The Governor

His Excellency Rear-Admiral Sir Brian Stewart Murray, KCMG, AO

The Lieutenant-Governor

The Honourable Sir John McIntosh Young, KCMG

The Ministry

Premier ..................... The Hon. John Cain, MP
Deputy Premier, and Minister for Industry, Technology and Resources The Hon. R. C. Fordham, MP
Minister for Agriculture and Rural Affairs, and Minister for Planning and Environment The Hon. E. H. Walker, MLC
Minister for Health ................ The Hon. D. R. White, MLC
Minister for Education ................ The Hon. I. R. Cathie, MP
Minister for Employment and Industrial Affairs The Hon. S. M. Crabb, MP
Minister for Community Services ....... The Hon. C. J. Hogg, MLC
Treasurer ...................... The Hon. R. A. Jolly, MP
Attorney-General .................. The Hon. J. H. Kennan, MLC
Minister for Conservation, Forests and Lands The Hon. J. E. Kirner, MLC
Minister for the Arts, and Minister for Police and Emergency Services The Hon. C. R. T. Mathews, MP
Minister for Water Resources, and Minister for Property and Services The Hon. A. McCutcheon, MP
Minister for Transport ............. The Hon. T. W. Roper, MP
Minister for Local Government ........ The Hon. J. L. Simmonds, MP
Minister for Consumer Affairs, and Minister for Ethnic Affairs The Hon. P. C. Spyker, MP
Minister for Sport and Recreation .................................................. The Hon. N. B. Trezise, MP
Minister for Public Works, and Minister assisting the Minister for Employment and Industrial Affairs The Hon. R. W. Walsh, MP
Minister for Housing .................. The Hon. F. N. Wilkes, MP
Parliamentary Secretary of the Cabinet Dr K. A. Coghill, MP
### Members of the Legislative Assembly

**FI FIFTIETH PARLIAMENT-FIRST SESSION**

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**Speaker:** THE HON. C. T. EDMUNDS

**Chairman of Committees:** MR W. F. FOGARTY

Temporary Chairmen of Committees: Miss Callister, Mr Delzoppo, Mr Ernst, Mr B. J. Evans, Mr Harrowfield, Mr Hockley, Mr Jasper, Mr Kirkwood, Mr Plowman, Mrs Ray, Mr Remington, Mr Richardson, Ms Sibree, Mr Stirling, Dr Vaughan, and Mr Whiting.

**Leader of the Labor Party and Premier:** THE HON. JOHN CAIN

**Deputy Leader of the Labor Party and Deputy Premier:**

THE HON. R. C. FORDHAM

**Leader of the Parliamentary Liberal Party and Leader of the Opposition:**

THE HON. J. G. KENNETT

**Deputy Leader of the Parliamentary Liberal Party and Deputy Leader of the Opposition:**

THE HON. T. L. AUSTIN

**Leader of the National Party:** MR PETER ROSS-EDWARDS

**Deputy Leader of the National Party:** MR E. J. HANN
Heads of Parliamentary Departments

Assembly—Clerk of the Parliaments and Clerk of the Legislative Assembly: Mr J. H. Campbell

Council—Clerk of the Legislative Council: Mr R. K. Evans

Hansard—Chief Reporter: Mr L. C. Johns

Library—Librarian: Miss J. McGovern

House—Secretary: Mr R. M. Duguid
OPENING OF PARLIAMENT BY COMMISSION

Proceedings commenced at 11.48 a.m. by the Clerk reading His Excellency the Governor's Proclamation convoking Parliament.

The Usher of the Black Rod appeared at the Bar, and intimated that the Commissioner appointed by the Governor to open Parliament (the Honourable Sir John McIntosh Young, Chief Justice of the Supreme Court of Victoria) requested the attendance of members of the Legislative Assembly in the Chamber of the Legislative Council to hear the Commission read for the commencement and holding of this present session of Parliament.

 Honourable members, accompanied by the chief officers of the House, proceeded at once to the Chamber of the Legislative Council.

On the return of members to the Chamber of the Legislative Assembly, the Honourable Sir John McIntosh Young entered the Chamber and was conducted by the Serjeant-at-Arms to the chair.

SWEARING IN OF MEMBERS

The Commission (dated 29 March 1985) appointing the Honourable Sir John McIntosh Young to administer the oath of allegiance to members of the Legislative Assembly was read by the Clerk.

The Clerk announced that he had received a writ issued by His Excellency the Governor for the election of 88 members to serve in the Legislative Assembly for the several districts of the State, with the names of the members duly endorsed thereon as follows:

Albert Park—Ronald William Walsh
Ballarat North—Alexander Thomas Evans
Ballarat South—Francis Patrick Sheehan
Balwyn—James Halford Ramsay
Bellarine—Graham Keith Ernst
Benalla—Patrick John McNamara
Benambra—Louis Stuart Lieberman
Bendigo East—Michael John
Bendigo West—Andrew David Kennedy
Bennettswood—Roger Pescott
Bentleigh—Gordon Stanley Hockley
Berwick—Robert Roy Cameron Maclellan
Box Hill—Margaret Elizabeth Ray
Brighton—Alan Robert Stockdale
Broadmeadows—John Albert Culpin
Brunswick—Thomas William Roper
Bulleen—David John Perrin
Bundoora—John Cain
Burwood—Jeffrey Gibb Kennett
Carrum—Jan Robert Cathie
Caulfield—Edgar Miles Ponsonby Tanner
Clayton—Gerard Marshall Vaughan
Coburg—Peter Murray Gavin
Dandenong—Terence Richard Norris
Dandenong North—Janet Tindale Calder Wilson
Derrimut—David James Cunningham
Doncaster—Morns Thomas Williams
Doveton—Robert Allen Jolly
Dromana—Ronald James Herbert Wells
Essendon—Barry John Rowe
Evelyn—Sidney James Plowman
Footscray—Robert Clive Fordham
Forest Hill—John Ingles Richardson
Frankston North—Jane Margaret Hill
Frankston South—George Graeme Weideman
Geelong—Hayden Kevin Shell
Geelong North—Neil Benjamin Trezise
Gippsland East—Bruce James Evans
Gippsland South—Thomas William Wallace
Gippsland West—Alan John Brown
Gisborne—Thomas Carter Reynolds
Glen Waverley—Ernest Ross Smith
Greensborough—Pauline Therese Toner
Hawthorn—Phillip Archibald Gude
Ivanhoe—Vincent Patrick Heffernan
Keilor—George Seitz
Kew—Prudence Anne Sibree
Knox—Steven Marshall Crabb
Lowan—William Desmond McGrath
Malvern—Geoffrey Graeme Leigh
Melbourne—Keith Henry Remington
Mentone—Peter Cornelis Spyker
Mildura—Milton Stanley Whiting
Mitcham—John Dyson Harrowfield
Monbulk—Neil Albert Pope
Mornington—Robert Fitzgerald Cooper
Morwell—Valerie Joy Callister
Murray Valley—Kenneth Stephen Jasper
Narracan—John Edward Delzoppo
Niddrie—Jack Simpson
Northcote—Frank Noel Wilkes
Oakleigh—Charles Race Thorson Mathews
Pascoe Vale—Cyril Thomas Edmunds
Polwarth—Ian Winton Smith
Portland—Digby Glen Crozier
Prahran—Donald Keith Hayward
Preston—Carl William Dunn Kirkwood
Reservoir—James Lionel Simmonds
Richmond—Theodore Sidropoulos
Ringwood—Kay Patricia Sitches
Ripon—Thomas Leslie Austin
Rodney—Edward James Hann
St Albans—Alex Andnanopoulos
St Kilda—Andrew McCutcheon
Sandringham—David John Lea
Shepparton—Peter Ross-Edwards
South Barwon—Harley Dickinson
Springvale—Edward Joseph Micallef
Sunshine—William Francis Fogarty
Swan Hill—Barry Steggall
Syndal—Charles Geoffrey Coleman
Thomastown—Elizabeth Susan Gleson
Wantirna—Carolyn Dorothy Hirsh
Warrandyte—Louis Joseph Hill
Warrnambool—John Francis McGrath
Werribee—Kenneth Alastair Coghill
Whittlesea—Maxwell John McDonald
Williamstown—Gordon Francis Stirling

The recently elected members took and subscribed either the affirmation or the oath of allegiance to Her Majesty Queen Elizabeth II.

**ELECTION OF SPEAKER**

The CLERK—The House will now proceed to the election of a Speaker.

Mr CAIN (Premier)—I propose to the House that Cyril Thomas Edmunds, Esquire, be appointed Speaker.

Mr Edmunds has served this Parliament for some seventeen years and has been Speaker for the past three years. He has a very wide knowledge of the workings of the Parliament and, accordingly, I am pleased to move:

That Cyril Thomas Edmunds, Esquire, do take the chair of this House as Speaker.

Mr FORDHAM (Minister for Industry, Technology and Resources)—It is my pleasure to second the motion that Mr Edmunds be elected Speaker of this House and I endorse the nomination.

Mr EDMUNDS (Pascoe Vale)—I accept the nomination and express my deep sense of gratitude for the honour accorded me in my again being proposed for the Speaker's chair.

The CLERK—As there is no other nomination, I declare the honourable member for Pascoe Vale duly elected as Speaker.

Mr Edmunds was conducted to the chair by his proposer and seconder.

The SPEAKER (the Hon. C. T. Edmunds)—I express to the House my sincere thanks for its unanimous support and for the privilege conferred on me by re-electing me to be Speaker of the 50th assembly of the Parliament of Victoria.

Mr CAIN (Premier)—I am delighted that my first formal function in this new Parliament should be to congratulate you, Sir, as Speaker of this House. As I said before, you have served in this place for some seventeen years as a member and have a wide experience of the workings of the place and its committees. We believe you will do the job well and I congratulate you on behalf of all members of the Government and, I am sure, all members of the House.

During the past three years you have discharged your office with great distinction. You took a no-nonsense approach to the business of the House and you earned the respect of all parties by the way in which you handled the business of the House during the past three years. It could be said with confidence that in that time you brought the role of Speaker into the modern era. It was a commendable approach that you took to dispense with some of the more arcane practices of the place and, in doing so, you lost none of the authority, the integrity or the dignity of the office. I commend you for that, Mr Speaker.

Perhaps becoming a Speaker the second time around is a bit like becoming a Government the second time around: if you do a good job you get another go. That is what happened. You have done an excellent job as Speaker; you have been fair; you have been tolerant, despite provocation on many occasions; and you have shown great understanding and immense patience. At times your ready wit and your capacity to make a timely interjection—which is not surpassed in this place—eased tense situations.
I think I said on the occasion of your election last time that as a member you were the best interjector in this place and, in my view, you have maintained that record of being a timely interjector as a Speaker. Your sense of timing and occasion is not matched in this place on either side of the Chamber. You used your ability to great advantage and with complete effect as a Speaker. I commend you for that and I congratulate you on behalf of Government members on your re-election as Speaker. I know that you will serve this House well for the next four years.

Mr KENNETT (Leader of the Opposition)—On behalf of the Opposition, Mr Speaker, I congratulate you on your re-election to the distinguished office of Speaker in this Chamber. No doubt, with an enlarged and more equally divided Chamber, the task before you will be no less difficult than it was during your previous term as Speaker. The Opposition looks forward to continuing to work with you and assisting you in the discharge of your duties to ensure that the dispositions and the forms of this House are observed at all times.

The Premier has referred to your wit. You have also brought to the office a fair degree of humanity and, in exercising your illustrious responsibilities, it is important not only to understand the forms of the House but also to retain your wit and to have a sense of humanity. The Opposition congratulates you and looks forward to working with you as Speaker.

Mr ROSS-EDWARDS (Leader of the National Party)—I congratulate you on your re-election as Speaker for a second term, Sir. You have my respect and that of all members of the National Party, and that respect has been earned by the way in which you have carried out your duties with fairness and a great sense of tradition. You are the fourth Speaker under whom I have served in this House and I make the point that, during my time here and prior to that, this Parliament has been well served by all Speakers. I pay you the compliment of expressing my confidence that you will carry on that great tradition.

Mr FORDHAM (Minister for Industry, Technology and Resources)—It is my pleasure to add my congratulations to those of the Leaders of all parties represented in this Chamber. As Leader of the Government in this House, it has been my pleasure to work with you and to learn from you over the past three years. As previous speakers have mentioned, a variety of talents is needed from the Chair and you, Mr Speaker, have demonstrated them all. Further, you have maintained the great tradition of this Chamber and what it stands for under the Westminster system of Parliament, and that is no easy task.

I know that members on all sides have put you and the House itself under pressure from time to time, and you have responded admirably on each occasion. I have no doubt that honourable members can look forward to your continued leadership from the chair in the coming period.

I pledge my assistance as Leader of the House in working with you, and I am confident that it will be to the benefit of this Assembly and this Parliament.

Mr AUSTIN (Ripon)—I add my congratulations on your re-election to the important office of Speaker. My mind goes back to when I entered this Parliament in a by-election. In those days, no one showed a new member anything at all and he did not know what was going on or where anything was. It was you, Mr Speaker, who happened to see me walking by, called me in, looked after me accordingly, and told me that this was not an easy place to be and that you would pass judgment on me after first hearing me speak in the Parliament. That frightened the daylights out of me! However, I believe we have been good friends ever since and I am delighted that you have again been elected as Speaker. I know you will carry out the task as ably as you have done in the past.

Mr PLOWMAN (Evelyn)—I am pleased to add my congratulations to you, Mr Speaker. As a former incumbent of your chair, I know perhaps better than anyone else in this place the sort of problems that you must face. I know that the task requires the tact, the wit and the humour that you possess. As a former Speaker, on this side of the House, I am delighted to be able to work with you in the years ahead and to make whatever contribution I can to assist you in your important task of upholding the traditions and the dignity of
this place. I congratulate you on your election for a second term to this high and important office.

The SPEAKER—I thank the Premier, the Leader of the Opposition, the Deputy Leader of the Opposition, the Leader of the National Party, the Deputy Premier and the honourable member for Evelyn for their kind remarks and their congratulations.

All honourable members know that it is a difficult forum in which to maintain dignity and to ensure that the rights of all honourable members on all sides of the House are protected. As I have done in the past, I intend in the future to act as much as I can on the principles of fairness, firmness and strict impartiality. I assure honourable members that it is my intention to ensure that they all have the opportunity of fulfilling the functions of the offices to which they were elected.

I thank honourable members for unanimously placing their trust in me to follow a long line of Speakers who have maintained this office and who have been men of immense calibre. As long as I maintain this office I will uphold the traditions of the Legislative Assembly and, regardless of whether honourable members are members of a minority or majority party, their rights will be protected.

Mr CAIN (Premier)—I have to inform the House that I have already ascertained that His Excellency the Governor will be pleased to receive the Speaker in the Library of Parliament House this day at 10 minutes past 2 o’clock. I should like as many members as possible to accompany the Speaker.

The sitting was suspended at 12.52 p.m. until 2.30 p.m.

The SPEAKER took the chair, and read the prayer.

PRESENTATION OF THE SPEAKER TO THE GOVERNOR

The SPEAKER—I desire to inform the House that I this day presented myself to His Excellency the Governor as the choice of this Assembly, and that His Excellency was pleased to address me in the following terms:

MRSPEAKER,

I have much pleasure in congratulating you on your re-election to the high and important office of Speaker of the Legislative Assembly.

The wise and able manner in which you have always discharged the various duties you have undertaken during your Parliamentary career, including the past three years as Speaker, proves the wisdom of members of the Legislative Assembly in selecting you again as their Speaker.

I have every confidence that you will continue to fulfil the duties of that most distinguished office by holding fast to its age-old traditions and customs.

STATE OPENING OF PARLIAMENT

The Usher of the Black Rod brought a message from His Excellency the Governor desiring the attendance of honourable members in the Chamber of the Legislative Council.

The House, headed by the Speaker, proceeded to the Council Chamber.

The sitting was suspended at 2.37 p.m. until 5.4 p.m.

DEATHS OF THE HONOURABLE SIR WILLIAM CRAWFORD HAWORTH AND MR WILLIAM ROY DAWNAY-MOULD

Mr CAIN (Premier)—I move:

That this House expresses its sincere sorrow at the death of the Honourable Sir William Crawford Haworth, and places on record its acknowledgement of the valuable services rendered by him to the Parliament and the
people of Victoria as member of the Legislative Assembly for the electoral district of Albert Park from 1937 to 1945, and as Minister of Health and Minister of Housing in 1945.

And I further move:

That this House expresses its sincere sorrow at the death of the Honourable William Roy Dawnay-Mould, and places on record its acknowledgement of the valuable services rendered by him to the Parliament and the people of Victoria as member of the Legislative Assembly for the electoral district of Dandenong from 1947 to 1952, and as Minister of Health, Minister in Charge of Housing, Minister in Charge of Materials and Minister of Mines, in 1952.

Sir William Haworth gave long and distinguished service, firstly in the Victorian Parliament for eight years and then in the Federal Parliament for twenty years. He was, by discipline and by profession, a pharmacist in South Melbourne and entered public life as far back as 1932 as a South Melbourne councillor. He was elected to this Parliament in 1937 for the seat of Albert Park and held portfolios in the turbulent years of the mid-1940s.

In 1945, he was Minister of Health and Housing for a period of three or four months prior to the election, but, like many others, he lost his seat in that election, to Frank Crean. Frank Crean served this House for many years before becoming a member of the Federal Parliament and Treasurer of this country.

Sir William Haworth entered Federal Parliament in 1949, as did a number of other conservative people in that landslide victory. He was the honourable member for Isaacs, and resigned in 1969.

In addition to his Parliamentary service, he gave invaluable service to this State in a number of capacities. He was closely involved with the South Melbourne Technical School, the Fairfield Hospital, a St Kilda welfare organization and the St Kilda Police and Citizens Boys Club. One of his most significant achievements was his campaign to preserve Ripponlea. Anyone who visits Ripponlea tends to take for granted the steps taken to preserve buildings like it for this and future generations. Sir William took part in leading the charge in what was not as popular a cause as it now is, of the preservation of historic buildings. That is something for which he will be remembered.

After his retirement from Federal Parliament, he continued to contribute to the activities of the Labor Party.

The Government extends sympathy to his family and desires that an expression of sympathy be placed on record in this House.

Mr KENNETT (Leader of the Opposition)—I join with the Premier in extending condolences to the family of Sir William Haworth. As stated by the Premier, this gentleman had a very long period of service. He was born in 1905 and was educated at Essendon High School.

William Haworth, as he was then, trained as a pharmacist at the Melbourne Pharmacy College and worked from 1926 as such in Albert Park, an area he was to represent at local, State and Federal Government levels for a period spanning 34 years between 1931 and 1969. He was one of the Parliamentarians who became significant members of the United Australia Party, the forerunner to the present Liberal Party of Australia.

Before entering the Victorian Parliament in 1937, Sir William represented the Beaconsfield ward of the South Melbourne council from 1931 to 1937. During this time he was very much involved in matters of community concern and served on the board of the Fairfield Hospital.

In 1937 William Haworth was elected to the Legislative Assembly seat of Albert Park which he held until 1945. He was one of the members of Parliament, along with people like Sir Wilfred Hughes, who served during the war years and were given leave from this place to do duty overseas on behalf of the community. His seat in Parliament remained open—that is, no election was held because he was fighting overseas.

When he came back, he lost his seat in the election that followed in 1945. As the Premier indicated, he lost to Frank Crean. Like some honourable members in this Chamber who
contributed in the military forces during the war, he then went on to serve at a Federal Parliamentary level. He took over the seat of Isaacs in 1949 and represented that seat until his retirement from politics in 1969. As the member for Isaacs in the Australian Parliament, he served on the joint Parliamentary committee on foreign affairs and led the Australian delegation to the Inter-Parliamentary Union Conference in Warsaw in 1959 and was a member of that body’s council in 1959-60.

Sir William was knighted in 1969. He was a vigorous worker for his local community as well as for fellow Victorians and Australians, with a diversity of activities and involvement. In 1929 he represented the State of Victoria as an oarsman in the national rowing championships. For 25 years he was a member of the South Melbourne Technical School Council and was chairman of that body in 1948. He was a trustee of the St Kilda Police and Citizens Boys Club and is also credited with having led the campaign to ensure that Ripponlea was preserved for generations to come. Sir William is survived by his wife, Freda, Lady Haworth. On behalf of the Opposition, I extend not only our thanks for his service to the people of this State and the country, but also our condolences.

Mr ROSS-EDWARDS (Leader of the National Party)—I join the Premier and the Leader of the Opposition in expressing my sympathy at the passing of Sir William Haworth. It is regrettable that more details about this distinguished Australian were not distributed to honourable members. He has an outstanding record of service to the community. I place on record the sincere sorrow of the National Party at the death of Sir William. Like the Premier and the Leader of the Opposition, I am extremely grateful for what he has done for Victoria. He was a councillor for the City of South Melbourne in the 1930s and was involved in pharmaceutical interests. He represented the electoral district of Albert Park from 1937 to 1945. He served in Egypt, Tobruk, Palestine and Syria. During his war service in the second world war, he was a member of this Parliament. He served in the Federal Parliament for twenty years as the member for Isaacs. In 1969 he was knighted for his services. He was also actively involved in business after his retirement from Parliament. Finally, I extend my sympathy on behalf of the National Party to members of his family.

Mr TANNER (Caulfield)—I wholeheartedly support the expressions of sincere sorrow of this House as indicated by the Premier. Sir William was a gentleman I knew from my earliest days, and a person for whom I had considerable respect. It was my pleasure to work for Sir William in several election campaigns. As has been pointed out by previous speakers, he had a distinguished career as a Parliamentarian, but also a distinguished career in many other fields. The most notable of those fields was possibly his pharmacy profession. He was a leading member of the Victorian community. On behalf of myself and my family, I express our sincere sorrow to Lady Haworth on Sir William’s passing.

Mr CAIN (Premier)—The Honourable William Roy Dawnay-Mould, born in England, arrived in Melbourne in 1921. His occupation was that of estate agent and auctioneer in the district of Dandenong. He was elected to the Victorian Parliament in 1947 as the member for the electoral district of Dandenong in this House and he served in Parliament until his defeat at the general election in 1952.

Like Sir William Haworth, he was around in those turbulent political times of the late 1940s and early 1950s. He belonged to one of the briefest Ministries ever under the late Thomas Hallway, which served only a few days in October 1952. He held a number of portfolios in that Ministry. He was a member of a number of committees of this House and he was secretary of the then Parliamentary Liberal and Country Party from 1950 to 1952.

Outside Parliament, he made a wide and varied contribution to the activities of the community. He was involved in several community organizations and participated in its activities. For a time, because of his professional skills, he served as Executive Director of the Urban Land Institute of Victoria.

On behalf of the Government, I extend sympathy to the family of the Honourable William Roy Dawnay-Mould and desire the expression of sorrow to be placed on the record of this House.
Mr KENNETT (Leader of the Opposition)—I express the condolences of the Liberal Party on the death of the Honourable William Roy Dawnay-Mould. Roy—as he was known—Dawnay-Mould was born in Kent, England, in 1901. As a young man, he joined the Conservative Party.

He arrived in Australia in 1921 and established himself in the real estate industry as a self-employed estate agent and auctioneer. During the second world war he was the controller of sheet steels in the munitions Ministry. After the war he actively served his local community as President of the Sandringham Progress Association and as a Sandringham City councillor during the years 1946 to 1948.

In 1947, Roy Dawnay-Mould was elected to the Legislative Assembly as the member for the electoral district of Dandenong, and he served his constituents until 1952. During that time he was a member of the Liberal Party and the Liberal and Country Party in the Victorian Parliament, serving as secretary to the Liberal and Country Party from 1950 to 1952. He also served briefly as Minister of Health, Minister in Charge of Housing, Minister in Charge of Materials, and Minister of Mines. In his very short time as a member of Parliament, he gained a wide range of experiences.

As a result of the turmoil in the party over electoral redistribution, Roy Dawnay-Mould was actually expelled from the party for his association with what was called the Electoral Reform Group. Although he suffered from the political changes taking place at that time, he went on to vigorously pursue a wide-ranging involvement with community activities outside politics, at the same time, on two occasions, unsuccessfully trying to return to Parliament at by-elections for the seats of Malvern and Moorabbin.

Among his outside community interests, he served as Vice-President of the Central Council of Progress Associations, Honorary Secretary of the Australian Child Welfare Association and as Chairman of the Australian Dramatic Art and Education Guild. He was Executive Director of the Urban Land Institute of Victoria in 1962.

He was very involved in sport and a keen enthusiast. He was a senior rugby union referee and President of the Victorian Junior Soccer Association. Also he served as a Church of England vestryman and synod representative. William Roy Dawnay-Mould was very much a community-oriented individual. He served the community very fully. He is survived by his wife, two married daughters, six grandchildren and three great grandchildren. The Opposition expresses condolences to his family and, at the same time, extends thanks for his work and his service to the community.

Mr ROSS-EDWARDS (Leader of the National Party)—I join the Premier and the Leader of the Opposition in expressing my condolences and those of members of the National Party to the family of the late William Roy Dawnay-Mould, the member for the electorate of Dandenong from 1947 to 1952.

I remember the late Mr Dawnay-Mould well from my earlier days in this place. Some years ago he often used to have lunch at the House and was well known to most of those honourable members who had been in this place for some years. He was caught up in the big divisions that occurred in the Liberal Party during the 1940s. If I remember rightly, if one had to place a tag on him, he would have been a Hollway Liberal. This made it difficult for him to be re-elected.

The Leader of the Opposition said he stood for election on two other occasions, which I remember because I was fascinated by the changes taking place in all political parties during those years. I was most interested when I entered this place to meet him and speak with him to hear his version of what happened in those turbulent days.

I join other honourable members in expressing condolences to Mrs Dawnay-Mould and members of the family.

The SPEAKER—Both honourable members gave long and distinguished service to this Chamber and played their parts in the democratic process during a significant era in
Victorian history. On behalf of the Legislative Assembly, I convey sympathy to the surviving families.

The motion was agreed to in silence, honourable members signifying their unanimous agreement by standing in their places.

COMMISSION TO SWEAR MEMBERS

The SPEAKER informed the House that he had received from His Excellency the Governor a commission authorizing him to administer the oath of allegiance or affirmation to such members as had not already taken and subscribed the same since their election.

THE MINISTRY

Mr CAIN (Premier)—I desire to inform the House of the composition of the new Ministry and the office holders of my party in this House.

Legislative Assembly

The Hon. John Cain—Premier and responsible for women’s affairs.

The Hon. R. C. Fordham—Deputy Premier and Minister for Industry, Technology and Resources.

The Hon. I. R. Cathie—Minister for Education, who will answer on behalf of the Minister for Conservation, Forests and Lands in another place.

The Hon. S. M. Crabb—Minister for Employment and Industrial Affairs.

The Hon. R. A. Jolly—Treasurer, who will answer on behalf of the Minister for Agriculture and Rural Affairs in another place.

The Hon. Andrew McCutcheon—Minister for Water Resources and Minister for Property and Services, who will answer for the Minister responsible for Aboriginal affairs in another place.

The Hon. C. R. T. Mathews—Minister for the Arts and Minister for Police and Emergency Services, who will answer on behalf of the Attorney-General in another place.

The Hon. T. W. Roper—Minister for Transport, who will answer on behalf of the Minister for Health in another place.

The Hon. J. L. Simmonds—Minister for Local Government.

The Hon. P. C. Spyker—Minister for Consumer Affairs and Minister for Ethnic Affairs, who will answer on behalf of the Minister for Community Services in another place.

The Hon. N. B. Trezise—Minister for Sport and Recreation.

The Hon. R. W. Walsh—Minister for Public Works and Minister assisting the Minister for Employment and Industrial Affairs.

The Hon. F. N. Wilkes—Minister for Housing, who will answer on behalf of the Minister for Planning and Environment in another place.
Legislative Council

The Hon. E. H. Walker—Minister for Agriculture and Rural Affairs, Minister for Planning and Environment and responsible for Aboriginal affairs.

The Hon. D. R. White—Minister for Health.

The Hon. C. J. Hogg—Minister for Community Services.

The Hon. J. H. Kennan—Attorney-General.

The Hon. J. E. Kirner—Minister for Conservation, Forests and Lands.

The Parliamentary Secretary of the Cabinet is Dr K. A. Coghill, MP, the party Whip is Mr Theodore Sidiropoulos, MP, and the Deputy Premier will act as the Leader of the House.

Leadership of Parties

Mr KENNETT (Leader of the Opposition)—I wish to inform Parliament of the Ministerial arrangements of the Opposition. I congratulate the Premier and Labor Party on their victory. I again will be responsible for the portfolios of the Premier, youth affairs and women’s affairs. The Honourable Tom Austin will be Deputy Leader of the Opposition and also Leader of the House. He will have responsibility for agriculture and rural affairs. The Honourable Alan Hunt, Leader of the Upper Chamber, has responsibility for planning, environment and Aboriginal affairs. The Honourable Haddon Storey will be Deputy Leader in another Chamber and will have responsibility for primary and secondary education and Government administration.

Mr Mark Birrell, in another place, will have responsibility for health; Mr Alan Brown, in this Chamber, will have responsibility for housing and resources; the Honourable Bruce Chamberlain, in another place, will have responsibility for the Attorney-General’s area.

Mr Robin Cooper will be responsible for local government; the Honourable D. G. Crozier will have responsibility for police and emergency services and the arts; Mr Delzoppo, water resources and property and services; and Mr Phil Gude will have responsibility for small business and public works.

The SPEAKER—Order! I should advise the Leader of the Opposition that he has my indulgence in allowing him to go through his shadow Cabinet because that has not been recognized in this Chamber by previous Governments and/or by the present Government, but if my indulgence is to continue, he should address honourable members in the correct way, by the electorate they represent.

Mr KENNETT—Thank you, Mr Speaker. I am sure you, Mr Speaker, will not have me go back over those honourable members I have already mentioned. The honourable member for Prahran is the shadow Minister for Industry, Technology and Resources. The honourable member in another place representing Ballarat Province will be shadow Minister for Community Services and the honourable member for Benambra will be responsible for further education.

The honourable member for Balwyn will be responsible for employment and industrial affairs. The honourable member for Bendigo Province, in another place, will be responsible for conservation, forests and lands. The honourable member for Gisborne, sport and recreation; the honourable member for Forest Hill, consumer affairs and ethnic affairs; and the honourable member for Brighton will be responsible for Treasury matters. The secretary to the shadow Cabinet will be the honourable member for Bennettswood and the party secretary will be the honourable member for Higinbotham Province. The Opposition Whip in this Chamber will be the honourable member for Malvern.

Mr ROSS-EDWARDS (Leader of the National Party)—Mr Speaker, I have been re-elected as Leader of the National Party; the honourable member for Rodney is the Deputy Leader of the party; the honourable member for Gippsland East is the Whip; and the
honourable member for Murray Valley is the party secretary. The names of the party spokesmen were distributed in the proper and normal way earlier this day.

QUESTIONS WITHOUT NOTICE

NATIONAL DAIRY PLAN

Mr KENNETT (Leader of the Opposition)—I refer to the Premier’s claim two days before the State election that he had achieved an outstanding victory in Canberra with his dairy plan. In the light of the subsequent collapse of that plan, will the Premier advise the House whether he sought or received any assurances of support from or on behalf of the Commonwealth before his announcement of interstate backing for his plan?

Mr CAIN (Premier)—What I and other State Ministers were able to achieve was agreement about a plan that had the support of the dairy industry right across this country. We consulted with the dairy industry in every State and, in the result, there was unanimity between the States in regard to a proposal that sought to ensure that there would be a national dairy plan. The alternative to that proposal, of course, was to see the States going it alone, as it were. It was at the instigation of the Victorian Government that that specially convened meeting was held on 28 February to ensure that steps were taken to find a basis for an acceptable plan.

