is talking about streamlining and speeding up the process, with which the Opposition does not agree.

8. Appeals have been introduced against requests for further information to ensure these requests are fair and reasonable. That is an important check that many in the industry have pointed out to the Government and it is, no doubt, another step; but on this point, the Opposition is keen to hide behind a cloud of subterfuge.

9. Provisions for staged development permits have been clarified.

10. Provisions for changes to plans or drawings forming part of a permit have been clarified.

11. Provision has been made for minor changes or correction of mistakes on issued permits.

The greater clarity in the statutory system will give more certainty to applicants, objectors and councils alike and remove delay based on misinformation, misunderstanding or slowness.

Finally, a word about implementation: the introduction of the new procedures, although they have been under consultation in principle form for three-and-a-half years, will take careful planning to ensure that the changeover is a smooth one. As I made clear at the outset when I embarked on this process, which is embarrassing to the Opposition, responsible authorities and planning authorities must be fully aware of their new duties and powers in the form in which the Bill is finally passed through Parliament, and, although professional advisers must be given ample opportunity to become familiar with the new regime in its final form, administrative manuals and guidelines must be prepared and regulations made.
After the Bill has been finally passed, dual-planning controls, which the Bill will remove, must be eliminated. All of this indicates that there will be—and I give a commitment to the House—a substantial period elapsing between the time when the Bill is finally passed and when it comes into operation. That way, everybody in the system can be acquainted with the Bill in its final form and, no doubt, it will be the subject of amendments. Those other documentations can be prepared and I expect this process not to be concluded for at least six months after the Bill has been passed by Parliament. I have indicated that to all parties during the consultative process.

As to the initial content of the new planning schemes at the introduction of the new system, I expect that the State section will consist largely of the existing statements of planning policy and the regional sections will contain the Melbourne Metropolitan Planning Scheme, the Geelong Regional Planning Scheme, the Upper Yarra Valley and Dandenong Ranges Regional Strategy Plan and other relevant regional statutory documents.

The local section will initially be empty in the metropolitan area and the Geelong region, as well as in those areas which do not have planning controls, while in all other areas the existing schemes and interim development orders will become the local section. The new schemes will be progressively rationalised and rewritten, starting with the metropolitan area, and, the sooner the Bill is passed, the sooner we can go on dusting away the cobwebs left behind by previous Administrations, which lacked the political will to do this sort of thing.

In conclusion, I invite honourable members, and particularly the inner and better part of Mr Alan Hunt, to come out and push aside those dark and shadowy figures that retard progress and to recognise that the Bill is the first—and it is only the first—essential step for progress.

The Opposition will have to gear up for a bit more change yet in the form of the law relating to development and the use of land in the State, through the Bills to which I earlier referred—an amendment to the Building Control Act and new simplified subdivision legislation, which is also something long overdue.

The Government will soon be introducing legislation reforming the law of subdivision and giving attention to the Building Control Act. Efforts will continue to be made to reduce the number of separate consents to continue to reduce overlapping and unnecessary regulation, to continue to tighten up time limits by Government and bureaucratic local government authorities wherever those time limits are unnecessary and retard development and, at the same time, do nothing to protect the public interest.

Wherever possible, requirements will be modified and written down. The Planning and Environment Bill is the cornerstone of this reform. I commend the Bill to the House.

On the motion of the Hon. A. J. HUNT (South Eastern Province), the debate was adjourned.

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

That the debate be adjourned for seven days.

Although the Bill was introduced in the first week of this sessional period; although the Bill in its draft form was available in June; although the principles on which the Bill is based had been the subject of reports in 1983 and 1984; although frustration with the planning system has been expressed during all that time; although responsible journals such as the Age, in its property pages, have been persistently and increasingly calling for urgent reforms in this area; and although the Opposition has had nine or ten weeks to consider the Bill, we are to have yet another occasion where this wretched place is used not to discuss legislation but simply to adjourn a discussion of it because the Opposition does not want even to discuss it.

The Bill could be taken into Committee or the second-reading debate could proceed or amendments could be discussed and, if there were objections to the Bill, they could be
considered on their merits, but the effect of the adjournment to be proposed by the Opposition is to prohibit and prevent discussion of the Bill for the next three months; that is the problem.