The proposal was accepted by all State Governments, which indicated their support for it. So, a step was taken that had not been taken in all the discussions that had gone on over the previous five months. We believe it was the proper step to take to ensure that the dairy industry in this State was given a chance to survive and so that regard would be paid to its long-term future by those who make the decisions. That had not been the case before.

What has now emerged is a plan from the Commonwealth Government that is entirely different from what had been proposed before our proposal was put forward on 28 February. It is one that is much more favourable to ensuring that the Victorian industry gets a fair go. Some details of the plan are still the subject of discussion between us and the Commonwealth and we will continue to have those discussions.

The initiative taken by this Government has given the dairy industry in Victoria a chance to survive and a chance to play the role it should play of being one of the industries in which Victoria succeeds better than anywhere else and one of the industries on which the economic future of this State can be built. We will go on doing all we can to make sure that that is what occurs.

Mr Hann—It’s just a lot of words!

Mr CAIN—The Deputy Leader of the National Party may interject, but we put together a proposal that had the support of the industry and that had not been done before. That is an achievement of this Government and I do not believe it would be possible to obtain such a proposal from the parties opposite, which apparently have quite divergent views about it. As I understand it, the Deputy Leader of the Opposition wants to deregulate the industry, to throw it all away. That is his desire, but it is not the desire of the National Party, which always wants rural industry to be propped up by Government assistance.

What I am saying is that we got further as a Government in ensuring that there was an acceptable plan than the opposition parties could have got either singly or in coalition.

Mr ROSS-EDWARDS (Leader of the National Party)—I direct my question to the Premier and ask him whether he is aware that Mr Burke, the Premier of Western Australia, did not send his Ministers to the dairy industry conference conducted in Canberra recently. He believed there was no point in doing so as he was aware that the Commonwealth Government would not support the plan. I remind the Premier that this was prior to the conference being conducted.
Mr CAIN (Premier)—The support and encouragement of all State Governments was obtained, and support was indicated by other Ministers on behalf of the Minister for Agriculture from Western Australia. The Liberal Party and the National Party are concerned that the Government was able to put together a set of proposals that had the backing of the whole dairy industry in this country.

They seem unaware of or do not bother to acknowledge that their so-called supporters, the people they say they represent, the people from whom the National Party obtains its 7 per cent, all those dairy farmers, support what the Government is doing. Every State indicated support for the proposals that were put forward.

The Ministers talked to their colleagues in other States and obtained the total support of the dairy industry. The Opposition is miffed about that and does not like it.

The Opposition and the National Party do not like the fact that the Government was able to put together a package that had the support of the dairy industry. They are concerned that the Government’s achievements have earned the respect and support of the dairy industry.

The Government has set in train a process to ensure that the marketing of dairy products will be monitored so that dairy farmers obtain a fair return.

I understand the political frustration of the Opposition and of the National Party. Their proposals have been rejected by their supporters. The Government has earned the respect and support of the dairy industry because of what it has done.

The Leader of the Opposition laughs in derision. He endeavoured to force his way onto the platform where leaders of the dairy industry were discussing the matter in a calm and reasonable manner with their fellow dairy farmers. He had to be physically restrained by Bill Pyle and told to get off the platform.

Honourable members interjecting.

Mr CAIN—There are more supporters of this Government in that industry than honourable members opposite would imagine. The people whom members of the Opposition and the National Party claim as their mates, their traditional supporters, believe they are no hopers and will not have a bar of them. Honourable members opposite are miffed because the Government has been able to intrude into their area and win the support of people who normally support the Opposition and the National Party.

The Government has the support of the dairy industry because it has run with its cause and has endeavoured to see that it obtains a fair deal.

REVITALIZATION OF ECONOMY

Mr SIMPSON (Niddrie)—Will the Premier inform the House of the success of the Government in revitalizing Victoria’s economy and the measures it has taken to reduce unemployment?

Mr CAIN (Premier)—I am delighted to inform the House, and I believe most members know, the last election being their moment of truth, that the Victorian economy is growing strongly and better than anywhere else in Australia. More than 100 000 new jobs were created in the past three years, and in the past twelve months real employment has grown nearly twice as fast in Victoria as elsewhere. Unemployment has been consistently below the national average. A host of other indicators show that Victoria is back on top, and that was what the election campaign was all about. The main issue was the economy and jobs. The people showed their approval of what the Government had done and intends to do, and they have given it a firm mandate.

In exactly three years today there have been four elections, two State and two Federal. The Liberal Party has been rejected by a massive vote and still it refuses to accept that it is no longer the Government. It is not only a bad loser, but it also wishes to upset the result.
Victorians have indicated clearly that they are not interested in political parties and political leaders whose policies show no clear vision and no strategy for the future. The Liberal Party went out and sampled the opinion polls and then put it all together.

Mr ROSS-EDWARDS (Leader of the National Party)—On a point of order, the answer being given by the Premier bears no relevance to the economy of this State. The Premier should not be allowed to make propaganda speeches; he should be answering the question.

The SPEAKER—Order! I do not rule that the Premier is debating the question and therefore the point of order is out of order.

Mr CAIN (Premier)—The electorate has spoken clearly, indicating that it wants a continuation of the policies that have restored the State to a position where it is leading the economic recovery in this country, and wants the Government to go on with these policies to ensure that the situation continues. I know that the Opposition does not like to hear that, but that is a fact. That is what is being done and the Government will continue to do it, and that is the Government that Victorians want. They have clearly rejected the kind of Government they would have got from the other side.

An Honourable Member—How do you know that?

Mr CAIN—I watched the vote. I know that the National Party speaks for 7 per cent; that is all. The Government is doing the things that Victorians want.

NATIONAL DAIRY PLAN

Mr AUSTIN (Ripon)—Having listened to the Premier’s answer to the Leader of the Opposition and the Leader of the National Party, I ask: Did the Premier seek or receive support in advance for his dairying plan from Mr Hawke or Mr Kerin—“Yes” or “No”?

Mr CAIN (Premier)—The honourable member for Ripon knows very well what was done. This matter was considered by the Federal and State Ministers and all State Ministers gave their support for the dairying plan. The Federal Government indicated it would consider the proposals and it has done so.

SCHOOL CANTEEN CASUAL STAFF

Mr HANN (Rodney)—I ask the Minister for Education whether he is aware that school councils employing casual staff in school canteens could become personally liable for any damages or claims brought against the staff by pupils in the event of accidents or serious illness occurring? Is the Minister also aware that unless protection is provided for these school councils, many school canteens could be forced to close? If the Minister is aware of this serious situation, what action does he propose to take to resolve it?

Mr CATHIE (Minister for Education)—I am aware of the concern which has been expressed to me by a number of school councils relating to the problems of the school canteens in the two areas referred to by the honourable member for Rodney. At this stage I can only indicate that if money is not being put aside to meet the problem—and money cannot be put aside to meet the commitments to long service leave or superannuation if they are losing money—there appear to be legal and management implications. Therefore, I have asked the Director-General of Education to give me a report containing recommendations on how this issue can be solved.

YOUTH GUARANTEE

Mrs TONER (Greensborough)—Can the Minister for Employment and Industrial Affairs provide the House with a report on progress in developing the youth guarantee which was widely supported by Victorians at the recent State election?

Mr CRABB (Minister for Employment and Industrial Affairs)—The Government has moved rapidly on the implementation of the youth guarantee. Yesterday the Government announced the formation of a Cabinet committee comprising me as chairman and my
colleagues, the Treasurer and the Minister for Education. The executive director of that committee is Mr Peter Kirby, who is the author of the most prestigious report compiled so far on the issue of youth employment. It is interesting to note that that report completely discounts the theory put forward by the Opposition during the recent State election campaign that the answer to all the problems of youth employment is to halve the award wage of young people.

Not only does the Government reject the idea of paying people half the award wage but it is also rejected by Mr Kirby, the Organization for Economic Co-operation and Development and a Full Bench of the Australian Conciliation and Arbitration Commission in the national wage case decision, where it even refused the request of the Confederation of Australian Industry not to index wages.

The idea of paying half award wages to youth has been totally discredited by every reputable organization in the country and by the electorate. The Government has already established a substantial number of additional apprenticeships in the State through a variety of mechanisms which were established by my predecessor, the present Minister for Local Government, through the group apprenticeship scheme, State authorities and skills centres.

The Government has established an additional 5000 apprenticeship positions in technical and further education colleges. At present the Government is arranging the establishment of 1200 work study positions in the transport, health and education employment areas. The Government has progressed in its negotiations with the relevant organizations on the introduction of a voluntary retirement scheme in the public sector and has already introduced permanent part-time work in both the Teaching Service and the Public Service. The Government is also in the process of having further discussions with the trade union movement on permanent part-time work and my colleague, the Minister for Education, will in due course be making further announcements on the Blackburn report, which has significant implications for young people in the education system.

AUSTRALIA GAMES

Mr REYNOLDS (Gisborne)—Can the Minister for Sport and Recreation inform the House whether the recently conducted Australia Games will show a deficit of some $600 000; if so, who will meet that loss and when will the balance sheet be published and be available for everyone to examine?

Mr TREZISE (Minister for Sport and Recreation)—All honourable members would agree that the Australia Games were a great success. A contribution of approximately $400 000 was made by the State Government; the Federal Government made available just on $800 000, and the remainder of the money was to come from the sporting people involved by way of sponsorships and so on. When any event of this sort is held, one always expects some shortfall. Currently, a loan of $400 000 is being made from the Department of Sport and Recreation. A review of the situation is being made, and I expect to receive the final report within the next fourteen days.

EUROPEAN FINANCIAL MARKETS

Mr POPE (Monbulk)—Can the Treasurer inform the House of the purpose and outcome of his recent trip to the financial markets of Europe?

Mr JOLLY (Treasurer)—I thank the honourable member for the question; he has a great interest in the economic affairs of this State. As the honourable member is aware, last week I was in Europe for two major purposes; the first was to raise a $150 million loan in the public dollar market in Europe in order to provide finance for the Alcoa of Australia Ltd aluminium smelter project.

I am pleased to say that that project is proceeding well and, as honourable members would be aware, it represents a fine investment for the State. While I was in Europe I also had the opportunity of promoting the State Government's economic strategy. Again, as
honourable members are aware, the Victorian Government is the only State Government in Australia which has a long-term economic strategy; it has a ten-year plan to ensure that this State remains the economic heart of the nation. Victoria has the most dynamic economy in Australia and has been outstanding in a number of areas. The reduction in unemployment in Victoria is second to none in Australia.

With regard to the financial market issue, I refer in passing to the fact that the Government achieved access to public markets only because of the representations by the Premier and myself to the Australian Loan Council to convince the Federal Government that State Government instrumentalities should be able to go to public markets to borrow at rates which would sometimes represent gains of up to 2 per cent. The Government's first foray in the public markets was in Japan, and I should inform the House that it was extremely successful.

Mr Kennett interjected.

Mr JOLLY—The Leader of the Opposition once again displays his ignorance of financial matters; his mouth is still open seven days a week. It is about time he opened his mind, because he shows inability to do so. In regard to the Japanese loan, the Government managed to obtain an interest rate of 6.7 per cent which was the best interest rate in Japan for a AAA borrower for six years. That clearly shows a fine performance by anyone's standards. I also point out that, after that 6.7 per cent interest rate was achieved in Japan, the interest rates in that country actually increased. Therefore, our timing in that case was absolutely impeccable.

In relation to the European issue, I point out that in my role as the Treasurer of Victoria I had the opportunity of making presentations in London, Frankfurt and Zurich, the three major financial centres of Europe. In normal circumstances, in London, for example, a State Government or, indeed, a large corporation, would be fortunate if it received 30 or 40 participants at those presentations.

In fact, in London we virtually reached record numbers with some 56 participants attending the presentation. Not only have those participants a strong interest in what is going on in the market, but also they recognize that Victoria has the best State Government in Australia as well as the fastest growing economy and the best employment record in Australia.

We were similarly well received in France and in Zurich. The quality of the personnel who attended those presentations was of a very high level and they showed strong interest in the development that is occurring in this State.

The other point I make in respect of the financial market is that it provided, for the first time, an opportunity for the Government to show a videotape of the economic strategy, which included an outline of the strategy in a visual form with comments by business leaders in this State. In turn, the participants recognized the strength of the Victorian economy and the close co-operation that has existed between the State Government and the private sector in Victoria, a factor that is the major reason why Victoria’s economy has performed so well.

While in Europe I took the opportunity of explaining the economic strategy in detail in those three major cities. In London particular interest was expressed in Victoria's energy policies, the energy aspects of the Victorian economy and the bio-technology area.

Once again I congratulate the Victorian Agent-General in London, where there was an outstanding attendance of personnel to hear what is occurring in Victoria. There can be no doubt that, since the Cain Government has been in power, Victoria has gained economic prominence in Australia and is being recognized in the major economic and financial centres throughout the world.

In summary, not only were we successful in making our first entry into the public markets of Japan and Europe, but we also took the opportunity of explaining in full Victoria's economic strategy. Considerable interest has been shown by leading businessmen.
and women in that economic strategy, and a strong desire has been expressed to invest in Victoria. That will ensure that the Government's target of 50 per cent private investment growth over the next four years is achieved.

STATE ELECTRICITY COMMISSION PUBLIC AUTHORITY DIVIDEND

Mr BROWN (Gippsland West)—Will the Minister for Industry, Technology and Resources inform honourable members whether it is a fact that the State Electricity Commission predicts difficulty in paying the public authority dividend introduced by the Government and that, to make up the required dividend, the commission proposes to increase substantially retail sales of electrical appliances in taxpayer subsidized competition with private enterprise?

Mr FORDHAM (Minister for Industry, Technology and Resources)—I am not aware of any such proposal. If the honourable member has further information, I am prepared to consider it and to discuss the matter with representatives of the commission.

PETROL PRICES

Mr JASPER (Murray Valley)—My question to the Minister for Industry, Technology and Resources deals with his handling of fuel pricing matters. I refer him to the continuing fluctuation in fuel prices, the continuing and generally higher prices in country areas and the high tax on fuel—approximately 60 per cent—by both State and Federal Governments. What action has the Minister taken to stabilize fuel prices at a uniformly lower price, and what representation is he making to the Federal Government to break away from the disastrous world parity pricing policy for fuel?

Mr FORDHAM (Minister for Industry, Technology and Resources)—The last advice I received indicated that a few days ago only a handful of service stations were marketing above the so-called trigger point. However, the Government has made it clear that its prime concern is the consumers of this State, in terms of petrol pricing, as has been reiterated by the Premier and the Minister for Consumer Affairs over a long period.

Last week, I met with Mr Davidson from the Victorian Automobile Chamber of Commerce and I will be having further discussions with him in the future. I will be pleased to advise the honourable member for Murray Valley about any further developments regarding the future of the industry.

STREAMLINING OF GOVERNMENT ADMINISTRATION

Mr NORRIS (Dandenong)—I ask the Premier to indicate what steps he has taken to streamline Government administration and to make the expenditure of public funds more efficient and effective.

Mr CAIN (Premier)—As honourable members will be aware, the number of Government departments has been reduced from 27 to 24. That follows the reductions made by the Government in its first term of office when the number was reduced from 32 to 27. Among other things, there will be improved efficiency. There should be a net reduction in the number of Ministerial advisers and staff.

When the Labor Party came to office, it took the opportunity of upgrading the positions of Ministerial advisers and assistants for both the Government and the Opposition.

Mr Kennett—Rubbish!

Mr CAIN—The positions were made more attractive to enable both the Government and the Opposition to employ the most competent people possible to assist them. The Government intends to ensure that there will be a reduction in the numbers of Ministerial advisers. That is in sharp contrast to the attitude of the Leader of the Opposition.
During the election campaign, the Leader of the Opposition indicated that a Liberal Government would have a Cabinet of fourteen members. He stated, “We are determined to cut back the size of Government”. Now that the Liberal Party is still in Opposition, it has twenty shadow Ministers and two assistant shadow Ministers. So much for small government! The Leader of the Opposition said one thing before the election and has done another thing after the election.

The Leader of the Opposition has indicated that he wants to increase his staff—he wants two more staff members. Not only does he want to increase the number but he also wants to increase the salaries of the staff. The Leader of the Opposition talks about small government but he is the first pig in the trough. While the Government is trying to control and contain Government administration, the Leader of the Opposition wants to expand his staff and increase their salaries. If I had agreed to the increase in staff requested by the Leader of the Opposition, it would have involved an increase of 25 per cent in one hit. So much for small government! The Leader of the Opposition says he will do one thing but then does another thing at a later stage.

FIRE AUTHORITIES (AMENDMENT) BILL

Mr CAIN (Premier)—In accordance with the usual practice and in order to preserve the privileges of the House, I move that I have leave to bring in a Bill to correct an error relating to the commencement of a provision making consequential and minor amendments to the Fire Authorities Act 1984 and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

AUDITOR-GENERAL’S REPORT

The SPEAKER presented the third report of the Auditor-General for the year 1983–84.

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

PAPERS

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

Dentists Act 1972:
Dental Board—Report and statement of accounts for the year ended 30 September 1984.
Specialist Practitioners Qualifications Committee—Report for the year ended 30 September 1984.
Egg Marketing Board—Report for the year 1983–84—Ordered to be printed.
Hospitals Superannuation Board—Report for the year 1983–84—Ordered to be printed.
Liquor Control Commission—Report for the year 1983–84—Ordered to be printed.
Melbourne University—Statement of Accounts for the year 1983.
Metropolitan Transit Authority—Report for the year 1983–84—Ordered to be printed.
Port of Melbourne Authority—Statement of Accounts for the year 1983–84.
Port of Portland Authority—Statement of Accounts for the year 1983–84.
Registered Schools Board—Report for the period 24 March 1982 to 31 December 1983.
Registration of Births Deaths and Marriages Act 1959—General abstract of the number of births, stillbirths, deaths and marriages in Victoria for the year 1983.
Road Traffic Authority—Report for the year 1983–84—Ordered to be printed.
Road Construction Authority—Report for the year 1983–84—Ordered to be printed.
State Classification of Publications Board—Report for the year 1983–84—Ordered to be printed.
State Transport Authority—Report for the year 1983–84—Ordered to be printed.
Statutory Rules under the following Acts:
Building Control Act 1981—No. 438/1984 (together with documents required by s. 32 of the Interpretation of Legislation Act 1984 to accompany the statutory rule—

- Steel Tubes and Tubulars Threaded with Pipe, Threads or Whitworth Form.
- Metric Units for use in the Construction Industry.
- Polyethylene (Polythene) Pipes for Pressure Applications.
- SAA Loading Code.
  —Dead and Live Loads.
  —Wind Forces.
- SAA Boiler Code.
- Fire Hose Reels.
- Clay building bricks.
- SAA Steel Structures Code.
- SAA Glass Installation Code.
- Concrete Building Bricks.
- Copper Tubes for Water, Gas and Sanitation.
- 76 mm Pitch Corrugated Hot-dipped Zinc-coated or Aluminium Zinc-coated Steel Sheet.
- Dense natural aggregates for concrete.
- SAA Blockwork Code Unreinforced Blockwork.
Unplasticized PVC (UPVC) Pipes and Fittings for Pressure Applications (Metric Units);

Part 1—UPVC pipes for Pressure Applications.
Part 2—Moulded UPVC Fittings for Pressure Applications.
Part 3—Fabricated UPVC Fittings for Pressure Applications.
Part 4—Post-formed UPVC Bends for Pressure Applications.
Part 5—Solvent-welding Joints for UPVC Pressure Pipes and Fittings, and
Part 6—Rubber Ring Joints for UPVC Pressure Pipes and Fittings.

SAA Concrete Structures Code.
SAA Prestressed Concrete Code.
Concrete Building Blocks.
SAA Formwork Code.
—Combustibility Test for Materials.
—Test for Flammability of Materials.
—Test for Early Fire Hazard Properties of Materials.
—Fire Resistance Test of Structures.
SAA Cold-formed Steel Structures Code.
Design and Installation of Metal Roofing.
Wrought Copper and Copper Alloy Rods, Bars and Sections for General Engineering Purposes.
Arc Welded Steel Pipes for Water and Gas.
Asbestos Cement Corrugated Sheets for Roofing and Cladding.
Design and Installation of Corrugated Asbestos Cement Roofing.
SAA Brickwork Code—Metric.
Calcium Silicate Bricks.
Rules for Fixed Platforms, Walkways, Stairways and Ladders.
SAA Aluminium Structures Code.
SAA Mechanical Ventilation and Air-conditioning Code.
—Ventilation Requirements.
Fire Dampers.
SAA Timber Framing Code.
SAA Domestic Oil-fired Appliances Installation Code.
Physical Barriers used in the Protection of Buildings against Subterranean Termites.
Asbestos Cement Pressure Pipes.
SAA Timber Engineering Code.
SAA Site Investigation Code.
SAA Lift Code.
—Fire-rated Landing Doors.
Code of Practice for Pliable Roof Sarking.
Concrete Interlocking Roofing Tiles (Without Weathering Check).
Papers

AS 1758-1975 Code of Practice for Fixing of Concrete Interlocking Roofing Tiles (Without Weathering Check).
AS 1759-1975 Concrete Interlocking Roofing Tiles (with Weathering Check).
AS 1760-1975 Code of Practice for Fixing of Concrete Interlocking Roofing Tiles (With Weathering Check).
AS 1835–1976 Am 1 Seamless Steel Tubes for Pressure Purposes.
AS 1836–1976 Welded Steel Tubes for Pressure Purposes.
Part 3-1978 Am 1 — Fire Hose Reels.
AS 2050–1977 Terra Cotta Roofing Tiles.
AS 2159–1978 Code of Practice for Fixing of Concrete Interlocking Roofing Tiles (With Weathering Check).
AS 2293 Part 2–1982 Seamless Steel Tubes for Pressure Purposes.
AS 2665–1983 Code of Practice for Fixing of Concrete Interlocking Roofing Tiles (Without Weathering Check).
AS Int. 324–1953 — Fire Resistant Doorsets.
AS Int. 326–1953 — Fire Resistant Roller Shutters.
AS Int. 327–1953 Flat Pressed Particleboard.
ACADS Code of Practice CP1 Installation of Reflective Foil Laminate in Buildings.
BS 4772–1980 SAA Fire Door Code.
CSIRO/AEBIRA — Installation Requirements.
CSIRO — Maintenance Procedures.
TPC Timber Frame Construction in High Wind Areas—Victoria.
Country Fire Authority Act—Nos 393/1984 (together with documents required by s. 32 of the Interpretation of Legislation Act 1984 to accompany the statutory rule—
Environment Protection Act 1970—Nos 372, 445 (together with documents required by s. 32 of the Interpretation of Legislation Act 1984 to accompany the statutory rule—
Australian Standard 2077-1979 Methods of Test for Fuel Consumption of Passenger Cars and their Derivatives,


Superannuation Board—Report for the year 1983–84—Ordered to be printed.

Taxation (Analysis of Operations—
Gift Duty for the year 1983–84.
Land Tax for the assessment year 1983.
Probate Duty for the year 1983–84.


Town and Country Planning Act 1961:
Alberton—Shire of Alberton (Coastal) Planning Scheme, Amendment No. 44.
Alexandra—Shire of Alexandra Planning Scheme Amendment No. 19.
Bacchus Marsh—Shire of Bacchus Marsh Planning Scheme, Amendment No. 23, Part 1.
Ballarat—City of Ballarat Planning Scheme, Amendment Nos 72, 73, 74, 76, 80.
Ballarat—Shire of Ballarat Planning Scheme, Amendment No. 16.
Bass—Shire of Bass Planning Scheme, Amendment Nos 14, 15, 22.
Benalla—Shire of Benalla Planning Scheme 1953, Amendment No. 22.
Berwick—City of Berwick Local Development Scheme, Amendment Nos 1 Part 1, 1 Part 2, 5.
Bungaree—Shire of Bungaree Planning Scheme, Amendment No. 14.
Buninyong—Shire of Buninyong Planning Scheme, Amendment Nos 20, 24, 25.
Croydon—City of Croydon Planning Scheme 1961, Amendment Nos 130, 131, 132, 133.
Echuca—City of Echuca Planning Scheme, Amendment Nos 66, 68/1984.
Frankston—City of Frankston Planning Scheme, Amendment Nos 36, 37/1984.
Hastings—Shire of Hastings Planning Scheme, Amendment Nos 13 Part 1, 19.
Lake Bellfield—Lake Bellfield Planning Scheme, Amendment Nos 18, 21.
Lake Tyers to Cape Howe Coastal Planning Scheme, Amendment No. 15.


Mildura—City of Mildura Planning Scheme, Amendment No. 65/1984.
Morwell—Shire of Morwell Planning Scheme, Amendment No. 23.
Pakenham—Shire of Pakenham Planning Scheme, Part 1 Amendment Nos 28, 30, 34, 35.
Phillip Island—Phillip Island Planning Scheme, Amendment No. 20.
Rochester—Shire of Rochester Planning Scheme, Amendment No. 19.
Sebastopol—Borough of Sebastopol Planning Scheme, Amendment No. 31.
Seymour—Seymour Planning Scheme, Amendment No. 88.
Shepparton—City of Shepparton Planning Scheme 1953, Amendment No. 76/1983.
Swan Hill—City of Swan Hill Planning Scheme 1981, Amendment Nos 5, 6, 7.
Tambo (Lakes Entrance)—Shire of Tambo (Lakes Entrance) Planning Scheme, Amendment No. 54.
Traralgon—City of Traralgon Planning Scheme 1957, Amendment Nos 25, 55, 56.
Wangaratta—Wangaratta Sub-Regional Planning Scheme City of Wangaratta, Amendment No. 13.
Warrnambool—City of Warrnambool Planning Scheme, Amendment No. 7 Part 1.
Woorayl—Shire of Woorayl Planning Scheme, Amendment Nos 64, 66, 67, 70, 72, 73.
Yea—Shire of Yea Planning Scheme, Amendment Nos 5, 6.
Urban Land Authority—Report for the year 1983-84.
Victoria Grants Commission—Report for the year ended 31 August 1984—Ordered to be printed.
Victorian Post-Secondary Education Commission—Report for the year 1983-84—Ordered to be printed.
Young Farmers’ Finance Council—Report for the year 1983-84.

24
GOVERNOR’S SPEECH

Address-in-Reply

The SPEAKER—I have the honour to report that the House this day attended His Excellency the Governor in the Legislative Council Chamber when His Excellency was pleased to make a Speech to both Houses of Parliament of which, for greater accuracy, I have obtained a copy. As the Speech is printed, and copies will be in the hands of honourable members, it will not be necessary for me to read it.

Mrs HIRSH (Wantirna)—I move:

That the following Address-in-Reply to the Speech of His Excellency the Governor to both Houses of Parliament be agreed to by this House—

YOUR EXCELLENCY:

We, the Legislative Assembly of Victoria, assembled in Parliament, wish to express our loyalty to our Sovereign, and to thank your Excellency for the Speech which you have made to the Parliament.

I am honoured to move the motion for the adoption of the Address-in-Reply. This task is of great significance because of the special circumstances surrounding today’s opening of Parliament. This is the fiftieth Parliament in this State and it is meeting in the year of Victoria’s 150th anniversary. It is an historic occasion, in that a Labor Government has been re-elected for a second term by the people of Victoria. That has never happened in this State before. Also, it is exactly three years today since the election of the first Cain Labor Government of this generation.

As one of the eight women on the Government side of the House, I direct attention to the fact that it is 61 years since women became eligible to stand as candidates at Parliamentary elections in this State. The electorate of Wantirna is unique in Victoria, in that it is now wholly represented by women. When I look around the Chamber, it is obvious to me that the Labor Party is the only party that has taken steps to ensure that women are being represented in Parliament.

I acknowledge the Speech made by His Excellency the Governor, which outlined the Government’s program for the next four years. I wish Sir Brian and Lady Murray well in their continuing service to the people of Victoria. I congratulate you, Mr Speaker, on your election for a second term to the important and difficult role of Speaker of this House. I have heard that you have already served one term with impartiality and distinction and, I believe, some humour, which I imagine must be an important component of the functioning of this place.

With the historic election of this Government, history has also been made in the electorate of Wantirna. For the first time, a member of the Labor Party has been elected to represent the people of Wantirna. I am honoured to represent the electorate in this Parliament and I thank the people of Wantirna for so clearly placing their confidence in me at the recent poll.

I should explain how I came to be in this place. I have chosen to pursue a political career because I believe Government intervention in the affairs of society is essential for the purposes of alleviating poverty and ensuring that there is an equitable distribution of available resources to all people. I worked for many years as a teacher and as a psychologist with individuals and families who are considered to be disadvantaged. I have reached the conclusion that, for a majority of disadvantaged people, the main difficulties they face are a lack of availability of resources or a lack of accessibility to the resources that exist. I refer to such matters as economic resources, through jobs and income support, housing, transport, education, child care and health care. People have a right to these resources and Governments have a responsibility to provide them.

In the early 1980s, Victoria was suffering the debilitating effects of 27 years of mismanagement by a Liberal Government that took little action on behalf of a significant proportion of the people of Victoria and had no vision for the future of this State. Victoria
was going downhill fast. The election of the Cain Labor Government exactly three years ago today changed the direction of Victoria. The Cain Government has brought compassionate policies and careful planning to this State—including a ten-year over-all strategy plan, detailed strategies for social justice and a new urban strategy. The impact is already evident.

The people of Wantirna experienced the effects of the neglect of the Liberal Government and are now experiencing the positive effects of the Cain Government’s policies. I shall outline the impact of these policies and planning strategies on an outer-suburban area such as Wantirna, as well as explain how this Government’s policies have made Victoria the leading State in Australia, with the nation’s strongest State economy.

The electorate of Wantirna is situated in the western half of the City of Knox, at the foot of the Dandenong Ranges. The area was first settled in the 1870s and comprised mainly orchards and market gardens. The rural townships of Bayswater, Wantirna and Scoresby, served a small population who lived and worked in the countryside. However, approximately twenty years ago, a second wave of settlement commenced, which is still continuing. This settlement is bringing about the urbanization of the Wantirna area. As local orchardists and market gardeners have sold up to land developers, young families have been attracted to the district by the great Australian dream of home ownership.

From the time of the commencement of urban development until the early 1980s, houses were built for sale in the private sector and people took out loans from various sources to enable them to move into these houses. Local government was aware, through these years, of the need for services to go with the houses and it did attempt to provide them, but there was no commitment from the State Government of the time and social dislocation occurred. Services did not keep pace with population growth and the economic decline of the late 1970s and early 1980s, which occurred over the whole State, had an effect on the Wantirna area.

There was a combination of high unemployment—among both adults and young people—high housing loan interest rates and a desperate shortage of rental housing in both the private and public sectors. A poor transport network, a shortage of affordable child care, inadequate health services and a lack of youth services added to the problems. Early in 1982, the Cain Government halted this downhill slide. A carefully formulated economic policy was implemented, with the fundamental aim of providing as many jobs as possible. That policy has been successful.

Over the past three years, Victoria’s economy has out-performed Australia’s. Victoria now has the nation’s strongest economy and its best employment growth. Victoria has accounted for more than 40 per cent of Australian employment growth since John Cain won office. In the last term of the Liberal Government, Victoria accounted for only 16 per cent of that growth.

Since the bottom of the recession, employment has increased by 6·2 per cent in Victoria compared with 4·8 per cent across Australia.

A cornerstone of the Cain Government’s strategy for economic recovery was the revival of the building industry, especially the housing sector, both public and private. The use of the building industry to lead the economic recovery served the dual purposes of creating more jobs and more houses—both critically important areas. The past three years have seen a resurgence in the building industry and new building approvals in the private sector are up by 50 per cent in the current year.

A revitalization of public housing is occurring under the Cain Government with the addition of over 3000 dwellings to the State’s public housing stock in 1983–84 with another 3000 planned for 1984–85. New public housing, comprising good quality dwellings, is spread throughout the community.

Maintenance of public housing is important and estate improvement funds have increased from $2 million, as they were under the Liberal Government, to $22 million under the Cain Government.
The provision of private housing has flourished in the past three years and will continue
to do so under the Cain Government. Interest rates are much lower now than they were in
1982. This has been of great assistance to people living in the outer suburbs. Creative loan
schemes have been introduced to provide access to home ownership for over 2000 low
income families and intervention by the Urban Land Authority will help to control land
prices.

Local building figures reflect the housing recovery. In the past year, the number of
houses built in the City of Knox increased by 26.7 per cent. There was also an increase of
109 per cent in flat building and an increase of 41 per cent in the construction of new
factories. Two new primary schools are being built and the progress of work on a new
TAFE college, due to commence operation next year, is on schedule.

A deficit in transport services in the electorate of Wantirna was addressed by the Cain
Government. The reorganization and co-ordination of bus services in the new Ringwood
neighbourhood commenced in October 1984 and led to increased mobility for those
sections of the community that could not readily move outside their homes, for instance,
non-car drivers, young people and the elderly.

Train travellers, who had been disadvantaged in previous years, are better off under the
Cain Government. The Government has completed the duplication of the railway line
between Ringwood and Bayswater and got rid of the large hole in the ground that had
inconvenienced Bayswater train travellers for years. The station car park has also been
upgraded.

An important issue to be addressed during the next term of the Cain Government will
be the combined effects of such organizations and materials as the group apprenticeship
scheme, the new TAFE college in the outer-eastern suburbs, the participation and equity
programs in schools, the recommendations of the Blackburn report on post-compulsory
schooling and the co-operation with private industry. These key components of the
Government’s youth guarantee scheme will help deal with the serious disadvantage suffered
by a high proportion of young people in the Wantirna electorate, and in Victoria generally.

Finally, I wish to mention the right of people to live their lives in safety. The Victorian
Labor Government’s policy of a nuclear-free State provides a model for Australia and for
the rest of the world in bringing about disarmament and bans on all nuclear weapons.

I shall encourage the declaration of the City of Knox as a nuclear-free zone as part of
this program.

I look forward to energetically and effectively representing in Parliament the electorate
of Wantirna during the second Cain Labor Government of the 1980s.

The sitting was suspended at 6.25 p.m. until 8.4 p.m.

Mrs WILSON (Dandenong North)—I am pleased to second the motion for the adoption
of an Address-in-Reply to the speech of His Excellency the Governor. In doing so, Mr
Speaker, I offer you my sincere congratulations on being elected to the highest office in
this House. I also take this opportunity of thanking the Parliamentary staff for the help
and consideration they have given to new members such as me during our first few weeks
in office.

I have the honour to represent the new electorate of Dandenong North in this Parliament
and I am proud to be its first member. I thank the voters of the electorate I represent for
the confidence they have shown in me and in the Cain Labor Government.

The people of the Dandenong North electorate have my firm commitment that I will be
an accessible local member, available to share their problems and anxieties and, where
possible, assist with a solution. I am fortunate to follow a wonderful tradition of good
solid local representation in the Dandenong North area, commenced in the 1960s by the
previous member for Dandenong, my good friend, Alan Lind, and carried on by his
successor, the current Victorian Treasurer, Rob Jolly.
Like all new members of Parliament, I have received last minute advice on the content of my maiden speech, but perhaps the most succinct advice came from an old friend whose judgment I value greatly. He said, "Remember the three s's: Make it short, simple and, above all, sincere." To fulfill all three criteria, I shall speak briefly about the electorate I represent.

Dandenong North is made up of part of three local government areas: Dandenong, Waverley and Springvale. I have had the privilege of being a councillor of the City of Dandenong for the past eight years, and during that time I have learned that each of these councils is fortunate to be represented by twelve hard working, dedicated councillors who spend most of their spare time working, on a voluntary basis, for the welfare and good administration of their municipalities. They are involved in the affairs of their municipality and are rewarded only when they can assist the people they represent. I have discovered during my time on council that the role of local government can often be greatly underestimated, and it is my hope that the second Cain Labor Government will continue to recognize the significance and importance of local government.

Overall, the Dandenong North electorate is typical of average Australia or average Victoria, but differs from the surrounding electorates of Doveton, Dandenong and Springvale in that it provides few employment opportunities in the immediate area; it has little industrial or commercial development.

The electorate is not without its problems. As well as having a high proportion of young families, homeowners and home buyers it also has a large number of medium wage and salary earners, and one of the specific problems currently faced by these people is the move by some major trading banks to increase housing interest rates—albeit at a time when bank profits are higher than ever.

Many of my constituents over the past two or three years have benefited greatly from the policies of both the Federal and the State Labor Governments in the housing area. Young home buyers have benefited from the Federal Government’s first homeowners’ scheme and others have been assisted by the substantial allocations made for public housing by both Governments. The reduction of inflation and home interest rates has greatly assisted all home buyers. I believe we should be staging the strongest possible resistance to any increases in housing interest rates to allow recent gains to be consolidated and to continue.

Mr Speaker, it is my hope that, as a newly elected member, I will have the opportunity of working closely with unemployed people in the electorate that I represent. Enormous publicity has been given to the problems of the young unemployed—and rightly so—but there must be grave concern also for the plight of older members of our society who find themselves without employment. In many cases their ability to find a job is more limited and less likely. It is heartening to be part of a Government that over the past three years has tackled unemployment head on and has succeeded in making Victoria the State with the lowest level of unemployment in Australia. I know that this will continue with the introduction of the youth guarantee scheme outlined by the Premier during the election campaign and through other positive measures in the Government’s economic strategy.

A large number of elderly people live in Dandenong North. Members of the Labor Party who know me well will be aware that one of my areas of greatest interest is the care of the elderly in the community.

Old age can be a tranquil, rewarding time of life or it can be a frightening, lonely, traumatic nightmare. Very few of us—whether we be 40, 50 or 60 years of age—ever really prepare ourselves for growing old, for being less active and less productive after many years of toil and, subsequently, very few of us can imagine what it feels like to be old, not able to do the things we used to enjoy doing, sometimes forgetful and confused.

I believe that as a society we have a less compassionate or practical approach to our elderly than do our European and Asian migrant families. In their family structure, an elderly parent is greatly honoured and respected. It is accepted that it is the family's
responsibility to care for the elderly members of that family. Nursing homes and hospitals are the last resort, whereas to many of our families, unfortunately, they are the first resort—the easy way out. The sad part is that these values will be passed on from generation to generation and will become accepted practice.

I am pleased that the Cain Government has made an excellent start in addressing the problems of a rapidly ageing population by a number of positive measures, aimed at helping elderly people to remain longer in their own homes, and I am certain that in the next four years much more will be done in this important area. We owe it to every one of our senior citizens to ensure that they have the opportunity to spend their retirement years with dignity and peace of mind in a compassionate environment.

No description of Dandenong North would be complete without a word about the local hospital and school. The Dandenong and District Hospital serves areas from Berwick to Springvale and, in some cases, further afield. This hospital is desperately short of beds. Many of the acute surgical beds are taken up by elderly people who are in need of nursing home care. Further beds are taken up by road accident cases. It is not surprising, therefore, that much of the elective surgery has to be cancelled each week and hundreds of people have to be told to come back at a later stage. The bed ratio in the Dandenong area is 1.7 per 1000 head of population, whereas in most other parts of Victoria it is much higher.

There is no doubt that planning for increased capacity at the Dandenong and District Hospital should have occurred in the late 1970s. This is just one of the many areas where no forward planning was done by our predecessors.

In its first three years of office, the Government has been severely restricted by many examples of bad forward planning, or no planning at all, by the previous Administration, and it has been difficult to make up ground more quickly because of the enormous sums of money involved.

Despite all this, the Cain Government has taken positive measures and although the Board of the Dandenong and District Hospital is not completely convinced, it is generally believed that the relocation of the Queen Victoria Medical Centre to Clayton will offer some relief, as will the Government’s all-out assault on waiting lists for elective surgery.

In the past few weeks since being elected to Parliament, I have taken the opportunity of visiting a number of schools in the electorate I represent. As a person who has had a long association with school councils, both at the primary and secondary level, I was impressed with the expressions of goodwill from the staff, principals and parents whom I met. It was a remarkable difference from the discontent and confrontation that was so apparent three or four years ago. The satisfactory state of Victoria’s education system is just one example of the Government’s fine record in the field of industrial relations.

Mr Speaker, I conclude my remarks by publicly expressing my thanks to my husband Eric, my son Craig, and my mother, for their splendid support during the election campaign. I also acknowledge the hard work and enthusiasm of my local campaign team. None of this would have been possible without the combined efforts of all these people and I shall endeavour to justify their faith in me as their local member. I look forward to working with all members of this House over the next four years, in the hope and expectation that our collective efforts will benefit the people of Victoria. I thank honourable members for their courtesy and consideration.

On the motion of Mr STOCKDALE (Brighton), the debate was adjourned.

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

ELECTION OF CHAIRMAN OF COMMITTEES

Mr STIRLING (Williamstown)—I propose that William Francis Joseph Fogarty be Chairman of Committees. I make that proposal in the sense that Mr Fogarty has served this Parliament for four terms. Prior to entering this place he served the City of Footscray...
as a councillor for twelve years and as mayor of that city for a term. I believe he has the necessary experience to act in the capacity of Chairman of Committees. He has had experience in the previous Parliament as temporary Chairman of Committees on a number of occasions and is respected by both sides of the House. The colourful expressions he uses from time to time relieve a certain amount of the tension that arises in this place. Therefore, I move:

That William Francis Joseph Fogarty Esquire be appointed Chairman of Committees of this House.

Mr KIRKWOOD (Preston)—I second the motion moved by the honourable member for Williamstown.

I have been a friend of Bill Fogarty for many years. I met him initially when he was an active councillor for the City of Footscray, and I can say with complete sincerity that he showed tremendous adaptability in getting things done for the people of Footscray. I am very pleased to second the motion.

I also note that the cold storage union in Victoria owes a lot to Bill Fogarty because he structured that union in such a way that if ever he leaves this House, he could, once again, become a full time official of that union. Honourable members will recall that when the Labor Party was in opposition, Bill was shadow Minister of Agriculture. It was obvious then that the knowledge Bill Fogarty has of agriculture is deep. The House owes a debt to Bill Fogarty.

It is one of those occasions on which honourable members are able to witness a person of considerable depth achieving a position to suit that depth. If the Chairman of Committees is not adept, Parliament can become bogged down. I know that, with the honourable member for Sunshine holding the position, the business of the House will move quickly, as it does under you, Mr Speaker. I hope other honourable members are prepared to accept the honourable member for Sunshine as Chairman of Committees.

The SPEAKER—Order! Does the honourable member for Sunshine accept the nomination?

Mr FOGARTY (Sunshine)—After what my two friends have said, I could do nothing but accept it; I accept the nomination.

The SPEAKER—Are there any further nominations?

I have to announce that the time for proposals has expired and it gives me pleasure to declare that the honourable member for Sunshine, being the only member proposed, has been duly elected as Chairman of Committees of this House.

TEMPORARY CHAIRMEN OF COMMITTEES

The SPEAKER laid on the table his warrant nominating Miss Callister, Mr Delzoppo, Mr Ernst, Mr B. J. Evans, Mr Harrowfield, Mr Hockley, Mr Jasper, Mr Kirkwood, Mr Flowman, Mrs Ray, Mr Remington, Mr Richardson, Mrs Sibree, Mr Stirling, Dr Vaughan and Mr Whiting to act as Temporary Chairmen of Committees whenever requested to do so by the Chairman of Committees.

THE SPEAKER AND DEPUTY SPEAKER
Temporary relief in chair

Mr FORDHAM (Minister for Industry, Technology and Resources)—By leave, I move:

That, during any absence of Mr Deputy Speaker, Mr Speaker be authorized to call upon any of the Temporary Chairmen of Committees to temporarily relieve him in the chair, and that during any absence of Mr Speaker, Mr Deputy Speaker be similarly authorized to call upon any of the Temporary Chairmen.

The motion was agreed to.
PROCLAMATIONS FIXING OPERATIVE DATES

Mr FORDHAM (Minister for Industry, Technology and Resources)—By leave, I move:

That this House authorizes and requires the Clerk to lay on the table copies of proclamations of His Excellency the Governor in Council fixing dates for the coming into operation of Acts as published in the Government Gazette from time to time.

In brief explanation, honourable members will recall that on previous occasions all parties agreed that it was desirable that there should be laid on the table the dates of the coming into operation of Acts. This motion simply authorizes the Clerk to do that and is required at the commencement of each session.

The motion was agreed to.

SUPPLY (1985–86, No. 1) BILL

The SPEAKER announced the presentation of a message from His Excellency the Governor recommending that an appropriation be made from the Consolidated Fund for the purposes of the Supply (1985–86, No. 1) Bill.

Mr JOLLY (Treasurer), pursuant to Standing Order No. 169, moved for leave to bring in a Bill to make interim provision for the appropriation of moneys out of the Consolidated Fund for the recurrent services and for certain works and purposes for the financial year 1985–86.

The motion was agreed to.

The Bill was brought in and read a first time.

GOVERNOR’S SPEECH

Address-in-Reply

The debate (adjourned from earlier this day) on the motion of Mrs Hirsh (Wantirna) for the adoption of an Address-in-Reply to the Governor’s Speech was resumed.

Mr STOCKDALE (Brighton)—In the year 1840 there was in England a gentleman named Henry Dendy. He was a substantial landholder but in that year he sold all his interests in England, purchased 5120 acres in the Colony of Port Phillip and forthwith headed to what is now Australia. There he joined with a Mr J. B. Were. Together, those two gentlemen fashioned what today is Brighton. I have the honour to represent the electorate of Brighton.

Brighton was founded on enterprise and on vision of private individuals. That spirit of enterprise and vision has characterized Brighton ever since and does today. Brighton has always been loyal to Her Majesty, the Queen. On behalf of the electors of Brighton I pledge loyalty to Her Majesty and to His Excellency, the Governor of Victoria.

I take this opportunity, Mr Speaker, of congratulating you on your re-election as Speaker of the House. Your reputation of upholding the finest traditions of that office is known even to those of us new to this place. I thank you for the kindness that you have shown to me and other honourable members, as they have said, in introducing yourself and this place to new members. That it was of tremendous benefit hardly needs to be said. I hope that you have no cause for complaint about my conduct in this place.

Brighton is a unique electorate and I am proud to represent it. It has a greatly diversified community from what it had in Henry Dendy’s day and, as a result of the electoral redistribution, since it was represented in the last sitting of this House. It has diversified in socio-economic standing and the electorate now includes more of the poorer sections of the community than previously was the case. I emphasize that I represent all constituents. I regard it as fundamental to the office that I now assume that I represent and serve all
constituents equally, irrespective of their backgrounds, their standing in the community, their socio-economic background and of how they voted in this or any other election.

I pay tribute to the former member for Brighton whose place I take in this House. Jeanette Patrick served this Parliament for nine years. She has served the electorate of Brighton in various ways for much longer. She has given sterling service to the electorate through local government, through involvement in the affairs of the State and in many aspects of community service. Mrs Patrick set a high example. At all times she behaved with the dignity befitting a member of Parliament. I take upon myself the obligation of continuing the provision of the high standards of conduct that she set.

As a member of the Liberal Party, my highest value is individual liberty. I believe individual liberty is under threat in our community. There is a tension necessarily between freedom and the drive for equality. Insufficient distinction is being drawn between equality of opportunity on the one hand and equality of outcomes on the other hand.

Every citizen, irrespective of sex, race, colour and creed should have equality of opportunity, but it is different altogether to claim a right to equality of outcomes. Citizens are different; their capacities are different; their experiences are different; the rich experience of life treats each differently; their resources are different; above all, their values are different. Liberals believe the whole society gains when individuals have freedom to express their individual capacities and values. Our political opponents traditionally have feared those differences and have sought to leaven individuals to a mould of perceived equality of outcomes.

The greatest threat to freedom is the crude view that democracy confers power to rule upon the majority without qualification by the interests of minority groups or individuals. It is an essential element of democracy that minority rights equally are to be protected. One of the great authorities of recent centuries addressing the question of liberty is John Stuart Mill and I quote from his essay On Liberty, at page 68:

... "the tyranny of the majority" is now generally included among the evils against which society requires to be on its guard.

Protection, therefore, against the tyranny of the magistrate is not enough; there needs protection also against the tyranny of the prevailing opinion and feeling; against the tendency of society to impose, by other means than civil penalties, its own ideas and practices as rules of conduct on those who dissent from them; to fetter the development, and, if possible, prevent the formation, of any individuality not in harmony with its ways, and compels all characters to fashion themselves upon the model of its own. There is a limit to the legitimate interference of collective opinion with individual independence: and to find that limit, and maintain it against encroachment, is as indispensable to a good condition of human affairs, as protection against political despotism.

However, freedom and the preservation of freedom is not simply a matter of individual liberty; it is also a matter of efficiency. Government can never have the resources each individual possesses to make the best decision for his own life and for the life of his family. When Government usurps the powers of individuals, it makes mistakes. Some celebrated examples include the destruction of the sparrows of China, which had an horrendous effect upon the lives of Chinese people.

It is clear that mistakes are being made in Australia at present. Fifteen years ago it was widely recognized that Australia had the best system of health insurance in the world. That system was abandoned, ostensibly on the basis that it was said that 2 million people did not have adequate cover for health insurance or for health services.

The direction of the policy initiatives of Governments in Australia was dictated by the need to provide health care for the poor, yet today we see the virtual breakdown of our health services arising mainly out of the operation of Medicare. In the electorate that I represent, at the Brighton Community Hospital, because of the operation of Medicare, it is the poor who are unable to obtain the free hospital care which they obtained in 1970.
In housing, at present there is the suggestion of a capital gains tax and it is my submission that the potential effects of the capital gains tax have been ignored. Notwithstanding the enormous expenditure of the Government of this State and other Governments upon public housing, and notwithstanding schemes designed to promote the construction of new houses. The reality is that there is a tapering off of the supply of investment funds for housing. I refer to the recent publication of the Real Estate Institute of Australia's publication, Market Facts, which recorded the institute's executive director, Mr Ged Lawrence, stating that the tightening of rental markets reported in that publication was caused by investors' fears of an impending capital gains tax.

Again, there is a Government initiative which strikes at the very objective of Government policy which is designed to promote private rental accommodation.

These are not new ideas that Government has no preserve on wisdom and that the decisions affecting individuals' lives are best made by themselves.

Adam Smith stated that:

The statesman who should attempt to direct private people in what manner they ought to employ their capitals, would not only load himself with a most unnecessary attention, but assume an authority which could safely be trusted to no council and senate whatever, and which would nowhere be so dangerous as in the hands of a man who had folly and presumption enough to fancy himself fit to exercise it.

A further quotation from a man who was to be the Chief Justice of the United States Supreme Court, Mr Justice Brandeis, provides that:

Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well meaning but without understanding. It is axiomatic that where government usurps and overrides the power of individuals over their own lives, wrong decisions will be made. However, the lessons of history are being ignored. I shall examine two examples of that general view. The first is taxation, which in a society of our type, is unquestionably a necessity. However, taxation should be regarded as an evil. The Government should have to justify every impost. Erosion of an individual's power over his or her life results from the appropriation of his or her private resources. It is one of the ironies of life that those who most urgently lead the attack on conscription for military services are the first to advocate the appropriation of the income of individual citizens.

Taxation is a burden on business; it affects the employment market and attacks family security. Taxation most injures those with the least power. Today honourable members had the illustration of the organized workers in this country being able to maintain their standard of living by the maintenance of their real wages through indexation.

Honourable members interjecting.

The SPEAKER—I advise honourable members that it has been a long tradition, as well as a practice of the House and good manners, for honourable members to hear maiden speeches in silence.

Mr STOCKDALE—Who speaks for the unemployed, the poor and the disadvantaged so that they can maintain their standard of living as a result of the onslaught of high-taxing Governments? Who speaks for the superannuants? Who speaks for the people who have provided for themselves all their lives—many thousands of whom live in Brighton and other communities of like kind on fixed incomes, in homes of their own, struggling to make ends meet with the onslaught of high-taxing Governments—whose living standards are being eroded day by day?

Taxation should be justified and there is a need, as is acknowledged by both sides of the House, for restraint. What is required more than rhetoric is the application of actual restraint.

My second point concerns education and the operation of a "market" in education. It is apparent that the community is not receiving what it wants from the State education
system. This is expressed no more clearly than in simple enrolment statistics and in the number of schools.

In the past ten years enrolments in Victorian Government schools have fallen by a little more than 57,000 students. In the same period enrolments in non-Government schools have risen by more than 41,000 students. That represents a net movement of 98,000 students between the Government and non-Government sector. At the same time, the number of Government schools has been reduced by 55 and the number of non-Government schools has been increased by 113.

Concern is being expressed about what is offered in the State education system and consumers are voting with their feet by moving as fast as they can to the private system. That is a problem with which this House and the Government will have to grapple. In my maiden speech I do not come so bold as to suggest a solution. I merely draw attention to the fact that Victorians are voting with their feet against what is being offered in Government schools.

I conclude by reiterating what I said about individual liberty. As a Liberal I seek no higher standard than to stand in this House for the preservation and advancement of individual liberty, and may I here take as my motto what is inscribed over the portals of the Library of the Congress of the United States of America:

The price of liberty is eternal vigilance.

Mr J. F. McGrath (Warrnambool)—Mr Speaker, I congratulate you on your appointment to that high office. The words used by other honourable members in your honour have given me respect for you.

I also wish to acknowledge, on behalf of the constituents of Warrnambool and myself, the important work undertaken by Sir Brian and Lady Murray, and I trust that good health will allow them an opportunity of continuing their excellent work.

It is appropriate at the beginning of the fiftieth Parliament to reflect on the history of the Warrnambool electorate. It was 50 years ago in 1935 that the last National Party representative, Mr Henry Bailey, was elected to represent the Warrnambool electorate. He occupied the seat for fifteen years and it eventually passed to Mr Ron Mack, a prominent Liberal in Western Victoria.

The electorate of Warrnambool, which comprises approximately 5000 square kilometres, is bordered on the south by the coastline which runs from the Bay of Islands in the east to Lady Julia Percy Island in the west, commonly known as the “Home of Great White Shark”. The electorate is largely rural and also contains some viable industries.

I come to this Parliament with a broad background of experience. I was raised on a dairy farm until I reached the age of twenty years, when I decided to expand my knowledge of the world and enter the area of industry and commerce. I took my place on the factory floor and eventually obtained my own business.

Along the way I married and had a family and, with those credentials, I believe I bring some experience to my role as the member for Warrnambool, an electorate with which I have a close affinity because I have spent my life there.

I should also mention my predecessor, Mr Adam Kempton, who represented the electorate energetically and enthusiastically for 23 months. I am sure the constituents of Warrnambool would wish me to record their appreciation for the work he did. Mr Kempton’s predecessor now takes his place as the honourable member for Polwarth, and he left his mark in the electorate of Warrnambool, having served it for a number of years.

With due respect, I express disappointment that the Governor's Speech did not touch on the subject of agriculture.

That was particularly sad in view of the present crisis in the rural industry and particularly in the dairying industry. The electorate of Warrnambool has some 3000 farms, 1800 of which are dairy farms.
Most honourable members would be aware that an enormous crisis exists in the dairy industry. As a person who has operated a small business in Warrnambool and who has mixed regularly with retailers in the electorate, I can assure honourable members that consumer spending in the urban sectors of the electorate is down substantially. That is attributed directly to the reduction in dairy farm income, and that is one problem that I look forward to resolving.

The electorate of Warrnambool has several industries. The home of Warrnambool blankets is the Warrnambool Woollen Mill; Nestle Australia Ltd processes some of the milk it collects but it is involved largely in the packaging of coffee and Milo. Those two industries alone employ some 800 people. Kraft Foods Ltd has expanded, mainly by relocating some of its manufacturing and packaging facets in Warrnambool. Hopefully that business will expand further to provide more employment.

The focal point in the electorate and the City of Warrnambool is Fletcher Jones and Staff Pty Ltd. I suppose Fletcher Jones needs no introduction to honourable members. He was a man who carried on a tradition from his early days and he showed a great community spirit that has been carried right through the industry to this day and age. The organization is extremely forthright and generous in its support of some of the important functions in the electorate of Warrnambool, particularly those relating to the arts.

The Fletcher Jones organization employs approximately 800 people. In many cases, apart from the quality garments that are manufactured and retailed, the company is probably best known for its elaborate and spectacular gardens. When one considers that the gardens and the factory site were once the site of a disused quarry, the transformation becomes significant.

The electorate of Warrnambool has approximately 60 schools, some of which are private or non-Government schools. It has a TAFE college and the Warrnambool Institute of Advanced Education, which has grown dramatically over the past ten years. The institute now has some 2000 students; approximately 900 of those students are full-time and 1100 are part-time. The institute has been an enormous boost to the economy of the electorate and particularly to the City of Warrnambool. The 150 people employed by the institute look forward with optimism to 1986 when it is hoped to expand the services of the institute to include the training of nurses. The institute closely with the Warrnambool and District Base Hospital by supplying tutors for some time.

Tourism is another aspect which deserves to be mentioned. Flagstaff Hill attracts people from the regions to Warrnambool. For example, three and a half times the population of the City of Warrnambool pass through its gates each year. That achievement is significant in the ten years of its operation. Many other sites to which people travel as tourists include the day drives to the Port Campbell coastline. Swimming is popular in the area during the tourist season so it is fortunate that Warrnambool has a safe swimming beach. When one moves further inland towards Terang, Mortlake and Hawkesdale, one has the use of swimming pools of Olympic standard.

Another aspect of tourism in the electorate is the big event on the first Tuesday, Wednesday and Thursday of May each year—that is the Warrnambool racing carnival. When one talks about Warrnambool, in many cases one mentions the Fletcher Jones organization or the May racing carnival. During the three days of that carnival approximately $9.5 million is spent. That figure is significant. People come from all over the world to attend that carnival.

Housing is also a priority. I was interested to hear earlier about the program proposed by the Government for housing. Warrnambool has approximately 341 people waiting for subsidized housing. The minimum wait for that type of housing is two years, and in some cases the period is classified as indefinite. I shall be working to try to alleviate some of the problems faced by low income earners, the single mothers and those who are unable to acquire housing at a reasonable cost.
Unemployment was also mentioned earlier. The electorate I represent also has a problem with unemployment not only among the youth but also among those in the 35 to 40 year-old age bracket who have been retrenched. Youth unemployment is a problem in Warrnambool as it is everywhere. I look forward to working with honourable members in trying to resolve this never-ending problem. Unemployment in the 35 to 40 year old age bracket is a complicated problem because it is both a financial and social problem. These people have commitments to families, homes and responsibility to make certain payments yet, through no fault of their own, are retrenched and suddenly find themselves on an unemployed list or on an unemployable list.

Health and hospitals have been mentioned. Constituents are concerned about the ongoing viability of some country hospitals. The needs of these hospitals have been demonstrated. They have called for funds to meet their needs. Grave concern has been expressed that some of the services to the hospitals could be reduced. I would be very sad if that occurred and am very keen to ensure that it does not occur.

During the past few days a national conference on drug and alcohol addiction has been held in Canberra. The people of the City of Warrnambool are anxious to set up a facility to service this major problem. The city is waiting for a reply to a submission made some time ago for funds to establish this necessary facility. Its need has been demonstrated and the people look forward to the funds coming forth.

In closing I shall speak about a group of people for whom I and many others have enormous admiration; I refer to the members of the Country Fire Authority. Two years ago western Victoria, along with other parts of Victoria, was ravaged and devastated by the fires of Ash Wednesday.

The vivid memories of those experiences will live on in the minds of those people for the rest of their lives. Out of that tragic event emanated a group of people who were prepared to risk their lives and properties for the safety of the district. I am very keen to see the viability and the autonomy of the Country Fire Authority of Victoria maintained.

I thank the House for its consideration during the presentation of my speech.

Mr COOPER (Mornington)—Mr Speaker, I join with other honourable members in congratulating you, Sir, on your election to the office of Speaker.

I wish to acknowledge the privilege I have in representing the new electorate of Mornington, I have been involved in many community activities in the area during that period and, therefore, the House will understand why my affection for my electorate is strong.

Although the electorate itself has new boundaries, the name “Mornington” is not new in this House. In 1859, in the second Parliament of the State, the electorate of Mornington was first represented by Mr William Lyall. Since that time, although with various boundary changes, the Mornington electorate has had as members some highly distinguished and well-known representatives. Many honourable members will be familiar with the names of Alfred Downward, Herbert Downward, Alfred Kirton, William Leggatt and Roberts Dunstan. All of these gentlemen served the State and their electorate with distinction and along with five other representatives dating back to 1859, have ensured that the electorate I now represent has had a significant voice in this House.

In recent times, the name “Mornington” has been missing from the roll call of Parliament but, following the redistribution, it has re-emerged. The new seat incorporates the areas of Langwarrin, Pearcedale, Baxter, Somerville, Tyabb, Hastings, Crib Point, French Island, Bittern, Moorooduc and Mount Eliza, as well as Mornington itself.

The Mornington electorate comprises 910 square kilometres and is part of one of the most delightful areas of Australia, the Mornington Peninsula.

The electorate is made up from part of the former electorate of Westernport and from part of the previous electorate of Dromana. I take this opportunity, Mr Speaker, of thanking the honourable member for Gippsland West for his hard work and dedication to
the people I now represent from his electorate. He is respected throughout the peninsula and Gippsland as a person of integrity. I am delighted to be one of his colleagues in this House.

It is a matter of regret for me to have to advise the House that for the past three years the Mornington Peninsula has been sadly neglected by the Government in a number of important respects. Promises made to the people of the peninsula have not been kept and they feel cheated and deserted.

The Mornington electorate is part of a region which has the highest number of unemployed people in Victoria and the third highest number of unemployed in Australia. This can hardly be a matter of pride to the Government, yet virtually nothing has been done to try to correct it.

Job creation in the Mornington electorate is a sick joke. We have seen short-term “Mickey Mouse” jobs beaten up with taxpayers’ funds and then the people who have been engaged on those jobs being tossed back on the unemployment scrap heap. Real jobs can be created in areas like the peninsula if the Government is prepared to think laterally and to make brave decisions. It is a matter for regret that the present Government does not seem to be prepared to take such decisions and has hog-tied itself into a philosophical position where lateral thinking on this important subject is impossible.

The transport needs of the Mornington Peninsula have been similarly ignored and the return of the train service to Stony Point, for which I congratulate the Government, has been more than offset by the appalling public transport shambles elsewhere.

No public transport services exist to carry people across the peninsula and even the most basic consumer research will reveal that existing bus routes fail to service local communities as adequately as they should. The elderly, and the young in particular, are severely disadvantaged by the present system and, despite vigorous protests by individuals and groups, the situation has not been improved. Although a review of public transport facilities is about to commence, some crying and very obvious needs that can be instituted at little expense, have been ignored. It is little wonder that the public are upset and consider that they are being neglected.

I draw to the attention of the Government the condition of some schools in the Mornington electorate which need urgent attention. Whilst I am aware of some last minute election pledges to carry out work on some of these schools, and I shall be pursuing those promises from this moment on, no commitment has been made to keep up with the ongoing needs of schools in my electorate. The Pearcedale Primary School, the Bittern Primary School and the Baxter Primary School are just three establishments in genuine and desperate need of work. The Government should be aware of other pressing needs that schools have in my electorate such as the totally inadequate library facilities at the Mount Eliza Primary School. Sympathetic hearings and rousing rhetoric are no substitute for adequate premises in which children can receive a proper education.

In each of the schools I have mentioned, the needs are obvious and the pupils are suffering. I trust that action will now occur to remedy the deficiencies, without the school communities being forced to resort again to having to embarrass the Government publicly into action.

In negotiating with the Education Department over more than a decade, my experience has been that the department reacts to extreme pressures and rarely seems to initiate action before the pressures start.