What I really object to about members of the Opposition is that sometimes they complain that I do not treat them with the respect that they think they deserve. How can one have respect for a group of members who are not even prepared to participate in a second-reading debate on the Bill? They simply stand up and, in a sledgehammer way, move for an adjournment of the debate. They do not want to go into Committee and propose amendments and see how the land lies then; they just want to adjourn it.

They will say that it needs more time for consultation. Mr Hunt well knows that there has been exhaustive consultation and that there are about six major points in issue. He knows they are all points of principle and have nothing to do with drafting or detail. He knows that the points of principle have been on the table for some considerable time.

As I indicated to the House, the Ministry for Planning and Environment did something quite extraordinary in the history of consultation on Bills and the National Party is entitled to have a bit of a smirk at that because it would not have done so if it had the rights that Governments have. The Government actually went out and held regional seminars on the Bill.

The Hon. W. R. Baxter—And you have to pay the price and agree to an adjournment!

The Hon. J. H. KENNAN—We are paying the price of consultation! The Bill would have been passed except that the Government does not control this place and that is the difference.

This is the second time that the Opposition has done this. The Government introduces a Bill in the first week of the sessional period and the Opposition adjourns it without debate. The Opposition cannot complain when I and my colleagues accord them the respect they deserve.

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

That the words “seven days” be omitted with the view of inserting in place thereof “three months”.

The problem with the Minister for Planning and Environment is that he feels that when he has completed his work, everybody else should proceed with his plans immediately. He shows little respect for the traditions of the House with regard to major measures.

Over the years, major local government Bills, planning Bills and others that affect the wider community have traditionally been adjourned from one sessional period to the next. This is not because members of Parliament were not ready to debate them but because those affected throughout the community had not had adequate opportunity for proper and considered input and comment.

The Minister for Planning and Environment well knows that I am personally ready to debate the Bill now. I have already debated it with his officers at two seminars but, although I am prepared to proceed on the issue, many people are not.

The Minister talks about a four-year gestation period for the Bill. After four years of preparation of the Bill, he expects what is not just an amendment to the planning law but a major new Bill, a complete review of planning law, to be passed immediately without time for consultation.

The Minister referred to a course of consultation, firstly, on the principles. He referred to the circulation of the draft Bill in October. I received 93 submissions as a result of the circulation of that draft Bill—93 submissions between the time the draft Bill was circulated in June and this Bill was presented to Parliament at the end of September. Then the submissions stopped dead because people realised that they had been making submissions on a Bill that was no longer relevant.
The Minister's department took over a fortnight to circulate the new Bill to councils. The representations from individual councils have only just started to come in. The Municipal Association of Victoria at its annual conference unanimously asked for the usual holding over of the Bill until the next sessional period to enable all its implications to be considered. A similar request was made by the Town and Country Planning Association, the metropolitan municipal associations, the planning institutes and all of the other important bodies concerned with the Bill. They all asked for the Bill to be held over so that they could have time to consider this detail which is vastly different from that which was contained in the Bill circulated in June.

Let me inform you, Mr President, how different this Bill is from the draft Bill which people initially examined. This Bill contains 88 new clauses which were not even in the previous draft Bill. A Bill containing 88 clauses by itself would require adequate time for consideration and consultation. The Bill includes a schedule which was not in the previous draft Bill, and that schedule contains 134 items making 200 amendments to 50 other Acts. Most of them, it is true, are consequential but not all of them; many have substantive results.

In addition, 28 clauses of the Bill have, had what I regard as major and significant changes made to them when compared to the previous draft Bill. Some 110 clauses have what appear to be minor changes but I must say that, day by day, as I learn more about the Bill, what have appeared in the past to be minor and insignificant changes prove to have significant ramifications. In addition, numerous clauses in the June draft Bill have been deleted, including some very important principles, indeed.

If that is not enough to justify further time for consideration, I do not know what is. It has always been the practice to adjourn debate on Bills of this nature to enable those affected to have their say. The representations which I have received since the new Bill was circulated have almost all concentrated on the question of time. The representations have dealt with a few principles; they have said that they do not have time to go into the detail and have asked that debate on the Bill be adjourned to give people their proper right and opportunity for consultation.