I urge the Government to implement effective forward planning mechanisms that will give all communities a reasonable forecast of when new facilities, or improvements to existing facilities, will take place. The present system simply does not work.

The people of the Mornington electorate should not be penalized because they choose not to live in metropolitan Melbourne. As things stand today, the Government is imposing an extra financial burden on the people of my electorate and I will continually point out
the details of these matters until the Government recognizes the effect of its actions and gives the peninsula a fair deal.

For the past thirteen years I have had the pleasure of serving as a councillor on the Shire of Mornington. Local government commenced in Mornington 114 years ago and serving on its council gives one a real sense of history and a deep appreciation of what local government in Victoria really means. Local government in this State is a unique institution because in every instance our municipalities have been created as a result of community demands. In other States, local government has, in most instances, been imposed on communities and as a result there is not the same depth of feeling for the local council as there is in Victoria.

The recent moves of the Government, which have decimated the Local Government Department and seen a change in staff levels from 280 down to 80, are disturbing to all who really believe in the institution of local government.

The people of Victoria, the dedicated voluntary councillors and the numerous local government employees throughout this State, deserve better than the vote of no confidence in local government that we are now seeing by the Government. Local government should be aided, not attacked. It should be protected, not persecuted. It should be encouraged, not emasculated. An attack of real significance is being mounted in Canberra against local government funding. Recent reports indicate that the Federal Government intends to cut heavily into local government funding to such an extent that Victoria's municipalities will lose at least $13 million this coming year. If that loss occurs, the effect on councils in Victoria will be enormous. I am informed that the City of Box Hill will lose $120,000 and that the City of Nunawading will lose $150,000. This will affect services to their ratepayers and employees' jobs, or a combination of both. The cut of $13 million could mean the loss of at least 500 jobs throughout Victoria, so the situation is extremely serious.

The Federal Labor Government of Mr Whitlam was the first to affirm strongly its faith in local government and to ensure that councils receive as a right a share of personal income tax revenue.

This stance was widely applauded throughout Australia and when the Fraser Government was elected in 1975 it reaffirmed and, indeed, expanded the status of local government.

The savage and unwarranted attack on local government by the present Commonwealth Government must be resisted by all sectors of the political spectrum. I assure the Government and the Minister that I and my party will work with them to endeavour to stop this proposed breach of faith by the Commonwealth Government. I call on the Government immediately to protest at this move and not to delay any action it may take until the decisions have been finalized and all is lost.

I conclude by once again thanking the people of the electorate I represent for placing their trust in me and I promise that I will do everything I am able to do to ensure that they are represented energetically and, I hope, intelligently. I thank the Liberal Party for the honour it has given me in selecting me as its candidate for the seat of Mornington. I extend my gratitude to the members of my campaign committee, under the excellent leadership of Mr Alan Caton and Mrs Judith Horman, for the tremendous job they did, actively aided by more than 100 people of many political persuasions, including all those represented in this House. We achieved together a significant victory. I also thank the House for the courtesy it has shown me on this occasion.

On the motion of Mr FORDHAM (Minister for Industry, Technology and Resources), the debate was adjourned.

It was ordered that the debate be adjourned until next day.
MORTUARY INDUSTRY AND CEMETERIES ADMINISTRATION COMMITTEE

Mr FORDHAM (Minister for Industry, Technology and Resources)—By leave, I move:

1. That a Joint Select Committee be appointed to inquire into and report upon all aspects of the mortuary industry and related industries in Victoria, including both private and Government operations, together with any aspect of cemeteries administration, funding or provision of land encompassed by the Cemeteries Act 1958, the Trustee Act 1958 or any other provisions relating thereto.

2. That the committee shall give priority to such investigations referred to it by resolution of the Legislative Council and the Legislative Assembly.

3. That the committee be required to present its final report to the Parliament no later than 30 November 1986.

4. That the committee consist of six members, comprising not more that two members of the Legislative Council nor more than five members of the Legislative Assembly.

5. That three members of the committee constitute a quorum of the committee.

6. That the committee shall elect one of its members to be chairman who, in the event of an equality of votes, shall also have a casting vote.

7. That the committee may elect a deputy chairman who shall exercise all the powers and perform the duties of the chairman at any time when the chairman is not present at a meeting of the committee.

8. That the committee may sit and transact business during any adjournment or recess of the Houses in the period for which it holds office but the committee shall not sit while either House of Parliament is actually sitting, except by leave of that House and at a place that is within the Parliament buildings.

9. That the committee may sit at such times and in such places in Victoria or elsewhere as seems most convenient for the proper and speedy despatch of business.

10. That the committee may send for persons papers and records and report the minutes of evidence from time to time.

11. That the committee have power to authorize publication of any evidence given before it and any document presented to it.

12. That the committee be a committee to which section 51A of the Parliamentary Committees Act 1968 applies.

13. That the foregoing provisions of this resolution, so far as they are inconsistent with the Standing Orders and practices of the Houses, shall have effect notwithstanding anything contained in the Standing Orders.

The committee commenced its work during the lifetime of the previous Parliament and made considerable headway in its terms of reference but, clearly, it did not finish its work. What is proposed is that the committee be reappointed in accordance with the conditions and arrangements outlined. Honourable members would have received progress reports on the work of the committee.

It is proposed that the committee be given at least an initial deadline of 30 November 1986—which is roughly some eighteen months from now—when the House can reassess the progress of the committee. It may be that the committee will have finished its work by then or it may be that it will require a little longer in which to complete its work.

The reports that have been made available show that worth-while initiatives have been taken and these initiatives are supported by the industry. I look forward to the support of the House for this motion.

Mr KENNETT (Leader of the Opposition)—The Opposition has no objection to the committee continuing its work. It is happy to note that there is a time limit, which will place the members of the committee under a degree of pressure to perform, and the work of the committee is to be reviewed at the end of November 1986.

The reasons that led to the establishment of the committee have become obvious to all members of Parliament in the past three years and certainly to the media. There were some appalling examples of misuse by some of the persons entrusted with the administration of cemeteries. For that reason the Opposition is prepared to accept the continuation of the work of the committee.
I am not certain, but I believe the list of names of members of the committee may not be complete. Formerly, the committee had six members and I understand there is still one name to come. The Opposition is happy to support the Government in re-establishing the committee.

Mr HANN (Rodney)—The National Party supports the motion before the House. It believes the committee has performed a useful function. I am not as critical of the people in cemetery trusts around Victoria as the Leader of the Opposition has perhaps been. While there may have been one or two examples of mismanagement, by and large these people perform their duties voluntarily and do so effectively. None the less, there are still some outstanding matters that the committee is inquiring into. The National Party sees merit in that and supports the motion.

The motion was agreed to.

It was ordered that the foregoing resolution be transmitted to the Legislative Council with a message desiring their concurrence therein.

APPOINTMENT OF COMMITTEES

Mr FORDHAM (Minister for Industry, Technology and Resources)—By leave, I move the following motions in relation to the appointment of committees:

House Committee

That Mr Dickinson, Mrs Gleeson, Mr Hann, Mr John and Mrs Wilson be members of the House Committee; and that the committee have leave to sit on days on which the House does not meet.

Library Committee

That Mr Speaker, Mr Evans (Ballarat North), Mrs Hill, Mr Stirling and Mr Wallace be members of the Library Committee; and that the committee have leave to sit on days on which the House does not meet.

Printing Committee

That—(a) Mr Speaker, Mr Gavin, Mr McGrath (Lowan), Mr McNamara, Mr Pope, Mr Ramsay, Mr Stirling and Mr Williams be members of the Printing Committee; (b) the committee have power to send for persons, papers and records and to sit on days on which the House does not meet; (c) three to be the quorum; and (d) the committee have power to confer with the Printing Committee of the Legislative Council and to jointly report thereon to the House.

Privileges Committee

That a Select Committee be appointed to inquire into and report upon complaints of breach of privilege referred to it by the House; such committee to consist of Miss Callister, Mr Evans (Gippsland East), Mr Hill, Mr Lieberman, Mr Maclellan, Mrs Setches and Dr Vaughan; and that the committee have power to send for persons, papers and records; to sit on days on which the House does not meet and to move from place to place; four to be the quorum.

Standing Orders Committee

That a Select Committee be appointed to consider and report upon the Standing Orders of the House, such committee to consist of Mr Speaker, Mr Fogarty, Mr Gavin, Mr Jasper, Mr Maclellan, Mr Plowman, Mr Pope and Mr Whiting; and that the committee have leave to sit on days on which the House does not meet; five to be the quorum.
Economic and Budget Review Committee

That Mr Gavin, Mrs Gleeson, Mr Harrowfield, Mr Hayward, Mr McNamara, Mr Rowe, Mr Sheehan and Mr Stockdale be appointed members of the Economic and Budget Review Committee until 1 October 1985.

Legal and Constitutional Committee

That Mr Evans (Ballarat North), Mr Hockley, Mr Hill, Mr Jasper, Mr Lea, Mr Lieberman and Mr Whiting be appointed members of the Legal and Constitutional Committee until 1 October 1985.

Natural Resources and Environment Committee

That Mrs Hill, Mr McDonald, Mr McGrath (Lowan), Mr McGrath (Warrnambool), Mr Tanner and Dr Wells be appointed members of the Natural Resources and Environment Committee until 1 October 1985.

Public Bodies Review Committee

That Mr Delzoppo, Mr Plowman, Mr Pope, Mr Remington, Mr Seitz, Mr Shell, Mr Steggall and Mrs Toner be appointed members of the Public Bodies Review Committee until 1 October 1985.

Social Development Committee

That Mr Ernst, Mrs Hirsh, Mr Micallef, Mrs Ray, Mr Richardson, Mrs Sibree, Dr Vaughan, Mr Wallace and Mr Williams be appointed members of the Social Development Committee until 1 October 1985.

Mortuary Industry and Cemeteries Administration Committee

That Mr Culpin, Mr Cunningham, Mr Evans (Gippsland East), Mr Kirkwood and Mr Reynolds be appointed members of the Mortuary Industry and Cemeteries Administration Committee.

There are a number of components of the motion. I shall deal first with what might be referred to as the internal committees, the House Committee, the Library Committee, the Printing Committee, the Privileges Committee and the Standing Orders Committee. Those honourable members conversant with the rights and prerogatives of this House and the Parliament will be aware of the important role these committees can play and I look forward on behalf of the Government to inviting members of the other parties to reassert the important role that committees such as these play in the successful operation of the Parliament. Under your leadership, Mr Speaker, and that of the President, I know we can look forward to these committees developing and acting in a positive role to assist each of the Chambers and the Parliament as a whole to function properly.

A rider has been added to the reference to the Printing Committee to allow members of that committee from both the Legislative Assembly and the Legislative Council to co-ordinate their activities and work together.

An Honourable Member—They have not met.

Mr FORDHAM—That is true but there are now a number of important printing issues that should be addressed. Obviously, it is more sensible for those issues to be addressed by the two committees that presently exist acting together. At the moment, the two committees that have over-all responsibility for the printing of Parliamentary papers are set up under separate Standing Orders. I would hope that those two committees can meet together in accordance with the motion and arrive at proposals that will allow them to function as a joint committee.

The next reference is to the five joint investigatory committees that commenced their life in the last Parliament. They have an important role to play but it is perhaps an opportune moment for all parties to reconsider the way in which committees have operated. That should happen over the next few months.
The motion refers to appointments for six months until 1 October 1985. That has been done for two reasons. Firstly, in the case of the Labor Party, and I believe also the Liberal Party, a number of members of the Legislative Council do not take office until the spring sessional period and the Government sees widespread opportunities for a considerable movement of members between the committees early in the spring sessional period.

Secondly it is important that the Government re-examine the function of these committees, how they ought to be structured and the powers they should have. I give the commitment to the other parties that the Government will actively seek their advice and suggestions between now and the spring sessional period so that the Government can further pursue the matter.

In many ways Victoria has the best structure of joint investigatory committees, which examine a comprehensive range of issues. I look forward to a further strengthening of the committee system.

Mr KENNETT (Leader of the Opposition)—I find the remarks of the Deputy Premier with regard to the Printing Committee hard to take. I have been a member of the House for nine years and during that time I do not believe the Printing Committee has met once.

If that committee is to function, the first issue it should address is that of achieving a fast flow of Parliamentary publications for honourable members. For example, the other day I undertook some research work in my electorate office and I discovered that the bound volumes of *Hansard* dating back to May 1982 are not available. That is absolutely absurd, especially in light of the new technology available in the printing industry. The Government should note that there is no point in having committees for the sake of having committees unless they do something of value.

The format of the all-party committees was established by the previous Liberal Government between 1979 and 1982. The Opposition does not argue with the Government on the slight change in the format of those committees because it is to be hoped that it will ensure that the committees will serve the needs not only of Parliament but also of all Victorians.

The Opposition welcomes the expressed desire by the Government for co-operation between the parties to review the operations of the committees. It is to be hoped that that co-operation will immediately be recognized in the discussions on the chairmanship of these committees. It has been a tradition of the House under both Liberal and Labor Governments to have revolving chairmanship of all-party committees. It would be a sad day if the Government were not prepared to recognize that these are all-party committees which serve the Parliament. The Government should recognize the need to grant the other parties the chairmanship of one or two of these committees.

The Opposition is somewhat better organized than the Government because it has anticipated the change of membership in another place after 14 July. It is to be hoped that the membership lists the Opposition has submitted today are final. The Opposition looks forward to these all-party committees continuing their work. I trust that the Deputy Premier has heeded my remarks and that he will ensure the tradition and practices of this place continue by allocating to the Opposition parties the chairmanship of one or two of the committees.

Both the Government and the opposition parties should treat seriously the work of the committees if they are to function effectively. For the past three years the all-party committees have provided excellent service to both Parliament and the public.

Mr HANN (Rodney)—The National Party supports the motion which deals with two distinct types of committees; the House committees and the all-party committees.

With regard to the House committees, I am aware of one occasion on which the Printing Committee met. However, there are some specific needs related to the printing function of both Houses that should be addressed. It is to be hoped that the convenor of the Printing Committee will ensure that that committee meets in the near future.
The all-party committees functioned effectively because there has been a sharing of their leadership. The Government has not dominated the chairmanship of the all-party committees, and that has been a practice of Parliament for many years. I refer to the now defunct State Development Committee and the Public Works Committee, the chairmanship of which rotated every six months. For a number of years under the previous Liberal Government, the Conservation of Energy Resources Committee was chaired by a Labor member of Parliament. The House has had a tradition of seeking the most appropriate person to chair and lead a committee. For that reason, I endorse the remarks made by the Leader of the Opposition.

I believe two, maybe even three, of the committees should be chaired by Opposition members. However, that is a matter that will be negotiated between the parties before the all-party committees commence operation. With regard to the committees operating until October 1985, I point out that if any of the members of the committees vacated their positions as members of Parliament, those committees might not be able to function between July and October.

I refer to the allowances applicable to members of committees. It is no doubt an appropriate time to consider an increase in the allowances paid, especially for the chairmen of these committees because of the added responsibilities and the fact that four or five years ago the allowances were reduced. Indeed, the allowances do not take account of the amount of time members give to enable committees to function effectively.

I hope the Deputy Premier will give consideration to this matter and ensure that adequate allowances are paid to the members who serve on the all-party committees. The National Party supports the motion. The National Party has nominated its various members to the committees and looks forward to the committees functioning once again effectively in the future.

The motion was agreed to.

ADJOURNMENT


Mr FORDHAM (Minister for Industry, Technology and Resources)—I move:

That the House at its rising, adjourn until tomorrow, at 10 a.m.

The motion was agreed to.

Mr FORDHAM (Minister for Industry, Technology and Resources)—I move:

That the House do now adjourn.

Mr KENNETT (Leader of the Opposition)—I intended to raise a matter with the Treasurer but, in his absence, I raise it with the Deputy Premier. I noticed today during the tabling of Papers in this House that the report of the State Insurance Office for the year ended 30 June 1984 was not tabled. Like the rest of the community, I am extremely concerned at the implication that may be contained within that report. Before the House adjourned last year, legislation was passed to enable a Minister to make reports public outside the sittings of Parliament so that the public may be fully informed about areas of specific responsibility.

The then Minister of Transport released some of the annual reports relating to transport statutory authorities in January of this year. The Treasurer refused to make public the reports associated with the State Insurance Office; in fact, then under pressure outside of this House he said that the State Insurance Office reports had a certificate placed on them by the Auditor-General. The only time when a certificate is placed on any set of accounts is when the Auditor-General challenges some of the processes or reporting principles contained within a report. He may also query some of the activities of the Government
itself or of the State Insurance Office in terms of their accounts generally. That was the case with regard to the reports that were tabled for the year ended 30 June 1983. The Treasurer knows clearly that the Opposition and the public are waiting for the document to be made public. We believe the Treasurer has deliberately misled the people of Victoria by withholding that particular report until after the election.

The Opposition also understands that the accumulated losses of the State Insurance Office are in excess of $500 million. That started when the Treasurer instructed the State Insurance Office to change from a fully-funded workers compensation system to an unfunded system at the end of 1982. The losses were further added to because of the Government’s total refusal to address the question of compulsory third-party insurance, which the Government has not done in three years.

The Victorian public deserves to know the truth and whether the Treasurer has, through his own financial mismanagement, incurred a loss of more than $500 million within one authority in one year. If that is what the Treasurer has done, the statements he made about going around and selling Victoria to the rest of the world have been misleading and dishonest. I guarantee that he did not tell the people of Munich, Zurich and London how this particular statutory authority has or has not performed. He did not even have the courage to release the report.

That is why I now raise the matter with the Treasurer and why I wish to obtain from him a guarantee that the report will be tabled in this Parliament tomorrow. The Treasurer will no doubt argue that he has fourteen days in which to do so, and, under the legislation, that is correct. However, the point is that if those reports were queried by the Auditor-General the Treasurer has had two months in which to assess the situation and correct it. A citizen is allowed 28 days in which to pay his land tax bill, but a Treasurer in this place can hide behind legislation week after week and month after month.

The Opposition wants to know whether the Treasurer is prepared tomorrow to table the annual report of the State Insurance Office for the year ended 30 June 1984 and whether that report will confirm the Opposition’s fear that the Treasurer, through his mismanagement and incompetence, has grossly misled Parliament and the people of Victoria.

Mr WHITING (Mildura)—I raise with the Minister for Education a question concerning staff shortages at the Ouyen and Rainbow high schools in the Mildura electorate. Following deputations last year by a group of representatives of high schools in north-western Victoria to the former Minister and to Mr Benson, the staffing officer with the Education Department, an undertaking was given that all would be in order for the start of the 1985 school year. In fact, this year has been worse than any other.

The latest arrangement is that the department is now trying to find primary school teachers who have some knowledge of the subjects in which there are staff shortages and who are prepared to take part-time teaching work at high schools and part-time training to improve their qualifications in order to fill the vacancies.

The Deputy Premier does not realize that, in a small school with only a small number of teaching staff, where the primary teachers who are to be appointed will be able to teach only in Years 7 and 8, an imbalance of teaching staff will be created. Ouyen High School, where there is a shortage of four teachers, will require eight primary teachers to take classes in Years 7 and 8 and those years will be covered almost entirely by primary teachers, some of whom will be only exit students from their training colleges. It will be necessary to rearrange the existing staff to take the higher forms throughout the school.

We are now almost to the end of first term and are still having problems of staff shortages in schools. I have written to the Minister requesting him to receive a deputation from the council of the Rainbow High School but have not yet received a reply from him. I received a telephone call from one of his secretarial staff stating that the Minister was snowed under and must sort out these matters and arrange a list of priorities. I believe the situation at
the Rainbow High School is not as bad as that at Ouyen. Nevertheless, it is two teachers short and is under difficulty.

The Minister ought to agree to arrange a round of deputations in order to correct the situation as quickly as possible, or the position will be even more disastrous than it was at the beginning of the 1984 school year. I hope the Minister will have a satisfactory answer for me to take to the people in remote areas of this State so that they can be encouraged by seeing that their children have educational opportunities that are equal to those in the metropolitan area.

Mr SHELL (Geelong)—I address my remarks, which concern the Melbourne to Geelong rail service, to the Minister for Transport. I emphasize that the service improved following the election of the first Labor Government compared with the service that existed previously. The introduction of the tangerine cars has resulted in a more comfortable service. Only three cars are provided on each train and this has improved timekeeping abilities and eliminated the shunting exercises that used to take place at Spencer Street station, thus saving time.

The 5.40 p.m. train from Melbourne to Geelong has been subject to overcrowding. It was believed the electrification of the Melbourne–Werribee line, which was completed by the Cain Labor Government, would improve the Melbourne–Geelong 5.40 p.m. service because the Werribee passengers would use the metropolitan service rather than the Melbourne–Geelong service and therefore reduce overcrowding on that line.

On 18 March I travelled on the train and discovered that there were 246 passengers and that the seating capacity was only 205 passengers. Because of the success of the Government’s transport policies it is apparent that more Victorians choose to travel on trains. However, the Government did not take into account the massive growth that would take place in train patronage under its transport policies.

Honourable members interjecting.

Mr SHELL—The red rattlers were like hot boxes in summer and cold boxes in winter! Hay fever sufferers could not travel on them in spring, and they could be used only in autumn. The Labor Government removed the red rattlers from the Geelong service and the only time in which they are in use is during school vacations.

When I travelled on the service on 18 March I found that people were everywhere in both economy and first-class cars, trying to obtain a seat to make themselves comfortable. The overcrowding presents safety problems and causes inconvenience to passengers. Four solutions are available: Firstly, an additional car could be added to the train; secondly, Werribee-bound passengers could be encouraged to use the Werribee trains instead of the Geelong trains; thirdly, the snack bar facilities, which are at this stage not being used, could be converted to provide seating accommodation, and fourthly, the entire train could be designed for one-class travel.

I ask the Minister to examine the problems concerning the 5.40 p.m. service because, although the electrification of the Melbourne–Werribee line was supposed to eliminate the problem, that has not been the case.

Mr J. W. SMITH (Polwarth)—I address my remarks to the Minister for Transport. Last Sunday week I was invited by the families of 57 Donald railway workers to visit their town for the purposes of discussing with me a grievance they have about the closure of rail facilities in Donald and their problems in seeking jobs elsewhere.

The railway workers spoke critically of domination by the three union representatives who were supposed to be acting on their behalf. They also spoke favourably, to some extent, about the initial—I stress the word “initial”—response of the former Minister of Transport. Apparently a communication gap exists between what the Minister intended, what the unions intend and what is now occurring.

A real problem exists which is affecting the 26 families who own their own homes. Donald is a railway town and no other job prospects exist in any sphere of employment.
for the people concerned. The families who own their own homes and who may have to place them on the market, face the problems of the closing of a railway station and 25 other houses being placed on the market at the same time. Obviously, the houses will be sold for give-away prices. If the families involved try to relocate themselves where employment may be offered, they will be buying into a market which is very much higher than that existing in Donald. One can understand the concerns of the families involved.

The workers claim that they have not been allowed to put forward ideas in a proper forum. They have ideas regarding the maintenance and improvement of the rail system based at Donald. They maintain that suggestions made by the former Minister and by the unions to move the crewing aspect of the service to Maryborough and Mildura will lead to conditions that will be more costly than the present conditions.

Obviously, a communication barrier exists. A fear exists in the minds of the 57 families at Donald and it is not known the extent to which the 26 families who own their own homes will be disadvantaged. The communication barrier is complicated in that the existing railway homes are still being improved for rental purposes, and that is causing total confusion.

I appeal to the Minister for Transport to personally intervene. The Minister should go to Donald and speak with the workers and their families to hear the constructive ideas they have for greater efficiency and cost savings. In that spirit, the Minister will not only save money but he will also alleviate the heartache with which the people involved have been burdened.

Mr W. D. McGrath (Lowan)—The matter I raise with the Minister for Education is similar to the story told by the honourable member for Mildura. The matter relates to the shortage of secondary school teachers in country schools.

Ten secondary schools in the Wimmera area are suffering from teacher shortages. They are: Horsham Technical School, Ararat Technical School, Dimboola High School, Edenhope High School, Horsham High School, Murtoa High School, Nhill High School, Rainbow High School, Stawell High School and Warracknabeal High School. Warracknabeal and Rainbow high schools are the most seriously affected as they have a shortage of three teachers. A shortage of three teachers may not sound very many if a school has 900 students, but Warracknabeal has only 400 students and Rainbow about 160, so three teachers short is significant.

In 1984, honourable members were informed that shortages experienced in country high schools would not occur again. However, twelve months later, a similar or worse situation than what was experienced in 1984 exists. The Governor's Speech informed honourable members about how much the Government is going to do for Victorian youth, but it cannot supply adequate teachers to provide them with an education so that they can go out into the world and undertake their responsibilities.

Is the Minister prepared to consider some sort of encouragement or studentship to provide opportunities for teachers who have been trained in the city to move to country areas? Many teachers who have had experience in the country are happy in that environment and are often reluctant to move away from country living even after a short period.

The difficulty is moving the teachers from the city base. Often they do not welcome the opportunity of taking up a country appointment because they will be transferred from the city environment and their friends. The case is often quite different after a spate of teaching in the country.

The situation in country schools is at crisis level. We are half-way through the first term; Easter is this week-end, yet ten secondary schools in the Wimmera district are not adequately staffed. Almost a quarter of the year has gone, yet the Government has claimed time and again that it has provided opportunities to the youth of Victoria. It has let them down again. It let them down in 1984 and now, a quarter of the way through 1985, schools are still inadequately staffed. The Minister for Education, along with the Government,
should take the necessary steps to overcome this shortage and provide adequate opportunities in this area.

Mrs SETCHES (Ringwood)—The matter I raise with the Minister for Industry, Technology and Resources was brought to my attention by traders at the Arndale shopping centre, which is situated in the electorate of Ringwood and has been established for 21 years. Recently, the traders received a notice to quit because the shopping centre was sold on 21 January. Prior to that date the shopping centre was owned by the Commonwealth Superannuation Fund Investment Trust and was administered by Jones Lang Wootton. Following its sale, the shopping centre was sold to Pascoe West Pty Ltd, which has as its agents Talbot Diamond Pty Ltd. The reason the traders have been given notice to quit, which takes effect from 21 April, is that a demolition order has been made on the shopping centre to make way for a Safeway hypermart and specialty shops.

The traders have not been given a chance to put their case. Some of the traders have a lease which has up to three years to run and has another three-year option. Because of the uncertainty of this shopping centre, a number of key shops have remained empty over the past few months.

McEwans has shifted out of the centre and the Target Australia Pty Ltd store had also made arrangements to leave. The traders have shared an enormous burden over the past year or so. The most important thing is that they have received a notice to quit which is based on the fact that they have been in default of their leases. Jones Lang Wootton, the former agent, directed that part rent could be paid because of these difficulties. Because some of the traders took the opportunity of paying half rent, they received a notice to quit.

I would like the Minister in his answer to address the present arrangements put in train by the Retail Tenancies Advisory Committee. It is my understanding that this matter was open for comment until 30 November. Some of the recommendations in the report of the Retail Tenancies Advisory Committee would put an end to some of these terrible arrangements that are entered into by developers.

These traders have alleged that questionable tactics have been used on them by the shopping centre management and also by representatives of Talbot Diamond Pty Ltd. Statements have been made to them such as, “If you make waves, you won’t get into the new centre” or “Sign this or else”. Considering the awful position the traders are in, these tactics add insult to injury. Because the shopping centre is to be demolished to make way for a new building to cater for a new arrangement with Safeway, these traders will not be able to operate for six months. They will be placed in the parlous situation of having stock but having nowhere from which to trade. Could the Minister address his attention to this matter urgently as these traders have been asked to leave the premises on 21 April?

Mr HAYWARD (Prahran)—I raise a matter of urgent importance with the Minister for Transport. It pertains to railway land that is generally known as lot 62 and is bounded by two railway lines just south of the South Yarra railway station. The railway lines are the Sandringham and Oakleigh lines. The City of Prahran wishes to purchase this land for use as recreational space and it has approached the Metropolitan Transit Authority for this purpose. The City of Prahran has received two different answers on this subject. The first answer was that a series of three leases issued to a development company pertained to this land. The second answer, obtained under the Freedom of Information Act, was that these leases have not been executed.

It is critical that the City of Prahran leads a deputation to the Minister for Transport to discuss this question with him, especially the question of recreational open space, as I understand a new consolidated lease is about to be executed.

I would like an undertaking from the Minister that this new lease will not be executed until the Minister has had an opportunity of meeting a deputation from the City of Prahran and an opportunity of reviewing the matter personally. If this does not happen, the City of Prahran will be faced with a fait accompli.
Mr JASPER (Murray Valley)—I raise a matter for the attention of the Minister for Education. The Minister will be aware that many people using the bussing systems in Victoria, especially in country areas, are students travelling to Government schools and private schools. An extension of the system allows people up to the age of 21 years undertaking full-time training courses to utilize the system.

A constituent in the Murray Valley electorate lives at Yarrawonga but is undertaking training at the Wangaratta College of TAFE. He is 42 years of age and he is not allowed to use the bussing system to travel from Yarrawonga to Wangaratta each day. Although this system apparently existed under previous Governments, it seems wrong that a person undertaking full-time training as a student should not be able to use the bussing system because of his age.

Apparently, there is a seat available on the bus but it cannot be used by my constituent. I ask the Minister to investigate the matter to see what can be done.

Miss CALLISTER (Morwell)—I wish to bring a matter to the attention of the Minister for Education. It relates to a suggestion by the Traralgon High School Council for expediting paperwork associated with the employment of emergency teachers. It has been the council’s experience that delays have occurred and this is most frustrating when the services of emergency teachers are required urgently in the class-room. The council has proposed that the regional director be given authority to enable the employment of suitable emergency teachers and then that their papers be completed by the State registration boards.

Mr FORDHAM (Minister for Industry, Technology and Resources)—I thank the honourable member for Ringwood for raising with me a matter concerning the Arndale shopping centre. I congratulate her on her re-election and the resounding victory that she achieved.

Honourable members interjecting.

Mr FORDHAM—What it has to do with the question is that she is continuing to give outstanding service to that electorate and she has achieved an outstanding result. The honourable member for Ringwood outlined some difficulties facing a number of the tenants in the Arndale shopping centre and I am sympathetic to the problems outlined by her. The Government is conscious of the need for further examination of the rights and responsibilities in situations such as this. Honourable members will recall that a Retail Tenancies Advisory Committee was appointed to assist the Government in developing new policies and programs within this area. The original submissions dated 30 November last year were extended to enable further submissions to come from the Law Institute of Victoria and other bodies to ensure that there was opportunity for consultation by all independent members of the community on this very important area.

The consultative committee headed by Michael Arnold, MLC, together with representatives from the Department of Management and Budget, my own Ministry, the Small Business Development Corporation and the Law Department, has been meeting over recent months with a view to finalizing these proposals and reports to Government. I understand they will be received in the near future and I look forward to addressing what I repeat is a vexed issue.

Honourable members would be aware that the original report was made public and one of its recommendations, of which developers should be aware, was that there could be retrospectivity in the implementation of their recommendations. I hope the developers concerned in this project are aware of that situation so that they will give serious thought to the very real concern and grievances that have been articulated, not just by the honourable member for Ringwood, but by shopkeepers who find themselves in a difficult situation.

Mr JOLLY (Treasurer)—It is no surprise here tonight to find that the Leader of the Opposition has continued his vindictive and despicable campaign against the State Insurance Office.
During the election period the Leader of the Opposition demonstrated his ideological obsession against the State Insurance Office. He went on record as saying that the State Insurance Office should be sold. In a more emotional comment he told everybody that no one would buy it. That shows the inherent contradictions of the Leader of the Opposition. He has deliberately set out to undermine commercial confidence in the office.

I make it quite clear to the House that the Government regards the State Insurance Office as a very effective organization. It should be supported by all honourable members. It should not be subject to attack by a man with an ideological obsession, who is blind to the performance of the organization.

It needs to be made clear that it is important to distinguish between commercial and non-commercial operations. In a debate on the State Insurance Office the Leader of the Opposition went on record as saying that in the area of workers compensation there were problems in that organization.

The State Insurance Office has problems with third-party insurance. I pointed out to the Leader of the Opposition that the difficulty was with third-party insurance and that is a fact of life.

In areas where the State Insurance Office operates commercially in competition with the private sector—and the Leader of the Opposition should listen—it operates on a profitable basis. There is no doubt about that and I include workers compensation when I make that statement. I have always made that clear to the House, especially when the debate on the State Insurance Office occurred last year.

The third-party insurance problem that the Government inherited was a mess. The Leader of the Opposition ignored that matter completely when the previous debate occurred. He ignored the fact that it was under a Liberal Government that private insurance companies withdrew from providing compulsory third-party insurance. Why did they withdraw? They were forced out by the State Government. The Leader of the Opposition should recognize that the Liberal Party in Victoria made third-party insurance unprofitable and forced the private sector out of that business.

There is no doubt that the third-party insurance system is not profitable and that it is an area that requires fundamental reform. I made it clear in the previous debate on the State Insurance Office that I would make the provisions of the report available to honourable members in accordance with the Act, and I shall do so.

Mr CATHIE (Minister for Education)—The honourable members for Mildura and Lowan raised the issue of staff shortages in some secondary schools, particularly in country areas. I point out to the House that Victoria has the best student/staff ratio of any State in Australia.

Honourable members interjecting.

Mr CATHIE—The Opposition does not want to hear the truth. Victoria has the highest teacher retention rate of any State in Australia. That does not mean that there are not critical shortages in a number of areas. However, the Government has been quick to take action. My predecessor had a review of staffing and recruitment and the Government is now implementing the recommendations of that review. Some of the shortages have existed since I was a practical teacher and it is recognized that there is a world-wide shortage in the mathematics and science disciplines. Perhaps there will always be difficulties in finding teachers in those areas.

The Government has done the best it can to provide emergency teachers, and other programs, including the participation and equity program, have tended to soak up this emergency teacher pool.

Victoria has a shrinking emergency teacher pool on which to call. For that reason my predecessor, the Deputy Premier, offered 200 unemployed primary teachers the opportunity of employment and training at the one time. Those positions were advertised and the Education Department is now in the process of interviewing the applicants.
appointment of some of those applicants is currently taking place and I have asked for an
up-to-date report on progress in that area to be in my office tomorrow.

These applicants, when they take up their appointments—it will be quite soon, as the
honourable member for Mildura points out—will be teaching only at levels seven and
eight. That was part of the industrial agreement made in order to move teachers across
from the primary into the secondary area.

Mr Richardson interjected.

Mr CATHIE—In his usual simplistic way, the honourable member for Forest Hill
cannot see anything except unions. He should have noted that there was a problem and
that the Government was taking steps to overcome it, but he does not appear to understand
that.

Although these people will be working in class-rooms three days a week, they will also
be undertaking two days of off-campus study in order to upgrade their qualifications by
obtaining degrees of Bachelor of Education. The success of this program will depend upon
the number of people who accept positions that are offered to them.

Most of the schools that the honourable members for Mildura and Lowan mentioned
are smaller schools and therefore they will have little difficulty in restructuring time-tables.
That is something that some schools do quite often during the year.

The honourable member for Benambra is not the shadow Minister responsible for
schools; he is only responsible for half of the portfolio, the tertiary area, and I am not sure
that he has responsibility for all the tertiary sector.

The Government has undertaken a review of school transport. The matters raised
referred to mature age students, being those over the age of 21 years, who decide that they
wish to go back to full-time study. The suggestion was made that they ought to be entitled
to a place on a school bus. So far as I am aware, there has always been an age limit, but I
shall have further discussions about the operation of that age limit. I have no doubt it has
been altered on compassionate grounds in a number of cases—for example, for disabled
students—but it seems to me to be a doubtful proposition that, as a general principle,
everyone over the age of 21 years who wishes to further his or her education should be
offered a place on a school bus.

The honourable member for Morwell raised the difficulties of employing emergency
teachers and indicated that one of the problems could be long delays caused by the process
of teacher registration. I thank the honourable member for raising the issue and for offering
to provide me with further details. When I have those details I shall have the matter
investigated further.

Mr ROPER (Minister for Transport)—The first matter raised for my attention concerns
the Geelong rail line and its services, which are of concern to the honourable member for
Geelong. The Government is aware of the problems on that line and the various agencies
responsible for rail services to Geelong are working on improving the service. The service
has already been considerably improved, as the honourable member indicated, by the
availability of more modern carriages. The Government will continue to work to improve
the service.

The honourable member for Polwarth was concerned about the situation of engine
drivers at Donald who are currently working at the rail depot. In January, the former
Minister of Transport met a deputation from Donald. He advised that deputation that
consideration was then being given to future engine arrangements, not only at Donald but
also elsewhere, and that, in conjunction with the Federated Engine Drivers and Firemen’s
Association of Australia, general manning levels at a number of places were being examined.
It was made clear to that deputation that the first step was an assessment and that, before
any final decision was made, detailed operational studies were necessary and these would
be carried out with full consultation with the affected unions and representatives of local
staff. Representation of local staff was of great importance to the member for Polwarth. A working party needs to deal with that.

If the honourable member for Polwarth believes the local input has broken down, I shall have that matter examined because that certainly needs to occur. The Government is well aware of the social impact that occurs as a result of these changes. I am sure that the honourable member for Polwarth is aware that changes have occurred in staffing arrangements in the railways over the past 40 years. In fact, very significant changes have occurred and will continue to occur as demands and requirements change. The problems faced by the community must be dealt with.

The third matter, raised by the honourable member for Prahran, related to some railway land to which the City of Prahran wishes access. I have received correspondence from the City of Prahran which I have referred to the Ministry. I shall be in touch with the City of Prahran on that matter within the next week.

The motion was agreed to.

The House adjourned at 10.17 p.m.
Thursday, 4 April 1985

The SPEAKER (the Hon. C. T. Edmunds) took the chair at 10.35 a.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

BOARD OF WORKS RATES

Mr DELZOPPO (Narracan)—Can the Minister for Water Resources inform the House what action he will take to ensure that the level of Melbourne and Metropolitan Board of Works' rate increases will not rise higher than the consumer price index?

Mr McCUTCHEON (Minister for Water Resources)—All honourable members would appreciate that the Board of Works' rates are related to the valuation system on which rating is based. The policy of the Government is that the over-all rate will not be increased by any amount greater than the consumer price index. However, a problem arises with both the local government and Board of Works' rates because of the revaluation of properties, which occurs every fourth year. Under the present legislation it is impossible to guarantee that rates will not rise due to changes in property valuations.

Honourable members interjecting.

Mr McCUTCHEON—The rating system is currently under review by the Minister for Local Government. I am interested in that review and the consequences it will have on the rating system.

BANKING HOURS

Mr ROSS-EDWARDS (Leader of the National Party)—I refer the Premier to the decision by the Australian Bank Employees Union to close banks today at 4 p.m. The Premier is no doubt very much aware of the grave difficulty this will present to the business community and the serious security problems involved. Can the Premier advise the House whether this action by the Australian Bank Employees Union is being condoned by the Government?

Mr CAIN (Premier)—I am aware of the matter to which the Leader of the National Party draws my attention. It is at present under consideration by the Minister for Employment and Industrial Affairs.

DRUG SUMMIT

Mr SHELL (Geelong)—Can the Premier inform the House on the recent drug summit in Canberra and what effect that will have in Victoria?

Mr CAIN (Premier)—Last Tuesday a large step in the fight against drug abuse was taken at the special Premiers Conference in Canberra. I believe the result of that conference will greatly benefit the many young Victorians who are affected by the use of hard and other drugs. It will provide a more comprehensive and wide-ranging series of weapons with which to track down and punish those who traffic in drugs.

I am pleased to say the Commonwealth Government has committed itself to expenditure in this area of $20 million each year over the next three years, and in addition approximately $24 million will be made available for law enforcement. Of that $20 million annually approximately $8 million will be allocated for national projects funded fully by the Commonwealth Government. The remaining $12 million will be used by the States.

There will be a strong bias towards and emphasis upon combating the drug menace at the local level through drug education programmes in schools, workplaces and community organizations. This State can take much credit for stressing the need to involve the
community in effective programmes to combat drugs. From what I learned in officers' meetings, the Commonwealth was intending to attack the problem at large through a national advertising campaign, but Victoria and other States insisted that funds should be made available for locally based programmes to combat drug abuse.

Probably the most pleasing feature was an acceptance of what I regard as this State's initiative for a three-pronged approach. Firstly, tough action must be taken against dealers. Victoria has effective legislation that will enable us to follow up those who receive the proceeds of illicit drug trafficking—namely, those who prey on the users. I believe other States will follow that lead. Secondly, a sensitive approach to the victims or users of drugs must be adopted. I am told they are mainly young people aged from nine or ten years to the mid-twenties. Thirdly, a responsiveness through broadly based community programmes to the needs of the people concerned is required.

Victoria has already given the lead through legislative action. The last point I make is that Victoria has significantly increased the strength of the Police Drug Squad, as honourable members already know. An appreciable increase in the personnel of the squad is taking place and will continue to take place in the coming months. I assure the House that the Government will continue to lead the country in the fight against drugs.

The Leader of the Opposition scoffs; it is not something about which he should scoff. The Prime Minister called the summit and remarked that there was a remarkable degree of consensus between all parties who attended. It is true some criticism was made, not just by me, of the way in which the summit and agenda were mounted. The Leader of the Opposition should understand that consensus was achieved between all parties. I hope the Opposition will support the general thrust and target of the summit, which was certainly accepted by those who were present. I hope the Opposition supports the actions that were flagged at the conference and those measures that have already been adopted in Victoria in what I regard as a campaign that leads this country in the fight against drugs. I believe the National Party supports those actions.

AUSTRALIA GAMES FOUNDATION

Mr REYNOLDS (Gisborne)—Following the frank confession of the Minister for Sport and Recreation yesterday that his department had loaned the Australia Games organizing committee $400 000 to help bail it out of its $600 000 loss, I now ask: By what authority did the Minister authorize the loan; and what programs within his department will be curtailed to allow the money to be directed towards this loan?

Mr TREZISE (Minister for Sport and Recreation)—I point out that the loan to the Australia Games Foundation is at a delicate stage because the foundation is negotiating with sponsors on financial returns.

Honourable members interjecting.

Mr TREZISE—I should be happy to invite Mr Barry, chairman of the Foundation, to speak to Opposition members on this subject.

I point out to the House that the Australia Games were a great success, particularly for junior sport and for general sports interest. After the publicity of the Australia Games relating to, for example, trampolining, with overseas athletes competing, trampolining clubs received a record number of requests from young people wanting to participate in the sport. Therefore, more and more young people are taking up the sport in this country because of the Australia Games.

Victoria was the first State to conduct the Australia Games; they were conducted at a cost of less than $3 million, which represented a mere one-twelfth of the cost of the Commonwealth Games held at Brisbane almost three years ago.

I assure the House that there will be no program reductions within the Department of Sport and Recreation. The department is able to continue programs as a result of better management and savings. In fact, this year the allocation for sport has been increased. For example, grants for municipal recreation officers have been extended, and the amount...
allocated for capital works has also been increased. That is in marked contrast to the situation under the former Liberal Government, which was outlaying the grants on a ten-year basis and this resulted in the tying up of funds that this Government could make available. In many cases the funds were not ultimately required by the councils, but the former Liberal Government made the grants available often for purely political purposes. The allocations for this year have been increased, and the present Government’s performance during last year and this year as compared with the former Liberal Government is far, far ahead.

As I said earlier, I am willing to call representatives of the Australia Games Foundation to inform the Opposition of the delicate negotiations that are taking place with the potential sponsors. I repeat that the Australia Games have been a great success for sport, for Victoria, and particularly for juniors; the success of the games is apparently reflected in the frustration of the Opposition.

DAIRY LICENCES

Mr HANN (Rodney)—Can the Treasurer, who represents the Minister for Agriculture and Rural Affairs in this place, inform the House whether new dairy licences are still being issued in Victoria; if this is so, how can the Minister reconcile that fact with an absolute assurance given to concerned dairy farmers of Victoria, and the United Dairyfarmers of Victoria on 26 February, not only by the Minister for Industrial Affairs but also by the Premier, that there would be an absolute suspension of the issuing of those licences from that day?

Mr JOLLY (Treasurer)—In view of the detailed nature of the question, I shall take up the matter with the Minister for Agriculture and Rural Affairs and provide the honourable member with an answer as soon as practicable.

GRANTS COMMISSION

Mr ROWE (Essendon)—Can the Treasurer explain to the House the implications for Victoria of the recent Australian Grants Commission report?

Mr JOLLY (Treasurer)—As honourable members would be aware, the Australian Grants Commission is an extremely important organization in terms of making recommendations to the Federal Government and State Governments about tax-sharing arrangements. Together with all other State Governments, the Victorian Government provided the Australian Grants Commission with submissions relating to the tax-sharing relativity. Much work was put into preparing the submissions, and I am pleased that the commission has seen fit to recognize the major thrust of the Government’s argument.

All honourable members would recognize that Victoria has been discriminated against with respect to tax-sharing arrangements and that has occurred for many years. The Victorian Government has had great difficulty in convincing the Federal Government to redress some of the inequities that exist. In fact, in 1982 the Grants Commission made recommendations to Governments that there should be a change in relativities. Unfortunately, the conservative coalition Government in Canberra at that time refused to accept them. This was against the normal practice because, usually, recommendations of the Grants Commission are accepted by the Federal Government and the States, and the Victorian Government certainly anticipates that that will be the case in the 1985 Premiers Conference.

The result of the Grants Commission recommendation is a marginal increase in the share of tax reimbursement granted to Victoria from 22·24 per cent to 22·813 per cent. If these shares had been in operation in 1984–85 an extra $51·9 million would have been available to Victoria. In other words, if the Federal Government increases the real tax-sharing pool available to the States and the new relativities are applied, there will be a significant improvement in the Victorian Government’s position.
I make the additional point that the per capita increase recommended by the Grants Commission on the allocation to the State of Victoria is larger for Victoria than for any other State. This new Grants Commission recommendation is for a share higher than that recommended in the 1982 commission's report and indicates the complete acceptability of the Victorian Government's arguments.

I hope that, as a result of the Grants Commission recommendation, the Federal and State Governments will put into practice the new relativities. They benefit Victoria and will go part of the way towards redressing the inequality that has existed for many years.

LOCAL GOVERNMENT FUNDING

Mr COOPER (Mornington)—I ask the Minister for Local Government whether the Government is aware that the $13 million cut in Federal Government funding to Victorian councils could cost more than 500 jobs in Victoria. If so, does the Government intend to make up the shortfall in funding caused by this breach of faith by the Hawke Government in order to protect 500 jobs?

Mr SIMMONDS (Minister for Local Government)—No decision has been made on the 2 per cent personal income tax grants to local government in Victoria. However, I have written to the Premier on this matter. I understand that he has taken up the issue with the Prime Minister to ensure that Victoria does not suffer any loss on the availability of grants to local government in the next Budget.

EASTER HOLIDAY ROAD SAFETY

Mr ERNST (Bellarine)—Is the Minister for Transport aware of the dangers to motorists during the forthcoming Easter period? If so, what action is he taking to reduce the risk to the public?

Mr ROPER (Minister for Transport)—I am aware of the honourable member's interest in road safety matters. The problem for motorists is that Thursday evening and Friday are the two most dangerous days on the roads during the Easter period. Last year, sixteen people died on Victorian roads during Easter.

Mr KENNETT (Leader of the Opposition)—On a point of order, I request the Minister for Transport to identify the material from which he is obviously reading, and I ask whether he is prepared to make it available to Parliament.

The SPEAKER—Order! I uphold the point of order.

Mr ROPER (Minister for Transport)—I shall be happy to make the document available to the honourable member. It is a statement to the public of Victoria asking them to be concerned. It is very interesting that during the recent State election, in fact, the Opposition weakened its position on the road toll and went out of its way to ensure that more young Victorians were able to kill themselves on our roads.

Mr KENNETT (Leader of the Opposition)—On a point of order, we are all concerned about the road toll, Sir. This is now a time in the business of Parliament for honourable members to ask questions without notice of the Government.

The SPEAKER—Order! There is no point of order. The Leader of the Opposition is attempting to make a statement. If he wishes to speak only on a point of order, I shall hear him.

Mr KENNETT—On a point of order, Mr Speaker, the House is currently dealing with questions without notice. For Ministers to read from press releases in response to questions without notice makes a mockery of question time. If the Minister is referring to a press release, this is not a question without notice.

The SPEAKER—Order! There is no point of order.
Mr ROPER (Minister for Transport)—I am sure the honourable member for Polwarth, if he were present, would be more interested in this matter than the temporary Leader of the Opposition.

As well as the high death toll, hundreds of people were injured and more than 1000 accidents occurred over the period. People need to be aware that the two main causes are speed and alcohol. Through public campaigns and through the work of the Victoria Police, special efforts are being made to ensure that adequate protection is given to drivers over the coming Easter period. The Government wants to avoid a situation where the road toll is increased because of the impact of unsafe and potentially alcohol-affected driving.

A number of major new roads have been opened in time for Easter to remove potential bottlenecks that tend to cause accidents. Major works have been undertaken at Wodonga and in the Orbost and Phillip Island areas to ensure that motorists can drive safely. I and, I am sure, all honourable members urge Victorian motorists to take special care over the next five days to avoid any repetition of the death toll that has occurred over previous Easter periods.

GAS AND ELECTRICITY CONNECTIONS

Mr RAMSAY (Balwyn)—Will the Minister for Industry, Technology and Resources inform the House whether the State Electricity Commission and the Gas and Fuel Corporation are planning to transfer the work of connections to customers' premises from the private sector to the day labour force within the public sector? If that transfer is proposed, has the Minister examined the impact that this will have on private enterprise?

Mr FORDHAM (Minister for Industry, Technology and Resources)—I am prepared to take up with both of those authorities the concern expressed by the honourable member in an endeavour to ensure whether his concern has any basis. I know that discussions have occurred within those authorities concerning the relative merits of using contract labour as distinct from their own internal labour force. I shall keep the honourable member informed.

MILK CONSUMPTION

Mr B. J. EVANS (Gippsland East)—Will the Premier inform the House whether, in view of his frequently expressed concern for the dairy industry, he is prepared to reintroduce the school milk scheme that was so successful in this State in earlier years?

Mr CAIN (Premier)—During discussions about the dairy industry I have heard a number of suggestions on means of increasing milk consumption. However, I have not previously heard of the suggestion now made by the honourable member, and it is not currently under consideration by the Government.

VICTORIAN RACING INDUSTRY

Mr HARROWFIELD (Mitcham)—Is the Minister for Sport and Recreation aware of allegations of large-scale doping of racehorses in Queensland? What action is being taken to protect Victoria's racing industry from this practice?

Mr TREZISE (Minister for Sport and Recreation)—I am aware of the situation in Queensland and of the serious effect it is having on both racing and the economy in that State, bearing in mind the investment on racing and the fact that, in Queensland, since these incidents and the recent ring-in situation, a dramatic downturn has occurred in betting on racing with both the Totalizator Agency Board and on-course bookmakers in that State.

Honourable members must be aware that the economy of Victoria, like that of other States, to a large extent relies on the confidence of the public in the racing industry. In Victoria, $1 billion a year is wagered on the Totalizator Agency Board as well as the
hundreds of millions of dollars that are wagered with bookmakers. That is extremely important to safeguard not only the racing industry but also the State's economy.

One of the major problems in Queensland has been the fact that pre-race blood testing does not take place as it does in Victoria. To ensure that the procedures and reputation of the Victorian racing industry are protected, I made arrangements, in conjunction with the Minister for Police and Emergency Services, for Mr Bill Kneebone, the Racing Squad chief in Victoria, to travel to Queensland to speak with the authorities to ensure that what is taking place in Queensland is not occurring in Victoria.

I have consulted with the governing bodies of horse racing in Victoria—the Victoria Racing Club and the Harness Racing Board—to ensure that they have maximum protection. Pre-race blood testing has existed for some years and the tests make it very difficult for people to attempt to dope a horse before a race. The tests take place at all metropolitan courses and are conducted on a random basis at provincial courses. We are aiming to extend those tests so that they will become the norm at most meetings in Victoria.

Victoria is proud that it has a reputation second to none for clean racing. The Government is conscious of the need to protect the industry. This year's Melbourne Cup will be the first race worth $1 million and that will mean millions of dollars for tourism and for the State's benefit we must maintain the confidence of Victorian racing at its highest peak.

FIRE AUTHORITIES INTEGRATION

Mr Crozier (Portland)—I refer the Minister for Police and Emergency Services to a comment attributed to him earlier this week when he stated that, in his view, amalgamation of the Country Fire Authority and the Metropolitan Fire Brigades Board was now "unlikely". I ask the Minister to advise the House whether the stated policy of the Labor Party, which is pledged to integrate the fire services, is now inoperative.

Mr Mathews (Minister for Police and Emergency Services)—I would have expected that the well-known interest of the honourable member for Portland in the fire services would have led him to be better informed on the matter. It is well known that the Government's role of achieving satisfactory levels of cost containment within the fire and emergency services and higher levels of co-ordination between the various agencies has been achieved by the establishment of the Disasters Services Council and the Readiness Review Committee.

PRIMARY SCHOOL RESOURCES

Mrs Setches (Ringwood)—Will the Minister for Education provide the House with details of initiatives taken to improve resources within Victoria's primary schools?

Mr Cathie (Minister for Education)—The Government has been extremely concerned about increasing support and resources both for schools and the class-room teacher. The Government wants to do this to improve the quality of the educational program within Victoria's schools. That is in contrast to the Opposition, which spent the election campaign trudging around Victoria offering to reduce expenditure. If the Opposition were to be effective in that area, it would have to have reduced this type of program within schools because they form such a major part of the State Budget.

When the Cain Government came into office in 1982, the only clerical assistance available to primary schools was to those schools with an enrolment of more than 500 students. At the end of its first term of office, all primary schools with an enrolment of more than 200 had full-time clerical assistance. For its second term the Government has made a commitment that some form of clerical assistance will be available to all primary schools within the State, so that even a single-teacher school will have access to some form of clerical assistance.
The Government has also been concerned to provide much improved shared specialist arrangements in our primary schools. For that reason, it has been grouping together smaller schools with enrolments of fewer than 100 to enable them to employ jointly a shared specialist. This could be in the area of physical education, music or whatever. It has been a successful program.

Currently, some 500 young disabled Victorians have come into our schools. As a result, the Government has had to employ 80 integration teachers and 200 integration aides as well as increasing capital resources for building ramps. It has also been more generous in providing leave to teachers engaged in special education programs to undertake further studies.

In all of these ways, the Government has made considerable advances in improving the resources available to the practising schoolroom teacher.

In conclusion, I pay tribute to my predecessor, the Deputy Premier, for his contribution to those successful programs. Indeed, he will be seen as one of the great Ministers of Education in this State. It is important to place on record that Robert Fordham transformed the quality and structure of our education system. In fact, he established a unique partnership in the management and the decision-making within our schools between teachers, parents, students, administrators and the wider community. He gave us a precedent for an era of industrial peace and I pay tribute to him.

TABLE OFFICERS—TELEVISING OF PROCEEDINGS

The SPEAKER—Order! I have two announcements to make. I have authorized the Clerk to make arrangements for certain officers of the Legislative Assembly to assist the Clerks at the table of the House as may be necessary from time to time, not only to improve the flexibility of the House staff arrangements but also to assist in the training and development of the staff of the House.

I advise the House that I have given permission for the ABC TV Channel 2 to film question time on Tuesday, 16 April. The filming will take place without lighting so as not to inconvenience honourable members. The purpose of the filming is to update the television station’s library film footage.

PETITIONS

The Clerk—I have received the following petitions for presentation to Parliament:

Liquor Control Act

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The humble petition of the undersigned citizens of Victoria respectfully requests:

That the House will not proceed with the currently proposed amendments to the Liquor Control Act.

And your petitioners, as in duty bound, will ever pray.

By Mr Lieberman (7 signatures) and Mr Reynolds (18 signatures)

Driving Licences

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The humble petition of the undersigned citizens of Victoria respectfully requests:

That this House will take action to:

(a) Require a driving licence test for manual vehicles and a driver’s licence endorsement for automatic vehicles.

(b) Require an endorsement on a driver’s licence which limits the holder to driving a forklift vehicle, where the test is conducted on a forklift vehicle.

By Mr Leigh (935 signatures)
It was ordered that the petitions be laid on the table.

**ECONOMIC AND BUDGET REVIEW COMMITTEE**

**Report on Wine Industry**

Mr FORDHAM (Minister for Industry, Technology and Resources)—By leave, I move:

That there be presented to this House a copy of the report by the Economic and Budget Review Committee on the wine industry in Victoria, together with appendices and minutes of evidence.

The Economic and Budget Review Committee received the terms of reference of this inquiry on 6 April 1984. As the committee adopted the report in January 1985, it obviously has not had a chance to date to present it to the House. In these circumstances and in view of the obvious interest in this report, it should come forward.

The chairman, Mr Rowe, and members of the Economic and Budget Review Committee have worked assiduously in preparing what will be a valuable report. I look forward to the opportunity of examining the report, as I am sure do other honourable members.

Mr KENNETT (Leader of the Opposition)—The Opposition is happy for this report to be presented. The wine industry is an important industry in Victoria and some real problems are besetting it, particularly the subsidized dumping of interstate wines in Victoria. The Opposition looks forward to examining and reviewing the report and to working with a concerted effort as a Parliament to ensure that the wine industry can achieve the results it ought to achieve.

The motion was agreed to.

Mr FORDHAM (Minister for Industry, Technology and Resources) presented the report in compliance with the foregoing order.

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

**NATIONAL COMMON POLICE SERVICES**

Mr MATHEWS (Minister for Police and Emergency Services)—By leave, I move:

That there be presented to this House a copy of the report of the Australian Police Ministers’ Council on the activities of National Common Police Services for the year 1983–84.

The motion was agreed to.

Mr MATHEWS (Minister for Police and Emergency Services) presented the report in compliance with the foregoing order.

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

**PAPERS**

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

- Motor Accidents Board—Report for the year 1983–84—Ordered to be printed.
- State Employees Retirement Benefits Board—Report for the year 1983–84—Ordered to be printed.

The following proclamations fixing operative dates for Acts were laid on the table by the Clerk, pursuant to an order of the House dated 3 April 1985:

- Administrative Appeals Tribunal Act 1984—Sections 1 to 66—5 December 1984 (Gazette No. 139, 5 December 1984); section 70—11 February 1985; sections 67, 68, 69 and 81—1 March 1985 (Gazette No. 6, 30 January 1985).
Adoption Act 1984—Sections 1, 2, 3 (2), 4, 5, 9, 82 to 93, 101 to 104 and 130—15 April 1985 (Gazette No. 24, 27 March 1985).


Credit Act 1984—Section 153—6 December 1984 (Gazette No. 139, 5 December 1984); Remaining provisions—28 February 1985 (Gazette No. 149, 19 December 1984).

Credit (Administration) Act 1984—Sections 1 to 9, Part III and sections 86 to 92 and 95—6 December 1984 (Gazette No. 139, 5 December 1984); remaining provisions—28 February 1985 (Gazette No. 149, 19 December 1984).


Estate Agents (Amendment) Act 1983—Sections 18, 19, 22, 23, 28, 31 (1) and 35—8 January 1985 (Gazette No. 149, 19 December 1984); section 30—8 January 1985 (Gazette No. 1, 8 January 1985).

Films (Classification) Act 1984—Section 33—8 January 1985 (Gazette No. 1, 8 January 1985); remaining provisions—1 February 1985 (Gazette No. 4, 23 January 1985).

Fire Authorities Act 1984—Sections 1 to 3, 5, 7 to 9, 11, 12 and 22 to 25—13 November 1984 (Gazette No. 125, 13 November 1984); remaining sections—December 1984 (Gazette No. 133, 30 November 1984).

Firearms (General Amendment) Act 1984—Sections 1 to 3, 11 (2), 11 (3), 12, 14, 15 and 19—13 November 1984 (Gazette No. 125, 13 November 1984); sections 4 to 6, 16 and 17—1 December 1984 (Gazette No. 133, 30 November 1984); sections 7, 8 (1), 8 (3), 9, 13 and 18—1 March 1985 (Gazette No. 14, 27 February 1985).


Liquor Control (Amendment) Act 1984—Sections 4 to 12, 13 (1), 13 (2), 14 to 21, 24 (a), 24 (c), 24 (d), 25, 26, 27 (b), 28 to 32, 34 to 41—16 November 1984; section 42—1 January 1985; section 13 (3)—1 March 1985; sections 24 (b) and 27 (a)—1 August 1985 (Gazette No. 126, 14 November 1984); section 22—6 February 1985 (Gazette No. 10, 6 February 1985).

Lotteries Gaming and Betting (Gaming Machines) Act 1984—1 January 1985 (Gazette No. 149, 19 December 1984).

State Electricity Commission (Coal Corporation of Victoria) Act 1984—Sections 10, 11, 12, 14, 16 and 17 (other than paragraph (a))—30 November 1984; sections 13 and 15—1 January 1985 (Gazette No. 134, 30 November 1984).


Trustee (Amendment) Act 1984—1 December 1984 (Gazette No. 130, 21 November 1984).

Trustee Companies Act 1984—5 December 1984 (Gazette No. 139, 5 December 1984).

Water (Miscellaneous Amendments) Act 1984—5 December 1984 (Gazette No. 139, 5 December 1984).

Youth, Sport and Recreation (Advisory Councils) Act 1984—Remaining sections—8 November 1984 (Gazette No. 124, 7 November 1984).

LIQUOR CONTROL (AMENDMENT) BILL

Mr FORDHAM (Minister for Industry, Technology and Resources) moved for leave to bring in a Bill to amend the Liquor Control Act 1968 and the Liquor Control (Amendment) Act 1984, and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

WATER (MORNINGTON PENINSULA AND DISTRICT WATER BOARD) BILL

Mr McCUTCHEON (Minister for Water Resources) moved for leave to bring in a Bill to provide for the appointment of a Chairperson and Chief Executive Officer of the Mornington Peninsula and District Water Board, for the payment of members of that board, and for the giving of directions to the board by the Minister and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

WATER AND SEWERAGE AUTHORITIES (FINANCIAL) BILL

Mr McCUTCHEON (Minister for Water Resources)—I move:

That I have leave to bring in a Bill to make provision with respect to the sinking funds of and the accounts kept by certain water and sewerage authorities, to amend the Water Act 1958, the Sewerage Districts Act 1958, the Geelong Waterworks and Sewerage Act 1958, the Latrobe Valley Act 1958, the Mildura Irrigation Trusts and Sunraysia Water Board Act 1958 and the Water and Sewerage Authorities (Restructuring) Act 1983 and for other purposes.

Mr DELZOPPO (Narracan)—Mr Speaker, before the House votes on the motion, I ask the Minister to give a brief outline of the Bill he proposes to introduce.

Mr McCUTCHEON (Minister for Water Resources)—The subject of the Bill is to change the accounting principles so that water authorities will no longer need to keep sinking funds and certain accounting principles, in the interests of modern accounting practices.

The motion was agreed to.

The Bill was brought in and read a first time.