The process of seminars is going on; seminars are being held by one organisation after another on this Bill and on the companion measure to which the Minister referred. I have attended two seminars on this Bill so far; I shall attend another one this coming Friday and I expect to attend many more in the months ahead.

The simple fact is that a complex Bill of this nature, which has all sorts of hidden ramifications both on principle and detail—

The Hon. J. H. Kennan—Even you could understand it!

The Hon. A. J. HUNT—I could understand it, but I am still finding more——

The Hon. J. H. Kennan—Why not debate it now?

The Hon. A. J. HUNT—I will meet the Minister anywhere to debate the Bill.

The Hon. J. H. Kennan—What about in Parliament?

The Hon. A. J. HUNT—I do not propose to allow the House, if it is in my power, to be stampeded into dealing with the measure before those affected have had their chance to have an input. Before the Liberal and National parties make up their minds on every issue of detail, they are entitled to hear the views of the public and of all those affected.

The planning profession, the institutes, the municipalities, city, metropolitan and country areas, and those affected by the measure, have sought time to consider it, and the Minister has ignored them!

The Hon. W. R. BAXTER (North Eastern Province)—I endorse entirely the remarks made by Mr Hunt. The Bill is a landmark piece of proposed legislation. It has been a
tradition of Parliament to allow debate on such major changes to be adjourned from one
sessional period to the next. As a result of that procedure, usually many valuable and
useful changes are effected. Surely that is a much better procedure than forcing through a
Bill prematurely and then having to bring it back to Parliament for amendment to correct
the mistakes.

The Minister for Planning and Environment referred to three-and-a-half years of
consultation. On the one hand, this Minister with his Caesar-like tendencies who wants to
be a dictator and force the Bill through Parliament, tries to tell the House that he engaged
in consultation. On the other hand, Mr Hunt well summed up the situation when he said
that when the Minister for Planning and Environment believes he has consulted he then
wants to move on regardless, confusing change with progress when that is not necessarily
so, regardless of the people who will be affected by the measure.

I have received representations from virtually every city and country municipality in
the State, and overwhelmingly those municipalities have sought the further adjournment
of debate on the Bill. Those municipalities have reinforced what Mr Hunt said, that the
changes between the draft Bill and the Bill now before Parliament are so significant and
fundamental that more time needs to be given to enable councils, responsible regional
planning authorities, the rank and file citizens, the developers and the like to come to grips
with those changes.

If the Minister would like me to do so, I shall read out for him all the letters I have
received from the municipalities. I have them here in a file! I have many requests from
municipalities requesting an adjournment of the debate on the Bill.

I know the Minister has received similar representations because many of the letters I
received have enclosed a copy of the representations made directly to the Minister. Even
if he does not read the correspondence he receives from the municipalities, I thought he
might read the correspondence he receives from members of Parliament.

Twelve days or so ago I wrote to the Minister pleading with him, in the light of all the
representations I had received, and that I knew he had also received, to give an undertaking
that the Bill would not be debated in the House until the autumn sessional period. I wait
in vain for a reply.

The Hon. J. H. Kennan—We know what you think about consultation! You thought I
did too much about it—keep a straight face!

The Hon. W. R. Baxter—The interjection earlier that the Minister was paying the
price for his consultation simply meant that if the Minister goes through a consultation
process, it has to be a two-way process. He has to give those with whom he is consulting a
chance to respond to what he is putting to them.

Despite the fact that the discussion papers were circulated some time ago, the Bill before
the House is fundamentally different from many of the principles enunciated in those
discussion papers and in the seminars that were held. One was held in Wangaratta in the
winter recess.

This Bill, like many Bills, differs from what was espoused at that seminar so that,
naturally, people in the north-east, like people in the rest of the State, want a greater
opportunity to come to grips with those changes. They want to know why the changes
were made, particularly about the aspects with which they had expressed satisfaction in
June. For example, why does the Bill no longer bind the Crown as was put forward at the
seminar and accepted in good faith? That is one of the changes. Mr Hunt has listed 87
others.

The Hon. A. J. Hunt—Altogether there are 436 changes.

The Hon. W. R. Baxter—Some are very significant and some are more significant
than meets the eye. I have pointed that out to a few municipalities that have written to me
supporting the change. I have asked them whether they have considered a particular
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