MELBOURNE CORPORATION (ELECTION OF COUNCIL) (PROPORTIONAL REPRESENTATION) BILL

Mr SIMMONDS (Minister for Local Government) moved for leave to bring in a Bill to amend the Melbourne Corporation (Election of Council) Act 1982 to provide for proportional representation, to consequentially amend the Local Government Act 1958 and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

SESSIONAL ORDERS

Mr FORDHAM (Minister for Industry, Technology and Resources)—I move:

That—

1. Unless otherwise ordered, the House shall meet on Tuesdays, Wednesdays and Thursdays, Mr Speaker to take the chair at 2 p.m., 11 a.m. and 10.30 a.m. respectively.
2. (a) During the present session, Government Business shall take precedence of all other business (including motions pursuant to Standing Order No. 26 which is hereby to the necessary extent suspended, but not including a motion of Want of Confidence in the Government) each Tuesday, Wednesday and Friday and at 2 p.m. each Thursday, other than on every Thursday pursuant to Standing Order No. 59.

(b) On the Thursdays on which Standing Order No. 59 applies, business shall be called on in the following order:
1. Grievances.

3. Notwithstanding the right of a Minister to move a motion for the adjournment of the House pursuant to Standing Order No. 25—

At 10.30 p.m. on each sitting day Mr Speaker shall interrupt the business before the House, or if the House be in Committee, the Chairman shall report progress and Mr Speaker shall then interrupt such business. Provided that in the event that a division is in progress at 10.30 p.m. such division shall be completed and the result announced and if such division be upon a closure motion any question required to be brought to conclusion as a result of such division shall be so brought to conclusion.

4. Upon such interruption of business:

(a) before a motion for the adjournment is proposed by Mr Speaker, a Minister may move that the sitting be continued; which motion shall be put forthwith without amendment or debate and if such motion is agreed to, the House or Committee shall resume the proceedings at the point at which they had been interrupted;

(b) if a Minister does not so move, the Speaker shall forthwith propose the question “That the House do now adjourn” which question shall be open to debate in accordance with the rules and practices of the House; at the conclusion of the debate, Mr Speaker notwithstanding the provisions of Standing Order No. 24, shall adjourn the House without putting any question until the time of the next meeting.

5. Any business under discussion and not disposed of at the time of the adjournment shall be set down on the Notice Paper for the next sitting and any member speaking at the time of interruption may, upon the resumption of debate thereon, continue such speech.

For the benefit of new members, I shall briefly outline something of the background of the motion. The intent of the motion is simply to establish the efficient running of the business of the Legislative Assembly.

The motion sets out the days and times of meeting. It sets out the arrangements determining when Government Business and General Business will take place during each Parliamentary week. The tradition has not been developed by the Labor Government. It was inherited from our predecessors some years ago.

I shall briefly outline the five component sections of the motion. The first section deals with the days on which it is proposed to sit and the starting times on those days. The second section deals with the precedence proposals. The third to fifth sections set out in detail the closing procedures at the end of each day. The motion provides that, unless otherwise ordered, the normal sitting days will be Tuesdays, Wednesdays and Thursdays for the Legislative Assembly. I believe that arrangement will be satisfactory for the running of the Assembly during the current sessional period, although towards the end of the sessional period it may be necessary to sit on a Friday. However, at this stage I do not expect that this will be the case. The Opposition and National Party have been notified of the general outline of the Government’s program for the sitting weeks. The House will not sit during the Easter week. It is anticipated that it will then sit for four weeks and rise for two weeks for the May school holidays. It will be necessary for the House to sit for at least one week after the holidays to deal with any remaining legislation, particularly the workers compensation measure, of which notice has been given by the Treasurer and the Governor in the Speech delivered to both Houses of Parliament yesterday.

The starting times are the same as the starting times for Tuesdays, Wednesdays and Thursdays that were established during the past three years. I am willing to review the adequacy of those starting times with the other parties between now and the spring sessional period. I have heard various views expressed by honourable members and Ministers who are anxious to start later in the day in order to attend to their Ministerial responsibilities. Some country members believe the present starting times, particularly on
Wednesdays and Thursdays, are too early. I shall welcome any comments by individual members or party representatives. The issue of starting times is also related to its impact on the operation of Parliamentary committees. The question of whether Parliamentary committees should have more chance of meeting while the House is meeting has been raised from time to time. That practice is a common occurrence in many other Parliaments in this country, but some honourable members have strongly held views that that practice should not be put into operation for the Assembly, other than in rare circumstances. I invite the opposition parties to reconsider their positions on this issue. If they see fit to review the present arrangements, I am prepared to have negotiations and discussions with them on the matter.

The motion also deals with precedence. The arrangement generally follows the pattern inherited from the concluding years of the Liberal Government in Victoria. As I outlined in 1982 when setting out the precedence arrangements, the extension of the precedence on Thursday mornings for the operation of the opposition parties’ business is an important position.

In addition, the maintenance of the grievance arrangements is an important opportunity for honourable members to be able to voice grievances. The Government has a good record in honouring the grievance arrangements in the Legislative Assembly.

Again, for the interest of new honourable members, every third Thursday is Grievance Day when some hours are set aside to give honourable members the opportunity of raising issues of concern to them and to their electors.

The third example of the Government being generous to the Opposition in this motion is that want of confidence motions are exempted from the general requirements governing Opposition time. I repeat that this was not the situation when the Liberal Party was in government.

The remaining sections of the motion deal with the closure arrangements governing the sittings of the House. They are somewhat complicated but necessary in order to effect the proper operation of the House. On Tuesdays and Wednesdays the anticipated closing time will be 10.30 p.m., plus the debate on the motion for the adjournment of the House which, of course, follows at the completion of each day’s sitting.

I am highly optimistic that there will not be a need, certainly in the initial stages, for any late night sittings of the Legislative Assembly. That, of course, is conditional upon the cooperation of the opposition parties in not endeavouring to stonewall legislation initiated in the House.

In summary, I repeat that the motion accords with the past traditions of the Legislative Assembly. It provides an appropriate balance of interests. My offer to review the Sessional Order with the Leaders of the other parties between now and the spring sessional period will excite some interest and I hope it will be taken up by the other parties.

It is necessary to introduce this Sessional Order immediately in this sessional period in that following the resumption of sittings after Easter there will be the Address-in-Reply debate and the Supply debate in which all honourable members are able to participate and we will be able quickly to get down to the business of discussing the key issues before the House during this sessional period. The motion represents a balanced and reasonable approach to the operation of Sessional Orders in the Legislative Assembly.

Mr AUSTIN (Ripon)—The Opposition is most disappointed that the Government is introducing these Sessional Orders particularly at this time, when there is no Government Business of any note on the Notice Paper and when the motion could have been moved much later, if in fact it had been necessary at all. The motion is simply the result of the Government saying that it is all-powerful. It feels the necessity to restrict the House in this way.

One would have hoped that cooperation between the three parties would allow the business of the House to move satisfactorily. This was not the case when the Liberal Party
was in government and the disruption that took place then by the Labor Party opposition caused the introduction of Sessional Orders to the House. The House is worse off for that occurring then and worse off for it occurring again now.

This Government will be known as the Government that does not sit. In ten months Parliament will have sat for only sixteen days. It is really a disgrace and an insult to the people of Victoria.

Mr HANN (Rodney)—I lodge a protest on behalf of the National Party at the Government's introduction of Sessional Orders so early in the sessional period. It was traditional during the life of the Liberal Party Government that, at least for the first three or four weeks, the Government would not introduce Sessional Orders and would allow time each day for General Business motions.

One of the distinct advantages was that it enabled Government party back-benchers to participate in debates in this House more frequently. It is interesting to note that during the life of the previous Parliament very few speeches were made by Government party back-benchers on any issues.

By introducing Sessional Orders so early, the Government is restricting the rights of members of its own party to participate in wide-ranging debates on a number of issues. Obviously, judging by the interjections, members of the Government are embarrassed because the Government has stepped in to restrict debate and limit the democratic process of Parliament in the naive belief that it has control over everything.

The Premier is right when he interjects to state that this same speech was made six years ago. When the Premier is in opposition as he will be next time around—except that he will not be Leader of the Labor Party—he will recognize that it is undesirable to introduce Sessional Orders so early.

I am pleased that the Deputy Premier is willing to examine the meeting times of the House. At the commencement of the last Parliament members of the National Party protested strongly that the alteration of the meeting times of the House to 2 p.m., 11 a.m. and 10.30 a.m. on Tuesday, Wednesday and Thursday respectively would prevent many Parliamentary Committees from meeting. Committees can now meet only one day a week. Prior to this policy of the Labor Government being adopted, committees were able to meet on three occasions each week before the House met.

Parliamentary committees perform an important task and I hope the Government will examine the problem to ensure that greater recognition is given to them. The National Party opposes the introduction of Sessional Orders at this early stage.

The motion was agreed to.

NATIONAL DAIRY PLAN

Mr AUSTIN (Ripon)—I move:

That this House condemns the Premier for his misleading conduct in wilfully creating the belief by dairy farmers and the public that he had resolved the dairy crisis, and for his incompetence in the handling of that crisis.

Nothing better illustrates the accuracy of the motion than the prediction I made before the election, when the Premier went barn-storming up to Canberra and returned claiming to have resolved the problems of the dairy industry. If one examines the situation leading up to that meeting, one realizes that the dairy industry was in a crisis that was worsening week by week. The plight became so desperate that the dairy farmers took the unusual action of blocking the milk tankers to prevent the milk supplies from getting through.

During that time the then Minister of Agriculture took absolutely no interest other than to say that, in his view, milk was too dear in any case. The Government did nothing to overcome the plight of the dairy industry until the problems became household words and were highlighted on the front page of most of the daily newspapers across the land.
Suddenly the Premier realized he had an election panic on his hands. The Premier knew the former Minister of Agriculture was incapable of handling the problem, and set off for Canberra himself. The Premier returned to Melbourne waving a piece of paper saying that he and the State Ministers had come up with a plan that would save the dairy industry.

Naturally enough the people of this State—especially the dairy farmers—heard what the Premier had to say and believed him. Why should they not? If one cannot believe a Premier, whom can one believe?

On 26 February, four days before the State election and two days before the meeting in Canberra, I predicted exactly what would happen. I issued press releases on the issue which were available for all to see.

The Premier would do anything to take the dairy crisis off the front page of the newspapers. I said then that it was absolutely critical for the Premier to obtain an assurance from the Federal Minister for Primary Industry, Mr Kerin, that he would support the plan. That did not happen. The Premier fooled the people of the State; he fooled some of the farmers; he certainly fooled the press and he came out of it appearing to be a white knight, but at the time the Federal Minister, who really had all the say, was laughing his head off.

The Federal Minister had absolutely no intention of implementing that plan. He had always intended implementing the recommendations of the Industries Assistance Commission. Why did the Premier not get that assurance? That question has been left unanswered. The question should also be asked of the leader of the Dairy Industry, Mr Pyle, who believed at the time that Mr Kerin would agree to the plan, while most people thought he would not.

The Premier talked big; he talked tough, and he threatened an interstate war on milk prices. The Premier said he would kick New South Wales in the stomach and Queensland in the head. At that time the *Age* reported:

> The Premier has gone to Canberra and given the last warning to Federal and State Ministers.

The Premier, who had ignored the dairy industry for three years, stated:

> My Government intends to protect, to support and to nurture the Victorian industry, which is the most efficient in the country.

After three years of neglect one cannot say that sort of thing with impunity. For someone who had neglected the dairy industry for three years that statement was an insult. The Premier was acting extremely arrogantly when he made that statement. The Premier not only neglected the dairy farmers and interfered with the Victorian Dairy Industry Authority, but was also hypocritical enough to make the statement that he would nurture the dairy industry.

Let us look at what really happened. On 1 March 1985 the *Age* reported that the Premier had forced the States to agree to a national dairy industry and that that would mean $8000 a year to Victorian dairy farmers. The Premier claimed an outstanding victory for Victorian dairy farmers. In fact it was nothing more than a clever hoax and a deception. There was no real concern for dairy farmers and the motivation of the Premier was merely to save his own political skin.

Mr Kerin never supported the scheme; everyone knew that. The Western Australian Minister was not there; he knew there was no deal. The Federal Opposition spokesman on primary industry, Mr Ralph Hunt, knew there was no deal. He said so long before the Premier made his statement and long before the election day. In his heart the Premier also knew there was no deal. The Premier knew that he could not be found out until the Saturday of the State election, 2 March. The Premier was clever but cruel.

On March 21 the announcement which we had all been expecting was made. The Melbourne *Sun* ran a headline, “Cain’s Milk Plan Axed”. It was a plan that never was.

How have the Premier and the Government handled the Victorian Dairy Industry Authority over its last term? The members of the authority were appointed for nine
months on a temporary basis. Some of them have even been appointed on a temporary basis to protect a second term. How can any responsible authority, which has thousands of farmers to protect, work effectively under such unstable conditions?

Less than a year after coming to office, in April 1982, the Chairman of the Victorian Dairy Industry Authority, Mr Des Cooper, was sacked by the Premier and the Government because they had an argument over a motor car. The Premier said that the vehicle should have been smaller than it was. The managing director, Mr Purcell, was forced to resign. The reputations of Mr Cooper and Mr Purcell were severely tarnished by the actions of this Government. When Mr Purcell's case was heard, he was given no legal representation, received no pay at the time and yet was completely cleared.

The simple fact is that the Government realized that a rise in the price of milk could cost it votes in metropolitan Melbourne. The Government would gain no votes in the country and would lose votes in Melbourne and its outer suburbs.

The previous Liberal Government had established under the Victorian Dairy Industry Authority a proper base for the pricing of market milk. It had got away from the bad days of the Milk Board. This Government wrecked that base.

What is the Government's record over the past three years? From February 1982 to February 1985 a litre of milk has increased in price by 11·3 per cent, but from March 1982 to December 1984 the consumer price index has increased by 25·7 per cent. Quite obviously the farmers have not had a fair return.

Looked at in a different way from the producer's margin, from February 1983 to this year they have had an increase of 18·7 per cent in the price of market milk, but the consumer price index has increased by 25·7 per cent. The Government has turned a blind eye to the problems of the dairy industry. As a result of the blockade the Government granted a miserable 2 cent increase to the price of milk, which was a 1·7 cent increase to dairy farmers. The Government has failed to understand that the Victorian dairy industry is one of the most efficient in the world, perhaps with the exception of parts of New Zealand, and the main problem that exists in the dairy industry in this country is that it is not able to trade freely and fairly because of the actions of the European Economic Community.

In addition, Government charges that have been imposed from time to time have caused a critical situation for dairy farmers. The cost of electricity from the State Electricity Commission for a 123-cow farm is $1648 a year.

The removal of decentralization benefits will cost the Camperdown Glenormiston Dairy Company $565 000 a year. It will mean between 5 cents and 6 cents a kilo for butterfat that the farmer will not get. A great deal of nonsense is spoken about the price of milk. I refer honourable members to an Age newspaper article. The limited time available does not allow me to go into a great deal of detail, but that article suggests that taxpayers subsidize the dairy industry by approximately $200 million. That is an absurd figure. It is based on a world price for a product dumped by the European Economic Community and is 5 per cent of total production. No dairy farmer anywhere in the world could exist if that were the situation.

To compare the price of milk with the price of bread, if milk prices had risen at the same rate as bread prices a litre of milk would cost $1.10. A Sun survey that compared prices over a 30-year period from 1954 to 1984 showed that the price of milk rose from 15 cents to only 19 cents, whereas the price of bread rose by 11 cents to 81 cents, which is a 636 per cent increase; the price of shoes has risen from $8.90 to $49.99, an increase of 461 per cent; cigarette prices have risen from 28 cents to $1.80, an increase of 542 per cent; beer prices have risen from 25 cents to $1.41, an increase of 464 per cent; the price of petrol has risen from 5·5 cents a litre to 52 cents a litre, an increase of 845 per cent; tram fares have risen from 3 cents to 60 cents, an increase of 1900 per cent; stamps have risen to 33 cents, which is an increase of 1037 per cent; and the Holden car has risen from $1740 to $12 200, which is an increase of 601 per cent.
These figures show how dairy farmers have been neglected in price rises. The Government has no understanding of the problems of the dairy industry. There are some 10,000 dairy farms in Victoria and more than 50,000 people are employed in the industry. Those figures will give honourable members some idea of the importance of the industry.

In 1970 there were 19,000 dairy farms in Victoria; today there are fewer than 10,000. In 1970 the total milk produced was 4000 million litres and in 1984 it was 3400 million litres. Not only have farms in Victoria decreased in number but also it has become necessary for dairy farmers to be more efficient to survive. Their productivity is greater than ever before.

What has the Premier done? He has talked big and misled the dairy farmers and the public, but he has achieved absolutely nothing. He has conned the dairy farmers. It has been a political trick at the expense of 10,000 hard working dairy farmers. They are people who produce a large proportion of the wealth of this State. They are real people with a stake in this country and they have been ignored by the Premier and the Government.

The Victorian dairy farmers find themselves in a position of taking the blame for the entire industry throughout Australia and the fact that the Victorian farmers are the most efficient and have the cheapest cost of production is ignored. In fact, the cost of production in Victoria is 13 cents a litre under that in New South Wales. If one compares a 100-cow dairy farm in Victoria with a similar one in New South Wales, one finds that the dairy farmer in Victoria is some $20,000 gross a year worse off than his New South Wales counterpart. Why should there not be a national dairy industry? Why should Victoria not have a share in the national dairy market? We have been asking that for many years. Why should milk be constrained by State boundaries when other products are not? One can sell meats, such as pig meat and sheep meat, cattle, vegetables and almost any other product across State boundaries without inhibition. The egg industry is the only other industry that has the same sorts of constraints and that should also be freed up.

What happens with the dairy farmers if the price is down? Instead of producing less milk they produce more, in an effort to achieve the same economic results as they had before. In New South Wales the contract system has survived over the years, but Victoria got rid of that system some time ago. The New South Wales dairy farmers must produce because they must meet their contracts. If they do not, the contracts will reduce on a percentage basis, yet for quite some part of the year—perhaps three months in the winter time—they would prefer not to have to fulfill those contracts.

That is the type of market which the Government should be seeking. I am sure that if the Victorian Government got together with the New South Wales Government, at either a Ministerial or Premier level, an agreement could be reached to ensure that the Victorian dairy farmers could supply that part of the market which the New South Wales dairy farmers do not wish to supply because it is uneconomic for them as they have to force-feed their cows at that time. The Opposition would welcome the Premier taking up the Opposition's policy on this matter in the same way as he took up the policy on assets which Bill Borthwick introduced on the drug scene.

In 1979, when the last main dairy prices hit Victoria, dairy industry leaders approached the Liberal Government and asked for its support. The Government provided approximately $7 million in underwriting dairy products to help out dairy farmers in a short-term crisis, and that is what this situation is all about. Nobody—least of all the dairy farmers—believes that they ought to be subsidized and propped up at the expense of the taxpayer. However, when an industry faces a short-term problem, Governments should provide assistance, as was provided by the former Liberal Government in 1979.

I shall now refer to dairy licences. When one has a crisis such as that faced by dairy farmers, nobody wants to enter the dairy industry. Those who advocate that dairying licences should not be issued should consider that, if a moratorium is placed on the industry in that way, every other industry should be entitled to ask for similar treatment. If that occurred, dairy farmers would not be able to diversify into other rural activities.
The question should be asked: Do the Premier and his Government support the Kerin plan? Will the Government dilly-dally around and try to slightly modify the plan, which is detrimental to Victorian dairy farmers? Will the Premier now take a strong line, as he attempted to do during the recent State election campaign, and say to the Federal Government, “This is not good enough for Victorian dairy farmers” and fight for the farmers in a genuine way, even though there are no votes in it because the State election is over? If the Premier were genuine, that is exactly what he would do.

Mr CAIN (Premier)—At the outset, I wish to tell the House that it is gross hypocrisy for the Liberal Party, supported by the National Party, to have moved this motion. It demonstrates the arrogance and pique of the opposition parties at losing the support of an important interest group.

Honourable members interjecting.

Mr CAIN—The opposition parties do not like to hear the truth at any time, and I have only just commenced my comments!

The DEPUTY SPEAKER (Mr Fogarty)—Order! The House heard the Deputy Leader of the Opposition in silence. A serious allegation has been made against the Premier, and the House should hear in silence what the honourable gentleman has to say.

Mr CAIN—It shows the arrogance and pique of the opposition parties at losing the support of an important interest group. Over the years the opposition parties have tried to stir up the dairy farmers without ever sitting down to try to devise a long-term plan for the dairy industry.

The Opposition knows that the dairy farmers support the Government in the action it has taken. That is a fact, even though it hurts the Opposition to acknowledge that because it cannot live with that fact. That is what the motion is all about. It is a consequence of using a group as a political football without ever sitting down with the farmers, who for so long supported the opposition parties, and trying to devise an acceptable plan.

The dairy farmers know that; that is why they supported the plan and why they came together with the Government in presenting a national plan which had the support of the industry throughout the country. It is a fact that the farmer representatives in the United Dairyfarmers of Victoria have regularly slammed the National and Liberal parties for stirring up the issue for what they saw as their short-term political advantage.

Honourable members interjecting.

Mr CAIN—The honourable member for Polwarth is interjecting. He ought to know a little about this matter, as ought the Deputy Leader of the Opposition, because they were the two people who presided over the dairy industry when the Liberal Party governed the State. All honourable members know the way in which the honourable member for Polwarth and the Deputy Leader of the Opposition handled their responsibilities when they were responsible for agriculture. The scandalous performance of the honourable member for Polwarth was outlined in a Ministerial statement in this place in 1983—which was shortly before he bailed out. The two honourable members concerned showed little regard for dairy farmers when they were Ministers of Agriculture. They made Ministerial appointments of senior staff to the Victorian Dairy Industry Authority.

Honourable members interjecting.

Mr CAIN—They presided over the authority at a time when it was allowed to operate in a most cavalier and ineffective way, despite what the Deputy Leader of the Opposition may say, when at least one case of malfeasance occurred. That was directly attributable to the careless, negligent and suspect manner in which they carried out their responsibilities. In one case, the Deputy Leader of the Opposition was bullied and told by one of the senior officers to mind his own business. The staff ran over the top of him; they did what they wished. It is true that they built lavish Ministerial suites for themselves—and I suppose they also had calendars of the “Big M” girls around them.
Honourable members interjecting.

The DEPUTY SPEAKER (Mr Fogarty)—Order! I will no longer tolerate interjections, particularly from the honourable member for Benambra and the Leader of the Opposition. While I am in the chair, I expect a little more decorum. The interjections have been unruly, and if they continue, I shall have to take action against the honourable members concerned.

Mr KENNEMT (Leader of the Opposition)—Mr Deputy Speaker, I raise a point of order to clarify your ruling. If the Premier intends to be continually provocative and tell untruths about past circumstances, there is no way in which the Liberal Party will sit back and allow him to get away with it. It must go both ways: Either the Premier tells the truth, or honourable members on this side of the House will continue to interject.

The DEPUTY SPEAKER—Order! While I am in the chair, I shall endeavour to be unbiased.

Mr CAIN (Premier)—I can understand how recounting some of the past might hurt. I point out that doing so demonstrates the arrogance of those who served in a discredited Government over a period of years. For them to now stand up and dare to talk about matters affecting the dairy industry, when they allowed it to run down for years and did nothing about it, is unbelievable. The Government has ensured that the Victorian Dairy Industry Authority properly represents the views of the dairy industry.

Honourable members interjecting.

Mr CAIN—The Leader of the Opposition may have something personal against Mr Bill Pyle. However, Mr Pyle represents the industry, he speaks for it, and the Government will deal with him so long as that continues to be the case. The plan the Government took to Canberra was initiated by the dairy farmers and was developed in consultation with them. That is what the debate is all about. The plan was carefully considered by the dairy farmers in all States and it had their full support.

To remove any doubt the Opposition may have, I draw attention to a letter published in the *Age* of 30 March from Mr Bill Pyle, the President of the United Dairyfarmers of Victoria, in which he stated:

Premier Cain's alternative plan was developed in consultation with the industry and had the backing of the industry.

The fact is that there was support for the plan from all States, and that was due largely to the stand taken by the Victorian Government.

Mr Kennett—Rubbish!

Mr CAIN—If the Leader of the Opposition investigates the matter, he will find that that was the case. Acceptance for the plan was obtained from other States because they knew that the Victorian Government was determined to support the industry and to ensure that it was able to occupy its rightful place in the agriculture and dairy industry of this country. The industry knew that, for the first time, Victoria had a Government that was prepared to support it. I repeat: The plan had the support of Ministers from all States.

Mr Hann—What about Western Australia?

Mr CAIN—including Western Australia.

Mr Hann—The West Australian Minister was not even there!

Mr CAIN—As I said yesterday, the plan had support from all State Ministers, and my Government, as in many areas, led the way. I know the Opposition does not like that, but it is the fact. The plan provided—the Opposition may not like this—and I invite its members to say so—a 2-cent levy a litre on all milk. Does the Opposition agree with that? It provided a national entitlement of 5.3 billion litres. Does the Opposition agree with that? It provided a 17.5 per cent increase in the price of manufactured milk. Does the Opposition agree with that? It would have increased the income of Victorian dairy farmers
by something in the order of $8000 a year. Does the Opposition agree with that? All I want to know is whether the Opposition agrees or disagrees with that plan.

Honourable members interjecting.

Mr CAIN—That plan was hailed by the dairy industry throughout this country as a major breakthrough. Again, I refer to an article which appeared in the Age of 1 March which reported:

The President of the United Dairyfarmers of Victoria Mr Bill Pyle said he was delighted. "The UDV fellows have been to hell and back to pull this off" He said, "It's a great credit to Steve Crabb and John Cain."

Honourable members interjecting.

Mr CAIN—The Opposition does not like it. It is extraordinary that the Opposition cannot listen to the truth, for a start. Its members carry on with their gaggle. Government members listened in silence, boring as his contribution was, to the Deputy Leader of the Opposition, but Opposition members simply cannot listen to the truth.

The fact is that the Government has been able, by its initiative and its endeavours, to win the support of an important section of the rural industry, and the Opposition does not like that. By its negligence and its lack of interest, it has lost the support and respect of the industry. The most charitable view one can take is that the Opposition has displayed a total lack of interest in the industry and has attempted to use that industry as a political football.

I quote again from a press release of 1 March, which stated:

The unanimous decision of State Ministers in Canberra yesterday, on a National Dairy Marketing Plan sees the culmination of three years hard work and tough negotiations by the United Dairyfarmers of Victoria. Mr Pyle said he wished to publicly express the UDV's appreciation to the Premier and his specially formed sub-committee, particularly Minister Crabb, for their tremendous support. Firstly, by indicating their support on taking Victorian milk interstate, and secondly their untiring assistance in negotiations to bring about this all State agreement.

In that article, the leader of the dairy farmer organization indicates quite clearly the support of his industry for what the Government has done.

The Government will continue to assist Victorian dairy farmers in every way possible. Following the Canberra meeting with the Federal Minister for Primary Industry, Mr Kerin, to which reference has been made, the Minister for Agriculture and Rural Affairs met with all sections of the dairy industry. As a result of those discussions, the Government will be presenting proposals to the Federal Government on the plan proposed by Mr Kerin.

The State Government desires to make some aspects of that plan more effective and less disruptive to some sections of the dairy industry. The Government will do three things; It will urge the Federal Government to retain the current export pooling position for major dairy products. Does the Opposition agree with that? Members of the Opposition are at their most desperate when all they do is shout, yell and scream.

The DEPUTY SPEAKER (Mr Fogarty)—I suggest that the Premier does not ask members of the Opposition to answer questions.

Mr CAIN—The Government will raise the level of market support on all milk levied to 40 per cent of all export returns, which will be the equivalent of 2 cents a litre, which is what was wanted. The honourable member for Rodney is supposed to be an expert on this matter, but if he did not know that, there is something wrong with his capacity to understand the issue.

The State Government will urge the Federal Government to slow down the phasing out of product levies by modifying the formula to cushion the impact it would have had. That will involve a phase-out of six years rather than the two-year period proposed by the Federal Government.
The Commonwealth proposal that emerged following Cabinet consideration of this Government’s plan is more favourable than those put forward during the previous two or three years that this matter has been discussed.

The Government has made it clear that it will give short-term financial support to efficient dairy farmers who are burdened with high debts. That will be done through the Rural Finance Commission.

The process, established by the previous Government, of the Victorian Dairy Industry Authority considering the price of local market milk, leaves a lot to be desired. As the honourable member for Ripon indicated, all the Labor Party could do when it came to office was use the process that had been left behind. The Government has now taken away the responsibility of considering the price of local market milk from the Victorian Dairy Industry Authority and has given it to Mr Justice Robinson.

For the first time in Victoria, the dairy industry and the Government are working together to come up with the best possible circumstances for the dairy industry. That is what has happened and the Opposition and the National Party cannot stomach it. They are troubled because the Government has put together a set of proposals that is accepted by the dairy industry.

When we came back from Canberra and the opposition parties had discussions with the Minister, they were supportive of what the Government was doing, and they were supporting the Government by going back to the dairy farmers and renegotiating those aspects.

Unlike the Deputy Leader of the National Party and the Deputy Leader of the Liberal Party, dairy farmers appreciate what the Government is doing on their behalf. They appreciate what the Government is doing for the industry. Even David Everist, who is alleged to be among the most gung ho of the dairy farmers, following a recent meeting with the Minister, said:

I think we are very lucky to have a Minister of this calibre who is prepared to look at such things.

That is the so-called rebel leader speaking. It shows the support we are getting from the dairy industry.

Honourable members interjecting.

Mr CAIN—Members of the Opposition go on shouting like the disorganized rabble they are. They were disorganized during the last Parliamentary session and they are disorganized in this one. As the Minister for Public Works says, they are worse. No evidence exists that these recycled people like the honourable members for Polwarth and Hawthorn, who have been brought back, are any better. It is the same rabble as we had before. I do not want to say anything about new members yet.

The DEPUTY SPEAKER (Mr Fogarty)—Order! Would the Premier return to the motion?

Mr CAIN—As members of Parliament know, the Government has given this State a ten-year economic plan and is supporting industries, including the dairy industry, under that plan. The Government is making efforts to assist the dairy farmers of this State. In marked contrast to the opposition parties, we have policies. The opposition parties are in conflict with each other. So much for the so-called closer working relationship between these parties. They are the supposed coalition parties. It was impossible prior to the last election, as it is now, to know what policy there would have been on the dairy industry if the opposition parties had been in coalition. Does anyone know what it would have been? The dairy farmers realized the mess the opposition parties were in and they supported the Government.

The Liberal Party policy is for deregulation. On 9 January 1985 the shadow Minister of Agriculture, who is now the Deputy Leader of the Opposition, was reported in the Sun as saying that his party would deregulate the price of milk. He said:
We can't see why Governments are in the business of fixing prices for dairy products. Governments ought to get out of price controls for milk.

I presume that that is the Liberal Party's policy. When the honourable member realized that this policy was perhaps not entirely accepted, he issued a statement which tried to qualify his previous statement. He said he did not really mean to say it.

What is the policy of the opposition parties? The Deputy Leader of the Opposition is looking about as accident prone as did his predecessor. What is the policy of the National Party? I understand the National Party has no views at all about deregulation. Quite the reverse, it wants more subsidies and more support. The National Party has a more socialist approach than does the Government.

Mr Hann interjected.

The DEPUTY SPEAKER (Mr Fogarty)—Order! The Deputy Leader of the National Party will have the next call.

Mr CAIN—All I wanted to point out was that the National Party has a policy that is at total variance with the policy of the Liberal Party. It wants more subsidies for the dairy industry, the dried fruit industry, tobacco growers and wheat farmers.

That is what the National Party wants. Members of the National Party are the greatest socialists that have ever existed. The National Party socializes all its losses in the dairy industry. The Leader of the National Party is interjecting, but he represents only 7 per cent of the electorate, which is much better than the vote recorded at the previous election.

The National Party queues up for the handouts. That is all it wants—more handouts. The National Party wants as much public money as it can get to be diverted towards propping up its mates in industry. Does the Liberal Party agree with that? It is clear that is the difference between the opposition parties. One wants deregulation and the other wants more support. The opposition parties have told the Victorian electorate that they would be courageous partners in governing this State! Long-term solutions and strong leadership are required.

Therefore, I move the following amendment to the motion moved by the Deputy Leader of the Opposition:

That all the words after “That” be omitted with the view of inserting in place thereof the words:

“this House calls on all members to—

(a) unite in support of the Government's efforts to resolve the dairy crisis, in particular to support the dairy industry and the Government in their proposals for modification of the Commonwealth Government's plans; and 

(b) reject policies which would exacerbate the dairy crisis such as a policy of deregulation.”

I believe it is time that there is a clear declaration in Parliament that supports what the Government has done. Parliament should support long-term solutions and the strong leadership that is being provided by the Government.

I urge the House to support the amendment. It encapsulates what is being done by the Government. It is a positive expression of support by this House for what the Government is doing and intends to keep doing for the Victorian dairy industry. It was not done when the Liberal Party was in office. The Labor Government is showing the way and deserves the support of the House.

The DEPUTY SPEAKER—Order! Because of the scope of the amendment moved by the Premier, honourable members speaking from now on will be speaking to the motion and the amendment.

Mr HANN (Rodney)—When Victorians elect someone to be the Premier of this State, they expect that person to have some degree of honesty. The action of the Premier, supported by the Minister for Employment and Industrial Affairs, is the most shabby, deceitful and low-down trick inflicted on any individual person in the twelve years that I have been in Parliament. The honourable gentlemen have deliberately deceived not only the dairy farmers but also the media and the Victorian public.
The Premier claimed that he had the solution to Victoria's dairy industry problems, but he took action only at the last minute after much pressure had been applied to the Government by the concerned dairy farmers who blocked milk production factories. Firstly, the Premier tried to send in the police with batons to beat those dairy farmers into submission. This action undoubtedly was taken at the direction of the Government after discussions with representatives of the Victorian Dairy Industry Authority. That action did not succeed because the dairy farmers indicated they would not bow to that jack boot approach.

The Premier then sent the Minister for Employment and Industrial Affairs around Victoria in a helicopter to promise the world to dairy farmers.

The Minister said, "Pull off the blockades. A big meeting is to be held in Canberra on Thursday. We will solve all your problems. We have talked to the other States and they are coming to the meeting. We will suspend the issue of new licences."

The Minister told the farmers in Girgarre he would suspend the issue of new licences, but a person can still obtain a licence today. The Government has not sought the power to suspend the issue of licences.

Honourable members interjecting.

Mr HANN—The Minister suggests, by interjection, that I thanked him. I did thank him for coming, because I believed him. I do not believe him now because what he said was a pack of lies.

The Premier is embarrassed because he has not come forward with anything—not one single dollar has been put forward by this Government to assist Victorian dairy farmers. An article appeared in the Australian Financial Review on 2 October 1984 under the headline:

Victoria stands alone against the dairy plan

The article states:

Ironically, it was the Victorian Minister for Agriculture, Mr Eric KENT—whose refusal last week to agree to a marketing scheme which after months of negotiations had received the support of every other State, the Federal Government and the industry—who has put all plans on hold.

The Victorian Government stopped the plan in October. Did the Premier take any interest in the subject at that stage? Did Mr Crabb, the then Minister for Industrial Affairs, take any interest? No, not until he was brought to the barricades by the concerned farmers. The article continues:

A special meeting of the Australian Agricultural Council was held on Thursday to seek agreement for a marketing plan prepared by the Victorian-based Australian Dairy Industry Conference.

The plan was rejected on the basis of a refusal by Mr Kent, the then Minister of Agriculture, to support the plan.

The Federal Government supported the plan in October. Meetings were subsequently held in December but the Victorian Government would not support the plan. It was substantially the same plan that the Premier took to Canberra on 28 February. There was very little difference in the plan and yet the Premier and the Government refused to support the plan at that stage. That really reflects the low priority given to agriculture by the Government over the past three years. The most junior Minister negotiating on behalf of the Government.

I invite honourable members to examine the deceitful trick played on the people of Victoria, not just farmers. The press carried the headline:

Cain wins new dairy deal.

The Premier has not won a thing. Today, 4 April 1985—one month later—the Premier has still not achieved anything in his own right for the Victorian dairy industry. All the Premier has had inflicted upon him is a plan that the Federal Minister for Primary Industry, Mr Kerin, had prepared in January. I shall refer to information in relation to
that plan quoted from a Standing Committee document which fell off the back of a truck in Western Australia. The proposals contained in the document are very much the basis of the plan released by Mr Kerin as the final plan for the dairy industry.

The plan first came into the hands of the Federal Opposition on 4 February 1985. Everyone was aware on 4 February 1985 of the basis of the plan prepared by the Federal Minister and approved by Federal Cabinet for the future marketing arrangements for the dairy industry. The basis of that plan was to cut production over six years. It is interesting to note that the Premier is talking about trying to convince his Federal colleagues that production be cut over six years rather than two years, which is proposed in the current plan.

It was to be reduced to 4.6 million litres. It also mentions other factors relating to the change in export parity arrangements and concludes with the devastating statement from the Federal Labor Government that the reason for doing this is to scale the Australian industry down to a level where it can compete on the open market with New Zealand imports once the current CER arrangements conclude. That is what the Australian Labor Party, both at the Federal and State levels, wants for the dairy industry. It wants New Zealand products to compete with Australian products, putting our dairy farmers out of business.

The actions of the Victorian Labor Government will effectively put more than 2000 dairy farmers out of business in this State. That will affect their families and many people employed in factories and towns associated with this service industry. The loss of employment is estimated to be as high as $250,000. On 26 February, two days prior to the important crisis meeting arranged by our Premier, the Federal Minister for Primary Industry, Mr Kerin, was quoted in the *Australian Financial Review* under the heading "Kerin Rules out Re-opening of National Milk Plan" as having said:

The re-opening of negotiations on a national milk marketing plan in response to the battle under way in Victoria yesterday was ruled out as impossible by the Federal Minister for Primary Industry, Mr Kerin.

While Mr Kerin has agreed to meet the State Ministers for Agriculture and the Victorian Premier, Mr Cain, in Canberra on Thursday, he has made it plain that the re-opening of the national plan is out of the question.

A spokesman for Mr Kerin's office said last night that time was too short now to re-open negotiations because a new national plan had to be in place before July 1.

He said that only left a matter of days for the Federal Government to decide its position if legislation was to be drafted and passed in time.

The situation is even worse if one considers in a cynical way how the Australian Labor Party operates. The *Herald* of 1 March 1985 stated:

The sudden resolution of the longstanding problem in the dairy industry was seen largely as a result of urging by the Prime Minister, Mr Hawke, that it was "desirable" the Victorian problems be resolved before tomorrow's State election.

The Prime Minister was involved in a conspiracy as well. It was a conspiracy between the Prime Minister and the Premier and his Labor Party State colleagues. They suggested that they had solved the problem of the industry and that they had agreed to the new national marketing plan. In reality, however, the issues negotiated with the other States on 28 February have not come to fruition. The Premier is no closer today than he was then to achieving a national marketing plan for the industry. The only positive statement the Premier has been making in recent weeks until the dairy farmers and the Minister for Agriculture and Rural Affairs finally convinced him he should stop saying it, is that he would have a price war with New South Wales.

One ought to consider the company that has been leading the way. Midland Milk Pty Ltd has been leading the price war with New South Wales. In Sydney last year New South Wales dairy farmers rejected the price war. Companies in this State rejected it and the Victorian Dairy Industry Authority rejected it. However, that company has continued to undercut prices in other States. The most recent example was this year in February when the company started delivering milk into the Griffith area, undercutting the price once again. I do not need to remind the House that the Premier has indirect family connections...
with that company. It is about time he stopped threatening to undermine liquid milk markets because he has indirect pecuniary interests in the dairy business, which farmers in Victoria are concerned about. The Government has done nothing. All it has attempted to do is inflame the situation by suggesting it will promote the interstate trade of milk.

Miss Callister—Do you have a dairy farm?

Mr Hann—No. In Victoria, hundreds of dairy farmers are going bankrupt. They cannot meet their commitments. They cannot feed their families. What has the Government done or in what way has it offered to help these people?

In January, when they first asked for an increase, the Premier said that he was not aware of the seriousness of the situation. Prior to that, a significant number of people had applied for rural finance because they were going bankrupt—yet the Premier of the State procrastinated about his knowledge of and the importance of the agricultural industry and said that he did not know how serious was the problem on the farms. That is because he never gets out of the metropolitan area to find out.

When the Premier was approached to meet a deputation of dairy farmers in Melbourne he would not speak to them. Instead, he sent his Minister for Industrial Affairs out to the country by helicopter to speak to the farmers—what a confidence trick! The Minister pulled a gigantic con trick because I do not think that honourable gentleman can now name one successful completion to the promises he made, with the exception of arbitration on the milk price increase. Dairy farmers are still waiting for results and to see whether the Government honours its commitment to backdate any given increase in the price of milk.

The National Party strongly supports the motion moved by the Opposition and certainly rejects the amendment moved by the Premier. It is fascinating that the Premier should move the amendment in his own right—not one of his Ministers is backing him.

The whole dairy industry, perhaps with the exception of only one man, has totally rejected the Government. I represent the most intense dairy industry area in the State. If the Minister for Employment and Industrial Affairs examines the election results—it is he who wishes to speak of percentages—he will note that not too many dairy farmers voted for his party because the Government has not honoured any of its promises.

Mr Crabb (Minister for Employment and Industrial Affairs)—The word “hypocrisy” has been thrown about during the debate but nothing was more hypocritical than the attitude of the Deputy Leader of the Opposition and the Deputy Leader of the National Party. The attitude of the Deputy Leader of the National Party was entirely different when these events were to the forefront of everyone’s mind. He was running around trying to get his head in front of a television camera, thanking me very much for all the help I was giving him. I thought that was quite charming and I was happy to have him thank me for helping him although I wondered at the time why that was because he had done nothing with which I had to help him and I had heard no constructive suggestions from him. All he did was to turn up at Tongala, which is closer to where he lives than to where I live, just in time to get his head in front of a television camera. That was the contribution from the Deputy Leader of the National Party. Since the policy announcements by the Federal Government, it has not been the Deputy Leader of the National Party who has been telephoning me about them, but his constituents who have been telephoning.

Mr Hann—You are not the agriculture Minister—who is the agriculture Minister?

Mr Crabb—For all I know, the Deputy Leader of the National Party is not talking to the Minister for Agriculture and Rural Affairs either.

Honourable members interjecting.

The Speaker—Order! I ask the Deputy Leader of the National Party to cease interjecting and advise him that if he intends to defy the Chair, I will take action against him.

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Mr CRABB—Because of the extraordinary nature of the action that was taken by the dairy farmers before the election, I became involved in my capacity as the then Minister for Industrial Affairs. In the days before the election, the dairy farmers asked for a commitment from me that I would remain involved until a new Minister of Agriculture was au fait with the circumstances. I gave that commitment and I have stood by it.

Not one of the dairy farmers has telephoned me using any of the abusive words I have been subjected to today by the Deputy Leader of the National Party and the Deputy Leader of the Opposition. I have not received one complaint from the dairy farmers to whom I made commitments that I have either met already or will meet. There has been no suggestion of any lack of trust. I have spoken on the telephone with dairy farmers on several occasions and have not heard any of the bleatings or political point-scorings that have occurred today from the coalition partners, who hold diametrically opposed views on the issue.

Mr Hann—Who is the Minister?

Mr CRABB—The Honourable Evan Walker, in another place, is the Minister for Agriculture and Rural Affairs.

The honourable member for Benambra, who now seeks to interject, has never shown any interest in the dairy farmers. I do not recall any of the dairy farmers demanding that, because he is so interested, the honourable member for Benambra take place in discussions at all times. The honourable member never rated a mention.

The House ought to be considering the role in the plight of the dairy industry played by the Opposition and the National Party in the light of the ludicrous motion moved by the Deputy Leader of the Opposition. The only contribution to the long-running national debate on the dairy industry the Opposition was able to make was a promise to deregulate the price of milk. A newspaper article stated:

"We would free market price", say Libs.

"... move to deregulate the price of milk", Mr Austin said yesterday.

That was the carefully thought out, intelligent, intellectual answer to the complex issue of solving the problems of the dairy industry as supplied by the Liberal Party! What happened? The entire dairy industry walked away from the Liberal Party and consistently said it would have nothing to do with it.

Honourable members interjecting.

Mr CRABB—I am not sure whether I won any points from the dairy farmers, but I did not intend to do so. That was not the point of the exercise. However, during the exercise we built up a mutual understanding and trust. That understanding and trust exist today and will continue to exist. It is a basis of trust that one does not have with the Liberal Party because of the policy announced by the Deputy Leader of the Opposition during the election campaign which would have sold out the Victorian dairy industry. The newspaper article stated:

A Liberal Government would move to deregulate the price of milk, the Opposition agriculture spokesman, Mr Austin, said yesterday.

Mr Austin said the State Government should not control the price of milk but instead should seek a national marketing plan. "We cannot see why Governments are in the business of fixing prices for dairy products", he said. "Governments ought to get out of price controls for milk."

It would be extremely difficult to misunderstand those words, especially the part that states:

"Governments ought to get out of price controls for milk."

I understand that and the dairy farmers understand it. If the Liberal Party wants to change its policy, it should make another announcement. The dairy farmers do not want a bar of that policy, they want the national dairy plan on which agreement was reached.

Discussions have been held with dairy farmers and their organization. In one day, 2 hours were spent with dairy farmers in Warrnambool and another 2 hours with farmers at
Leongatha. From that exercise the Government managed to determine a level of consensus despite the desperate situation of many dairy farmers. The consensus would have met the needs of the dairy farmers.

I put to all groups involved what the State Government could deliver to them. The State Government proposed a better process for arriving at a price for whole milk. Now that process is being carried out to everyone's satisfaction, so far as I am aware. It is going ahead as promised. In addition, the Government decided to give the industry a commencement date for the new process, which will be backdated by courtesy of the State Government.

The Government delivered exactly what it said it would deliver. It said it would get all States in agreement with the package proposed. The State Government achieved that; all States, including Queensland and Tasmania, agreed to the package. That was the commitment made by the State Government which then tried to get the Federal Government to accept the package. The Government tried to achieve that on its terms and the other States tried to achieve it on their terms.

What the Federal Minister for Primary Industry has produced since then has fallen short of the agreement between the States. The principal reason it has fallen short is that the Commonwealth Government refuses to increase the price of manufactured milk products. The package on which the States all agreed proposed a 17 or 17.5 per cent increase in the price of manufactured milk products. In the discussions I had with dairy farmers—both official and unofficial—I indicated that that was the softest part of the package.

Dairy farmers are not stupid; they are intelligent. They are on top of their business and on top of the politics of their business. Opposition members insult dairy farmers by suggesting that they are idle country bumpkins who can be easily duped. That is not the case. No one has duped, tricked, subjected them to cruel hoaxes or made them subject to any of the other rubbish being put forward by members of the Opposition. The dairy farmers are intelligent people who knew perfectly well what was happening, who understood the discussions and knew what was expected of them.

The Government genuinely hoped and expected that there would be an increase in the price of manufactured milk products, the price of which has not been increased for two years. The dairy farmers ought to receive a decent return for their goods. The Government was trying to establish an appropriate base on which to market milk.

Mr Lieberman—How long will that take?

Mr CRABB—The accusation being made by members of the Opposition is not how long it will take; the accusation is that the Government has duped and tricked dairy farmers. That is not true because dairy farmers in each State knew what was involved and were aware of the expectations. Rarely could one imagine a closer consultation with an industry than there was between the Government and the dairy industry in this exercise; it consulted with the entire organization.

In addition, the Government spoke with people who consider themselves to be rebels in the organization, and with the rebels of those rebels. I and my colleagues made offer after offer to representatives of dairy farmers canvassing at length all the issues that were available.

The Government delivered to dairy farmers precisely what it said it would deliver. It has maintained their trust and the new Minister for Agriculture and Rural Affairs is an excellent Minister from my observation. I am quite sure the course my colleague is taking, to gain adjustment and changes in the plans announced by the Federal Minister, is the proper course. The dairy farmers of Victoria are united behind the Government and behind my colleague, the Minister for Agriculture and Rural Affairs, in the efforts he is pursuing.
It ill behoves members of the Opposition, particularly members of the National Party, in whose electorates most dairy farmers reside and work, to take this negative stance merely for cheap political gain.

I now refer to some of the items raised in this debate by honourable members opposite. The Deputy Leader of the National Party accused the Government of using jack boot tactics in the campaign. It is the same National Party that accused the Government of not using jack boot tactics on the pickets when dairy farmers were trying to get through picket lines.

The Government has explained at great length to all dairy farmers, as well as the rebel dairy farmers, precisely what the guidelines on pickets are. The Government explained that the fundamental principles are that everyone in the State has the God given right to picket, to run up and down or sit on the ground as long as he or she wants. People have the right to protest and they will continue to have that right as long as the Labor Party is in government. It does not matter whether they be dairy farmers, meat workers or builders labourers.

Mr Whiting—That is not the treatment Gallagher gets.

Mr CRABB—Other people have a right to go through those pickets. The guidelines the Government has laid down are that if a vehicle or a person approaches a picket line, the people on that picket line have a right to discuss with the truck driver or farmer the issues involved. The truck driver or farmer then has a right to make a choice of whether to go through the picket line or not. Those guidelines are endorsed by the police, by the Trades Hall Council and all its affiliates and by the Government, as being an appropriate way to manage picket lines.

The dairy farmers with whom I spoke indicated that that was the way to go. When their picket lines were imposed some of them could not be contained. They spoke to me and indicated, “Those were Portland rules but they are not our rules.” Police have a responsibility to ensure that vehicles and ordinary citizens going about their business have the right to go through picket lines subject to those guidelines. That is what the police were enforcing regarding those pickets. Any other pickets will be treated under the same guidelines.

By interjection, the honourable member for Mildura said that is not the treatment Gallagher gets. I can assure the honourable member that the treatment handed out on picket lines recently is the same treatment everyone receives, and that situation will continue.

In fact, there are some other similarities in the exercise. One of the concessions that the farmers asked for in settlement of the issue was that all charges be dropped; I remember that sort of request coming from Mr Gallagher as well. They both were treated in exactly the same way. The charges were not dropped for Mr Gallagher nor the dairy farmers. I assure the honourable member for Mildura that in regard to matters such as these, every citizen in Victoria has been treated in the same way and will continue to be treated in the same way, fairly and firmly.

In all of the discussions that the Government has had with the dairy farmers—both before and after the agreement with the other States and since the State elections and since the announcement made by the Federal Minister for Primary Industry—the Government has not heard from the dairy farmers the vile accusations that have been tossed across this Chamber in an attempt to make cheap political capital, because the fact is that the dairy farmers involved in discussions with the Government knew exactly what was happening. They were not duped or cheated. The only people by whom they felt cheated were those in the Liberal Party who threw them to the wolves in pursuit of their weird philosophic ideas. One can only wonder what sort of strange academic managed to influence the Liberal Party to toss aside orderly marketing arrangements for milk. One can only wonder about the sort of policy formulation that led the Opposition to decide that it would be best to let the market take its course and produce whatever price is appropriate for milk.
It is remarkable that the Deputy Leader of the Opposition has turned into one of the "drys" of the Opposition. I should have thought he would be one of the last to be converted to the right-wing economic policies that seem to permeate many parts of the Liberal Party these days. It is remarkable that the rural rump of the Victorian Liberal Party is leading the move to the right on economic policies. No doubt it will want to deregulate everything else, or perhaps it may wish to sell its own wheat in China. One wonders where it could end. This sort of philosophy may give the community a real choice at the next elections held in this State. The people of Victoria can probably predict a viable long-term future for the National Party. It is no wonder that people in the country left the Liberal Party in droves and voted for the Labor Party and the National Party.

One wonders what process was gone through in the new wave Liberal Party to arrive at the conclusion that the supermarket and the market-place should determine the price of milk. One can imagine the shivers that went up and down the spines of the Victorian dairy farmers when they heard that the Liberal Party believed that the market-place should determine the price they would get for milk because the price they would get would be whatever the dumping price or export market price is today. The reality is that they would get the same price for whole milk, such as that sold in supermarkets as they get for milk that is turned into casein. It would destroy the orderly marketing structure on which is based the livelihood of some 10,000 families. That is the policy that the Liberal Party endeavoured to put to the people of Victoria.

Mr Austin—You are misleading the House.

Mr CRABB—That is not misleading the House. I have read the honourable member's own words, which he has not contested. The article states:

We can't see why governments are in the business of fixing prices for dairy products... Governments ought to get out of price control for milk.

Mr Austin has stated that the State Government should not control the price. That is reasonably clear and I do not believe one could contest that.

In moving the motion, the Deputy Leader of the Opposition had every possible opportunity to expound the details of the radical new right-wing policy that he expounded during the recent State election campaign. However, the House did not hear one word about how the Opposition would solve the problems of the dairy industry.

Earlier I quoted from the Sun of 9 January in which the Deputy Leader of the Opposition is reported as stating his views on the dairy industry. However, in moving the motion the Deputy Leader of the Opposition had a golden opportunity of explaining to the House how the Liberal Party would solve the problems of the dairy industry and how deregulation of that industry would assist dairy farmers and enable them to keep their heads above water.

The Victorian dairy industry is one of the most efficient in the world; indeed, it would be on an equal basis with the New Zealand dairy industry. Approximately eighteen months ago, as part of its economic strategy, the Government took a conscious decision to ensure that the dairy industry would be a fundamental part of that economic strategy and ensured that the industry was further strengthened.

The Government will not see the structured markets in Brisbane and Sydney used to break the Victorian dairy industry. The Government will not allow dumped imports to be brought into this country and used to break the Victorian dairy industry.

A national plan is needed. Although Victoria should be selling its market milk in other States, it should be doing so in co-operation with them. That was part of the package that was put and it was accepted that there be continued investigation. With regard to imports, agreement was reached that Australia's health standards will be applied to imports as soon as possible.

The Government will not stand by and see Victoria's dairy industry go to the wall. Victorian dairy farmers know that and they understand the depth of the commitment of
the Government because the Government has demonstrated that commitment. Everything the Government said it would do for the dairy farmers it has delivered on.

The plan is still being negotiated by the Minister for Agriculture and Rural Affairs with the support of Victorian dairy farmers. Although the farmers support the action taken by the Government on their behalf, they do not support in any way the policy put forward by the Liberal Party because it has not explained that policy. The Government has now gained the mutual respect of the official arm of dairy farmers, through the United Dairyfarmers of Victoria, and the unofficial arm of dairy farmers, represented by various other groups.

The channels of communication that were opened up during the crisis have remained open and the relationship between the various parts of the dairy industry and the Government remain on an excellent basis. May I say that I hope I never get involved in such a situation again. I am more than happy to see the new Minister for Agriculture and Rural Affairs running with the ball, as he has been doing since the last State election, and doing an extremely good job with it.

All honourable members would understand that dairy marketing and pricing is a complex business, and there seems to be few people in Australia who fully understand it. It is difficult for any Minister to try to understand all of the details and nuances of it in a short period. I place on record that I commend my colleague, Mr Walker, the Minister for Agriculture and Rural Affairs, for the speed with which he has picked up the basic principles of milk marketing and pricing and the way in which he is getting on top of the details and going out to talk to people in various parts of the industry.

One of the problems in the industry is that dairy farmers are not a homogenous group; they each have their own characteristics. The well-established dairy farmers are in a different circumstance from the younger farmers who have bought farms and put substantial resources into expanding them; they have different profiles. That is why I believe we should talk not only to the spokesman for dairy farmers but we should also continue to talk to a range of dairy farmers, because there are considerable differences between them. Geographic differences also exist, such as those between the irrigation district, the Western District and western Gippsland.

Despite the harsh words that were said by the Deputy Leader of the National Party during the debate, I am sure that he will recognize over the next few months that the relationship between the Government and dairy farmers will be in the best interest of the industry.

In accordance with Sessional Orders, the debate was interrupted.

The SPEAKER—Order! The time appointed under Sessional Orders for Government Business to take precedence has now arrived.

Mr AUSTIN (Ripon)—On a procedural point, Mr Speaker, in view of the fact that it has not been possible for the debate to extend for the usual 2 hours, I ask you to exercise your discretion and remain in the chair for a further 15 minutes to allow the debate to continue so that the honourable member for Polwarth, who has a greater knowledge of the dairy industry than anyone else in this Parliament, can make his contribution to the debate.

Mr CRABB (Minister for Employment and Industrial Affairs)—On the point of order, Mr Speaker, if indeed, there is a point of order. It is now lunch time, and the arrangements between the parties, as I understand them, were for honourable members to go to lunch at this time.

Mr KENNETT (Leader of the Opposition)—Also on the point of order, Mr Speaker, two members of the Government party have spoken on this motion, whereas only one speaker from the Opposition and one from the National Party have made a contribution to the debate. Members of the Government party who spoke were allowed to do so for a longer period than those who moved the motion. I therefore ask you, Sir, for the sake of
fair play, to exercise your discretion to allow the Opposition to have at least one other speaker.

Mr CAIN (Premier)—Mr Speaker, the arrangements of the House are quite clear; the time expired at 1 p.m., and that is the end of it.

Mr LIEBERMAN (Benambra)—I know that you have respect for the attitudes of both sides of the House on this matter, Mr Speaker. This is an important debate and, because there have been two speakers from the Government benches, the honourable member for Polwarth, who is acknowledged as being one of Australia’s experts on the dairying industry, has been unable to make a contribution. Therefore, at your discretion—and I appreciate that it is your discretion—I respectfully urge you to allow the honourable member for Polwarth 15 minutes to make a contribution.

The SPEAKER—Order! I will exercise my discretion in respect of this matter. I indicate that I intend to vacate the chair and that, when this matter is before the House again, the honourable member for Polwarth, who is an acknowledged expert on this matter, can then address the Chair. I shall resume the chair at 2 p.m., when Government Business takes precedence under Sessional Orders.

The sitting was suspended at 1.5 p.m. until 2.5 p.m.

SUPPLY (1985–86, No. 1) BILL

Mr JOLLY (Treasurer)—I move:

That this Bill be now read a second time.

The Supply Bill provides for both the recurrent and works and services expenditure requirements for Budget sector agencies, in so far as they depend on appropriation, for the first five months of the 1985–86 financial year. The Bill will enable the Government to continue its operations from the end of the financial year 1984–85 until the 1985–86 Appropriation Bill has been passed by both Houses.

Consistent with the Government’s adoption of program budgeting, the 1984–85 Supply provisions for recurrent expenditure purposes were presented, for the first time, on a program basis. Works and services Supply provisions were included in the same Bill, but were presented in total agency, rather than program format. In the 1984–85 Appropriation Act provisions for both recurrent expenditure and works and services expenditure were prepared on a program basis. This was a significant step in the implementation of program budgeting across all Budget sector agencies.

In keeping with the form of the presentation of the 1984–85 Appropriation Act, the 1985–86 Supply provisions for both recurrent expenditure and works and services expenditure have been made on a program basis.

Several administrative changes have been announced recently by the Government and these have been incorporated in the Supply Bill. In the explanatory memorandum, reference is made under each agency to those administrative changes which significantly alter the Supply provisions of that agency. For comparative purposes, in calculating the percentage relationship between Supply in 1985–86 and 1984–85 appropriations, the calculation has been made as if the 1984–85 Budget base was adjusted for these changes.

As noted earlier, the Supply provisions for each program are segregated into recurrent expenditure and works and services expenditure. Program budgeting has a distinct focus on the outputs produced by agencies. It is consistent with the introduction of program budgeting that the resources of programs, whether they be recurrent or works and services, be considered jointly. This does not mean, however, that there should be any less distinction made between recurrent and capital expenditures.

The amount of Supply set in the Bill is $3 490 419 000. This consists of $2 701 971 000 for recurrent expenditure and $788 448 000 for works and services expenditure. The individual amounts in respect of each program are shown in the table to clause 4 of the Bill.
In respect of recurrent expenditure, the amounts have been calculated on the basis of existing operating cost levels, including subsidies and salary and wage rate levels as at 20 March 1985, and are the amounts estimated to be required to meet payments for these services during the period 1 July to 30 November 1985.

Any wage awards handed down after 20 March 1985—and that includes the wage indexation system—and which have effect on expenditure during the Supply period will be handled through the provisions contained in clause 4 under well-established arrangements. This clause provides the necessary appropriation authority to allow Supply amounts for recurrent expenditure to be adjusted to meet any additional funds required during the period to meet the cost of such wage awards.

The total sought to enable the Government to continue its works program during the first five months of the 1985–86 financial years is $788 448 000, and this is comprised of the individual amounts shown in the column works and services expenditure in the table to clause 4 of the Bill. These amounts represent the cash flow which it is estimated will be required during the Supply period to enable the Government to fund approved projects and those ongoing functions in which agencies are involved from year to year.

In clause 5 (1) of the Bill provision is made for the Treasurer, where the amount provided for a program in Supply is deficient, to transfer from another program within the same agency any amount which is surplus. This provision applies to both recurrent expenditure and works and services expenditure. However, it does not allow the Treasurer to transfer provisions provided in the Bill between recurrent and works and services expenditure.

In the case of recurrent expenditure, with the adjustments necessary to provide for the recently announced administrative changes, and because the program structure and accounting for this structure within agencies is still evolving, there is considered to be a need for the Treasurer to have this authority. It should be noted, however, that the total amount for each agency cannot be altered by the Treasurer, but only the proportions assigned to each program. In addition, it should be noted that the Treasurer is required to report back to Parliament in all cases where the authority is exercised.

The nature of works and services expenditure is such that payments are not always made on a regular basis during the year and expenditures are dependent on a number of variables such as seasonal conditions and the particular status which a project may reach during the Supply period. The amounts shown in the table to clause 4 for works and services expenditure have been calculated on the expected cash flow under each program during the Supply period under normal conditions. Because of the possible variation in the cash flow requirements during the Supply period the provisions of clause 5 (1) give the power to the Treasurer to vary the allocations to each program. However, as is the case with recurrent expenditure, the total amount for each agency cannot be altered, but only the proportions assigned to each program. Again, the Treasurer is required to report to Parliament any cases where the proportions are altered.

An explanatory memorandum to the Bill has been prepared in a form similar to that provided in the past. As previously mentioned, reference is made in this memorandum to the recent changes in administrative arrangements which have a significant impact on the Supply provisions.

The form of the Supply Bill reflects the further step taken in the implementation of program budgeting across all Budget sector agencies in the 1984–85 Budget. The Government considers that program budgeting is an integral part of its plan to improve the State's economic and financial management and that the presentation of Supply in the form set out in the Bill will assist honourable members to understand the purposes for which the Parliamentary appropriation of cash is sought. I commend the Bill to the House.

On the motion of Mr KENNEDT (Leader of the Opposition), the debate was adjourned.

Mr JOLLY (Treasurer)—I move:

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That the debate be adjourned until Tuesday, April 16.
If necessary more time will be made available.

The motion was agreed to, and the debate was adjourned until Tuesday, April 16.

**FIRE AUTHORITIES (AMENDMENT) BILL**

Mr MATHEWS (Minister for Police and Emergency Services)—I move:
That this Bill be now read a second time.

Its purpose is to effect a change in the title of local advisory committees to municipal fire prevention committees in the Country Fire Authority Act and has been introduced as a Privilege Bill.

Privilege Bills are introduced in the House following the Governor's Speech but before the Speaker reports the Speech to the House thus initiating the debate on the Address-in-Reply.

The custom comes from Westminster practice and stems from the time when Parliament was establishing its independence from the Crown. Privilege Bills must by custom be non-controversial and fairly short. This particular Bill is necessary to give proper effect to the intentions of Parliament as expressed in earlier legislation.

The Country Fire Authority (Amendment) Act, which was enacted in the 1983 spring sessional period, effected various amendments to the Country Fire Authority Act to change the title of local advisory committees to local fire prevention committees.

Before these amendments were proclaimed to come into operation, the Government accepted advice that the title could be more beneficially amended to municipal fire prevention committees. The Fire Authorities Act was subsequently enacted in the 1984 spring sessional period to insert the new title into the Country Fire Authority Act and to revoke the earlier unproclaimed amendments.

However, the earlier amendments were inadvertently proclaimed to come into operation before the Fire Authorities Bill received the Royal assent. The net effect is that the amendments proposed by the latter Bill are of no effect and the Country Fire Authority Act now contains references to local fire prevention committees.

Accordingly, this Bill amends the Fire Authorities Act 1984 to change these references to municipal fire prevention committees as originally intended by Parliament. I commend the Bill to the House.

On the motion of Mr KENNNETT (Leader of the Opposition), the debate was adjourned.

Mr MATHEWS (Minister for Police and Emergency Services)—I move:
That the debate be adjourned until Tuesday, April 16.

Mr KENNNETT (Leader of the Opposition)—The intention of the Government is not always clear from listening to the second-reading speech. I ask that more time be made available if necessary and, with that proviso, the Opposition is prepared to agree to the motion.

The motion was agreed to, and the debate was adjourned until Tuesday, April 16.

**LIQUOR CONTROL (AMENDMENT) BILL**

Mr FORDHAM (Minister for Industry, Technology and Resources)—It is my great pleasure to introduce a Bill for the first time as Minister for Industry, Technology and Resources. I move:
That this Bill be now read a second time.

The Bill will effect a number of amendments to the Liquor Control Act relating to a variety of matters. In introducing this Bill the Government is mindful that the Liquor Control
Act is a complex piece of legislation and is forever requiring fine tuning. In fact, the amendments proposed are more in the nature of machinery-type matters than anything else. The amendments introduced in the last sessional period of Parliament which were introduced to provide a better deal on the availability of alcohol for an increasingly sophisticated Victorian public and to provide some measures which will increase the efficiency and accountability of the Liquor Control Commission, have been generally well received by the public.

The reaction by the public to the increased availability of alcohol and the convenience afforded to the public by this increased availability has highlighted that progressive liberalization and deregulation of the Liquor Control Act since the mid-1960s has shown that the Victorian public is able to react responsibly to increased availability of alcoholic beverages.

The proposed amendments which enable a company to obtain an auctioneer's licence providing a director of it holds a licence under the Auction Sales Act, makes the provisions relating to restricted club permits more consistent with the provisions relating to unlicensed club permits, staggers the timing for lodgment of declarations required as to liquor sales and purchases in order that there is more accuracy in their contents, enables the commission power to grant licence holders whose fees have been reassessed time to pay the additional fees and provides for a permit grant to be granted to the Victorian Wine Centre licensee authorizing the supply of wine in the centre whether or not produced in Victoria to persons attending wine appreciation classes. I now turn to the detailed provisions of the Bill.

COMPANIES MAY OBTAIN AUCTIONEER'S LICENCE

In the last sessional period of Parliament one of the new licences introduced into the Liquor Control Act was the auctioneer's licence. Since the introduction of this licence it has come to our attention that there is an anomaly produced by this section whereby a company cannot obtain an auctioneer's licence. This is certainly inconsistent with the other provisions of the Act where a company can obtain a licence. Clause 4 amends section 30A dealing with auctioneers' licences so that a company can in fact obtain an auctioneer's licence providing a director of it holds a licence under the Auction Sales Act 1958.

RESTRICTED CLUB PERMITS

Prior to the latest amendments which came into operation on 16 November 1984, a restricted club permit allowed a total of only 4 hours a week for the sale of liquor to club members and up to three guests for an attending member. The latest legislation permits the hours to be regulated by the commission which means in effect that what was originally regarded as a restricted operation may not be one in the future or certainly at least has the scope to be something else. For these reasons the Liquor Control Commission has examined the provisions relating to restricted club permits.

Firstly, the restricted club permit pursuant to section 45D currently is issued to a named member of the executive while the unlicensed club permit is issued in the name of the club. With the restricted club permit, if the named member of the executive resigns or is voted out of office then the permit must lapse as there is no provision to transfer any annual permit from licensed premises. Clause 5 (a) is designed to overcome this by providing that the restricted club permit be issued in the name of the club with a delegated and named person to hold the permit with the consent of the commission and both the club executive and the named person being liable for any breaches of the Liquor Control Act.

Secondly, in line with the philosophy behind the amendment of section 25 brought about in the last sessional period of Parliament to broaden the scope of applications that could be heard and determined by one commission, clause 5 (b) is designed to amend the requirement that an application for a restricted club permit be heard by the full commission. The amendment allows the application to be heard by a single commissioner. This has the advantage of producing savings of time and possibly expense.
Thirdly, to obtain a restricted club permit the commission requires proof that the club has been in existence for two years, whereas the unlicensed club permit—consumption only—requires proof that it has been well conducted for a period of at least two years. Clause 5 (b) (ii) amends the restricted club permits by provisions requiring that the club must have been in existence and well conducted for a period of at least two years.

Fourthly, currently if the person in whose name the restricted club permit is, is found guilty of any offence against the Act then the Liquor Control Commission shall immediately revoke the permit and the club is barred from applying for another restricted club permit for a period of twelve months. The Act has no machinery provision as to who and how proceedings are to be instituted. This is unsatisfactory. Clause 5 (c) is designed to provide these machinery provisions.

FORWARDING OF DECLARATIONS AS TO LIQUOR SALES AND PURCHASES

Pursuant to section 160 of the Liquor Control Act 1968, both suppliers and retailers are required to lodge statutory declarations on or before 1 August of each year. The requirement that suppliers and retailers lodge declarations at the same time has led to the situation where retailers have had to lodge declarations before advice slips have been received from suppliers. A large number of suppliers send their advice slips when they lodge their declarations on or about 1 August. This has led to retailers leaving out suppliers and inaccuracies in their declarations, leading to a great number of unnecessary adjustments in the matching process. Clause 6 is designed to overcome this problem by staggering the time of lodgment of the declarations. It provides that every applicant for the renewal of the wholesale liquor merchants’ licence or a brewer’s licence shall forward to the secretary on or before 1 August a statutory declaration. It also sets out the details that are required to be contained in the statutory declaration. All other applicants for licence renewals other than a vigneron’s licence shall forward to the secretary a statutory declaration on or before 15 August of each year. Again the Bill provides the details of what is required to be contained in the statutory declaration.

PAYMENT OF AMOUNTS WHERE LICENCE FEE REASSESSED

Some retailers, we are informed by the Liquor Control Commission, who have received reassessment notices pursuant to section 160a of the Liquor Control Act have requested time for payment of the additional sum assessed. Currently, there is no provision within the Liquor Control Act to enable the commission to grant the request. It is certainly desirable that in appropriate circumstances the commission should have power to allow such payments in instalments or postpone the payment until the specified future date. It is interesting to note that the Business Franchise (Tobacco) Act 1974 has a section which permits such arrangements to be made. I refer in particular to section 1A of that Act. Clause 7 is designed to overcome this problem and provide the commission with the power to grant in the appropriate circumstances a licence time to pay any additional assessment.

USE OF NON-VICTORIAN WINES AT THE VICTORIAN WINE CENTRE

In the last sessional period of Parliament an amendment was made to the Liquor Control Act whereby a new licence, entitled the Victorian Wine Centre licence, was introduced. This was created for a proposed new Victorian Wine Centre proposed to be developed at Banana Alley. Under that licence the licensee will be able to sell liquor for consumption on premises during standard retail liquor licence hours and for consumption on the premises between the hours of 7 p.m. and 3 a.m. the following morning. For the purposes of this licence liquor is defined as wine produced in Victoria. This centre is a unique tourist promotion concept and will have the further effect of promoting the Victorian wine industry. Unfortunately the limitation contained within the definition of liquor as being wine produced in Victoria has led to the absurd situation that when wine appreciation classes are conducted in the Wine Centre, interstate wines cannot be used for comparison purposes. It is quite clear that for Victorian wine to be successful it should be able to withstand competition from interstate wines. To evaluate the Victorian wine would be impossible without comparison with interstate wines. For these reasons clause 8 was
inserted in the Bill to amend the Victorian Wine Centre licence to permit the use of non-Victorian wines in the centre only for the purposes of wine appreciation classes.

CONCLUSION

The Bill highlights the Victorian Government’s commitment to ensuring that any inconsistencies contained within the Liquor Control Act are removed and that this complex piece of legislation is so far as possible made to work more satisfactorily. I commend the Bill to the House.

On the motion of Mr HAYWARD (Prahran), the debate was adjourned.

Mr FORDHAM (Minister for Industry, Technology and Resources)—I move:
That the debate be adjourned until Tuesday, April 16.

If the Opposition needs extra time to consider the Bill I shall be prepared to make that time available.

The motion was agreed to, and the debate was adjourned until Tuesday, April 16.

WATER (MORNINGTON PENINSULA AND DISTRICT WATER BOARD) BILL

Mr McCUTCHEON (Minister for Water Resources)—I move:
That this Bill be now read a second time.

This short but important Bill provides for the appointment, by the Governor in Council, of the Chairperson and the Chief Executive Officer of the Mornington Peninsula and District Water Board, for the payment of its board members and for the Minister to give direction to the board.

The necessity for reform of the water sector was demonstrated by the results of the investigations of the Public Bodies Review Committee. The committee clearly documented the excessive geographic and functional fragmentation which characterized the water industry, and in particular, stressed the need for effective accountability to Government, the Parliament and the public, the need for purposeful management objectives and an awareness of the needs of users and the wider community. The establishment of the Public Bodies Review Committee was an initiative of the Hamer Government which has been continued by the Cain Government with strong bipartisan support.

In December 1981 the committee tabled its sixth report in the Parliament. That document contained 150 recommendations directed at restructuring the non-metropolitan urban sector of the water industry. The recommendations sought to build on the best that was in Victoria’s specialist water industry and its tradition of self-management, and to provide a more consolidated and coherent structure with which to cope with the complex demands of the decades ahead.

In October 1982 the Government appointed a water structures task force to provide recommendations on how restructuring could be implemented and the necessary arrangements to effect that restructuring. The passing of the Water and Sewerage Authorities (Restructuring) Bill through both Houses of Parliament during the 1983 autumn session allowed the first positive action to be taken. The Act removed any uncertainty which existed in the minds of those directly affected by the restructuring proposals.

The task force carried out an extensive consultative process with each of the trusts and authorities informing them of the restructuring proposals and the proposed procedures for implementation. The task force reported to the Government in March 1983 making recommendations for the creation of 105 water boards and transfer of water and sewerage functions to 44 municipalities. At that time more than 90 per cent of the bodies were in agreement with those recommendations.

The Government acted immediately on all but five of the recommended restructuring proposals. Three of these related to Mildura, Ballarat and Geelong where further amending
legislation was required to bring the existing trusts in those areas within the framework of the restructuring Act. This was achieved and water boards have been formed in these areas. The fourth related to the sewerage authorities in the Mornington Peninsula and Pakenham area. The Government had not been able to make an informed decision about rational and equitable organizational arrangements for the region because previous inquiries including that by the Public Bodies Review Committee did not include the Board of Works, with significant presence in the region, within their reference.

An overview study of all the options was therefore required. The three management options to be examined were the status quo based on the recommendation of the water structures task force; transfer to a newly created water board; and transfer to the Melbourne and Metropolitan Board of Works. These options were to be evaluated against a wide range of criteria.

A comprehensive report was presented to the then Minister in September 1984 and was released for comment by the authorities, councils and other interested organizations. Each sewerage authority, the Rural Water Commission and many other bodies and individuals responded. The recommendations set out in the report were that a Mornington Peninsula and District Water Board be created and that the sewerage authorities of the shires of Cranbourne, Frankston, Mt Eliza, Mornington, Dromana—Rosebud and Hastings will cease to exist on 30 June 1986 and their assets and liabilities will transfer to the new board. Likewise the Mornington Peninsula water supply system of the Rural Water Commission will be transferred to the board on 1 July 1986. The Government resolved to adopt the recommendations.

The board is made up of nine members, one councillor from each of the municipalities of Pakenham, Cranbourne, Frankston, Mornington, Flinders and Hastings and three Government nominees, one of whom it is proposed shall be chairman. The board was constituted by order of the Governor in Council and commenced on 1 March 1985. This arrangement will enable the board to plan implementation arrangements and facilitate the smooth transition of operations on 1 July 1986.

The other restructuring recommendation is to create the Pakenham Water Board to take over the functions of the Pakenham Sewerage Authority.

The Government is of the view that these are the most appropriate management structures for the provision of urban water services in the region. The Mornington Peninsula and District Water Board will be a significant body employing well over 400 people and will have an annual expenditure of $70 million including a loan works program of $30 million. This will make the board the second largest urban water servicing body in the State. Therefore, the Government believes it is appropriate that the positions of the chairman and the chief executive officer should be statutory offices. It is desirable that they be filled at the earliest possible date. The board will also have to make several key appointments at officer level prior to its becoming fully operational.

Employees transferring to the board will do so in accordance with the employment guidelines laid down under the Water and Sewerage Authorities (Restructuring) Act.

The decisions having been made, it can now be reported that every recommendation made by the water structures task force, with the exception of that relating to the Latrobe Valley Water and Sewerage Board, has been acted upon. This has resulted in the abolition of 338 waterworks trusts and sewerage authorities, the creation of 103 water boards and the transfer of water and sewerage functions to 43 councils.

The concentrated effort in all areas of the restructuring process will, I believe, provide the framework for the water industry accountability, control and direction. The genesis for this direction came from the Public Bodies Review Committee. Through the inspiration of this committee the water industry has shifted its management approach from administering statutes to performance orientation with full accountability. The new principles for the industry were for the development of policy objectives, program—oriented budgeting, responsibility and accountability, a reformed accounting system and improved
management information systems. This has enabled the industry to liberate and harness the creative energies of individuals who share a common purpose.

It has become well known that this whole restructuring exercise would not have progressed so successfully had it not been for the extensive consultative process which was a feature of each stage. The achievement in restructuring these bodies with an absolute minimum disruption to service delivery and the almost total co-operation of the affected bodies is without precedent in this State, if not throughout Australia.

Therefore, the Mornington Peninsula and District Water Board assumes special importance as a significant regional authority serving a permanent population of more than 300,000 people in the fastest growing residential area in this State.

As a result of investigations, it has been conservatively estimated that through economies of scale and other financial and administrative actions, the board can achieve considerable savings to provide greater social equity.

Particularly, the customers throughout the board’s districts will benefit financially from elimination of duplication in administration, plant and equipment, stocks, depots and associated facilities; rationalization of stock levels; greater flexibility in fund management; improved tendering and purchasing arrangements; rationalized manpower management; modern financial and management systems; and access to diverse capital markets.

A significant feature and innovation by the new board will be the establishment of “shop front” branch offices in each of the major population centres throughout the region to provide easier access and enhanced personal services to its customers.

Therefore, it is important, firstly, that the Government and the Parliament ensure the positions of chairperson and chief executive officer are filled by people with the highest level of managerial expertise and leadership qualities who, in the first instance, can implement the Government’s decision to create the board and establish its organization structure system and procedures; and secondly, can provide the board with sensitive and sound direction to service its customers when fully operational after 1 July 1986. Therefore, the Bill provides that the Governor in Council may, on the recommendation of the Minister, appoint the chairperson of the board and the chief executive officer of the board.

The Government also recognizes that board members will have to make significant time commitments in the performance of their duties and this Bill, consistent with precedent in authorities of this nature, provides that they be remunerated and entitled to certain allowances.

This Bill provides for strong and unambiguous links between the Government and the board. The Bill empowers the Minister to direct the board on policy matters relating to water resources, requiring that the board act on directions and report on its actions to the Minister. It is the Government’s belief that these links should be overt and subject to proper scrutiny both by Parliament and the public. The Bill, therefore, requires the board to publish in its annual report policy directions received from the Minister and gives the board discretion to publish such directions in the Victorian Government Gazette.

In all other respects the board will operate within the provisions of the Water and Sewerage Authorities (Restructuring) Act. I commend the Bill to the House.

On the motion of Mr DELZOPPO (Narracan), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 16.

WATER AND SEWERAGE AUTHORITIES (FINANCIAL) BILL

Mr McCUTCHEON (Minister for Water Resources)—I move:

That this Bill be now read a second time.

From the work of the Public Bodies Review Committee it was evident that there needed to be improvements in both the level of accountability and the financial management of authorities in the non-metropolitan urban water sector.
To date it has not been possible to assess the effectiveness and efficiency of these bodies. Largely as a result of legislative restrictions requiring them to account and report using outmoded fund accounting practices. In addition, water authorities have been required to maintain cash and investment reserves in depreciation and sinking funds. As a consequence, large sums of money have been tied up instead of being available for funding much needed capital works.

In line with the Government's commitment to improve financial management and accountability in the sector, new accounting and reporting arrangements are to be introduced commencing in 1985-86. To facilitate this, legislative amendments are required to remove the barriers now existing in legislation that would inhibit introducing these changes.

Accordingly, the Bill amends the relevant Acts in the water sector by:

(i) Terminating the requirement that authorities keep money to the credit of a depreciation account;
(ii) Terminating the requirement that authorities maintain sinking funds; and
(iii) Terminating the requirement that authorities account under separate funds.

There has been extensive consultation with the industry, which strongly supports the changes. Already some 200 administrators from water authorities have attended regional workshops to assist them adapt to the contemporary financial management practices which these amendments will facilitate. These workshops were conducted by my department and Price Waterhouse, a leading firm of accountants. The improved financial management and accountability associated with these legislative amendments complements the substantial restructuring which has taken place in the non-metropolitan urban water sector.

In summary, the amendments demonstrate the Government's commitment to improving financial management and accountability in the public sector. I commend the Bill to the House.

On the motion of Mr DELZOPPO (Narracan), the debate was adjourned.

Mr McCUTCHEON (Minister for Water Resources)—I move:

That the debate be adjourned until Tuesday, April 16.

Mr DELZOPPO (Narracan)—On the question of time, the Bill amends some six Acts of Parliament and I ask the Minister whether, if the Opposition or the National Party requires further time to consider the proposed legislation, an extension would be granted?

Mr McCUTCHEON (Minister for Water Resources)—That is acceptable.

The motion was agreed to, and the debate was adjourned until Tuesday, April 16.

MELBOURNE CORPORATION (ELECTION OF COUNCIL) (PROPORTIONAL REPRESENTATION) BILL

Mr SIMMONDS (Minister for Local Government)—I move:

That this Bill be now read a second time.

During its first three years in office, a major objective of the Government was to improve the representative nature of local government and to broaden community participation and involvement in municipal affairs. To this end, the Government actively pursued the long overdue reform of the municipal franchise, together with other voting and electoral procedures relating to local government elections.

Honourable members will know that the present system for counting votes at municipal elections is the exhaustive preferential system. This system first came into operation in 1918 and has generally worked well because, in the majority of cases, the office of only one councillor is to be filled at an election. In 1982, legislation was enacted to introduce
triennial elections for the election of the Melbourne City Council, at which three councillors are returned for each ward on the same day.

Where more than one councillor is to be returned at an election, there is considerable doubt that the exhaustive preferential system is the most equitable method of translating the preferences of voters into the membership of an elected council and thereby adequately catering for the various shades of opinion within a community. The system can operate in such a way that a candidate who may obtain nearly 50 per cent of the primary vote can still be defeated because of the manner in which the preferences are counted.

The Government has decided, therefore, that for future triennial elections of the Melbourne City Council the exhaustive preferential system is to be replaced by proportional representation. This new system will also operate where two or more extraordinary vacancies are to be filled on the council in the same ward at the same time.

Honourable members will be familiar with the details of both the exhaustive preferential system and proportional representation. Very briefly, proportional representation differs from the exhaustive preferential system in that all preferences of a voter are taken into account during the counting of votes. Under the exhaustive preferential system, there are many occasions when preferences beyond the second preference do not form part of the count.

The Government has had the benefit of a detailed research paper on electoral procedures, including proportional representation and the exhaustive preferential system, both in Australia and overseas. The paper shows that where there is more than one vacancy to be filled proportional representation is more equitable than exhaustive preferential because:

(a) proportional representation allows for a fairer distribution of voters' preferences;

(b) it enables representation on elected bodies of minority groups generally in proportion to the extent of their electoral support;

(c) the exhaustive preferential system tends to give over-representation to majority groups, although the first elected of a group may obtain no more than 51 per cent of the primary vote.

There will be no change in the manner in which a person votes. The changes will occur only when the votes are being counted. The procedures to be adopted in counting the votes under proportional representation will generally follow those applying to the Senate elections, and are as follows:

(i) To become elected a candidate must secure a quota of votes. The quota is determined by dividing the total number of formal votes by the number of vacancies plus one, and adding one to the number so obtained;

(ii) If a candidate gains an exact quota on first preferences he or she is elected and his or her ballot-papers are set aside as complete;

(iii) For each candidate elected with a surplus of first preferences above the quota a transfer value is calculated by dividing the successful candidate's number of surplus first preference votes by his or her total number of first preferences. The elected candidate's ballot-papers are then re-examined and the number of next available preference votes for each of the continuing candidates is determined, multiplied by the transfer value, and added to the continuing candidate's first preference votes;

(iv) Where a transfer from an elected candidate raises the number of votes of a continuing candidate up to the quota, he or she is declared elected;

(v) When transfers have been completed in respect of all candidates, but not all vacancies have been filled, the candidate who has the fewest votes is excluded. His or her ballot-papers are then distributed to the remaining continuing candidates according to the next available preferences. The candidate's own first preference votes are transferred first, retaining a value of one each. Ballot-papers that were previously transferred to the candidate retain their respective transfer values; and
(vi) These procedures are continued until all vacancies are filled or all candidates, except a number equal to the number of vacancies remaining, have been elected or excluded. In the latter case, unexpected candidates not already elected are declared elected.

Although the Bill applies proportional representation only to the Melbourne City Council, I foreshadow its eventual application to all municipal council elections.

Honourable members will recall that my predecessor, the Honourable Frank Wilkes MP, Minister for Housing, established the Electoral Procedures Review Committee to assess the recommendations of the board of inquiry related to certain matters within the City of Richmond and the committee released the Nicholson report. The committee was given the added task of reviewing all procedures under which municipal elections are conducted. I recently released the report and accompanying research papers of the committee.

The report makes nearly 70 recommendations relating to municipal elections and recommends that the electoral provisions of the Local Government Act should be replaced by a new code for the conduct of municipal elections. The report has been made available to all municipal councils for consideration and comment. At this stage the Government has not made decisions on the matters contained in the report. I would envisage that appropriate legislation would be introduced into Parliament following consideration of the report and the comments received on it.

Clause 4 of the Bill amends section 30 of the principal Act, which relates to the form of nomination of candidates. The section has been amended to provide that in completing a nomination, a candidate may specify an initial in place of his or her Christian or other name or a commonly accepted variation of the name. The candidate is to include with the nomination paper a statement specifying the form in which the candidate's name is to appear on the ballot-paper.

The amendments are generally in line with recent changes to Commonwealth and State electoral laws.

Clause 5 amends section 39 of the principal Act. At present, the ballot-paper is to show the names of the candidates in alphabetical order. The amendment provides that, in future, the position of each candidate's name on the ballot-paper will be determined by lot. Immediately following the close of nominations, the returning officer is to arrange for a draw for positions to be held at which the candidate or his authorized agent may be present.

Clause 6 inserts a new section 49A into the principal Act to provide that, where more than one councillor is to be elected at an election for the Melbourne City Council, the result is to be determined by proportional representation. Where only one vacancy is to be filled, the existing exhaustive preferential system is to continue to apply.

Clause 7 relates to the refund of a candidate's deposit. The deposit is to be refunded if the candidate is declared elected or if he or she obtains at least 4 per cent of the total number of the first preference votes polled in favour of all the candidates at the election. The amendment also generally follows recent changes to Commonwealth and State electoral laws.

This new means of counting votes has worked successfully for the Senate elections and in other States. Groups within the community which may have found that the exhaustive preferential system does not provide the fairest means for the election of municipal councils should welcome its introduction for the election of the Melbourne City Council.

I commend the Bill to the House.

On the motion of Mr COOPER (Mornington), the debate was adjourned.

Mr SIMMONDS (Minister for Local Government)—I move:

That the debate be adjourned until Tuesday, April 16.
Mr COOPER (Mornington)—The Minister for Local Government has foreshadowed that the changes proposed in the Bill will be applied to all municipalities in Victoria. I believe those municipalities will be interested in the Bill and, if necessary, I should like more time to be made available to the Opposition to examine the Bill.

Mr SIMMONDS (Minister for Local Government)—The Bill relates to no municipality but the Melbourne City Council. The Bill is designed to enable the Melbourne City Council election on 3 August this year to occur under proportional representation. It does not affect the electoral procedures of any other municipality in Victoria. If the Opposition has some difficulty in meeting the proposition of the debate resuming on 16 April, the Government will make additional time available. However, it is essential that the proposed legislation proceed to enable the Melbourne City Council to be elected this year under the provisions of the Bill.

The motion was agreed to, and the debate was adjourned until Tuesday, April 16.

GOVERNOR’S SPEECH
Address-in-Reply
The debate (adjourned from the previous day) on the motion of Mr Fordham (Minister for Industry, Technology and Resources) for the adoption of an Address-in-Reply to the Governor’s Speech was resumed.

Mr HOCKLEY (Bentleigh)—Mr Speaker, you have been congratulated profusely on your re-election to the office of Speaker of the House by previous speakers, but I also wish to add my congratulations by saying that I am honoured to serve in the fiftieth Parliament under your guidance.

I endorse the remarks of the Premier who said that you have shed the archaic, historic trappings of office without shedding any of the authority or respect for your vital role. I well remember, Mr Speaker, three years ago when you said—and you will forgive me for not being entirely accurate—“God took away my hair and I am not going to replace it with that of a horse”.

I also take the opportunity of paying a personal tribute to the staff and officers of the Parliament. Without the courtesy and patience of the men and women on the staff of the House, often under the most difficult conditions and after they have been working very long hours, this would be a much less satisfactory place in which to work.

I congratulate my colleagues on their election and re-election to this place, thus ensuring the return of the Cain Labor Government with a good majority for its second term in office. I offer my sympathies to those of my hard-working colleagues who failed to return for the 50th Parliament. I almost joined them, and therefore, I have some idea of the disappointment they must be suffering at this stage—there but for the grace of God and 63 votes go I! There is no prize for coming second.

Three years ago yesterday, 3 April 1982, I was proud to have been re-elected to help form the first Labor Government in Victoria for 27 years. The people of Victoria, particularly my constituents in Bentleigh, have benefited considerably from that event. Massive funds totalling $30 million are currently being spent in the Bentleigh and Moorabbin areas, including $11 million towards the new TAFE wing currently well under construction. Almost $1 million is being spent on the new community health centre, which is long overdue. The people in the electorate that I represent have been waiting for that centre for about ten years. An amount of $11 million has been allocated towards an express rail project and $5 million has been allocated to capital works to upgrade all the schools. A new child care centre, a road safety program and many similar projects are in progress.

In addition, there is minimal unemployment and plenty of evidence that business in the Bentleigh electorate is thriving under our policies. I pay tribute to the people of Victoria for their perception in returning me to represent them for the third time. I assure
them of representation to the best of my ability. The people of the Bentleigh electorate are not to be taken for granted by any politician or political party. The local member must earn his keep. One has only to consult voting patterns in the Bentleigh electorate to realize that that is true. I represent an electorate with the highest density of small retailers in the metropolitan area. There are approximately 1000 traders, who employ approximately 4000 people. Their annual turnover is approximately $75 million. Those people express, in no uncertain terms, their rejection of the Opposition's proposal to deregulate shop trading hours. At meeting after meeting with the chamber of commerce that I convened to monitor their views, the message came through loud and clear. The Opposition policy brought fear and uncertainty. It was a destabilizing influence on a wide range of retailing interests. The shop trading hours policy of the Opposition was rejected out of hand by all but the largest retailers in the Bentleigh electorate.

I also represent approximately 2600 small and large manufacturers who produce a wide range of consumer goods. The great majority of the manufacturers pay huge workers compensation premiums, some as high as $500 million annually. During the past three years I visited almost all of their premises where the response to the Government's proposed changes to workers compensation was overwhelming. On all occasions I left the employers with a brochure containing a coupon that could be sent to the Premier's office requesting information about the Government's proposed workers compensation policy. On the last count at the Premier's office several thousand coupons had been returned. In one typical case a woman running a small curtain making business employing two permanent staff and one temporary staff pays a premium of $1300 a year. In the seven years in which she has been operating one accident has occurred which involved $40 for treatment and two days off work for the employee involved.

I shall comment briefly on the scurrilous rubbish appearing in media advertisements inserted by major workers compensation insurance companies. The electronic and print media were swamped by an estimated $2 million advertising campaign. The advertisements depicted the Public Service and hospital system management as bumbling and incompetent idiots. The advertisements were a gross insult to those people. Fortunately for the people of Victoria, this massive waste of contributors' premiums to promote greedy overseas companies fell on deaf ears.

I look forward to the introduction of the long overdue proposed legislation, which will be for the benefit of Victorian employers and employees. It would be a brave Opposition that would dare to deprive Victoria's employers and employees of this desperately needed reform. It is a reform of what can best be described as an El Dorado for doctors and lawyers. I look forward to servicing this Government over the next four years. These years will go a long way towards further reducing unemployment, eliminating poverty and bringing about social justice.

Mr GUDE (Hawthorn)—I join other honourable members in congratulating the Speaker of the House on his re-election to his high office. I take particular pleasure in saying this at a time when you, Mr Acting Speaker, are occupying the chair. Having been in this place on a previous occasion, and enjoyed your friendship and warmth of fellowship as the honourable member for Preston, I look forward to working with you and other honourable members. The Speaker has a difficult job to perform. It is a job that requires considerable impartiality. I am certain that the Speaker will undertake that job with confidence. I am also sure that the Speaker and other honourable members will conduct the affairs of the House with a fine balance.

I express my goodwill to the electors of Hawthorn. They gave my party a resounding win in the Hawthorn electorate. The majority was more than double. In a large measure that was attributed to the regard in which the previous member and the Liberal Party are held in this State. It gives me considerable pleasure to have the opportunity of serving the Hawthorn electorate. It has been extended in boundary, which is a matter of significance to people who now reside in the Hawthorn electorate. In reply to an interjection from the honourable member for Melbourne, I point out that the vote was divided exactly in half, with the exception of one vote. There was one more vote in Hawthorn than in Camberwell.
The people of the Hawthorn electorate are looking forward to my contribution, recognizing the broader electorates. It is essentially a community-based electorate. It does not have significant industry or any rural content, as the electorate that I previously represented in this place had. None the less, people in the electorate are affected by the decisions of Government. People are affected by the land tax decisions of this Administration and think about them daily. Honourable members heard earlier in this debate of people who vote on education or some other matter, such as land tax. The point is that all of the people affected by land tax are not wealthy landowners. Many of them are retired people who have been hard working and have put their life savings into properties, small though they may be. They may invest in inner-suburban municipalities. With the valuations of land increasing as they have in the past those people are now required to pay excessive land tax bills as a consequence of the directions of the Government.

I acknowledge publicly the efforts and performance of my predecessor, Walter Jona, a person who served his electorate, Parliament and the people of this State with considerable distinction for 21 years. Walter is a person of the highest integrity and morals. It is fair to say that he is held in the utmost esteem by all who have the privilege of knowing him. That makes it for me a doubly important opportunity to follow in his footsteps.

I also acknowledge the effort and the role of those who supported me in my move back into the Parliamentary process. At the top of that list I put my family—my wife and my children—who have made major commitments and sacrifices as we have moved our family home from one region to another. I acknowledge the friendship of the people in the electorate of Hawthorn, not all Liberal supporters, who have been forthcoming with their friendship as we have moved into the community.

Hawthorn may be regarded by many as a centre for education. Certainly it has a large number of State schools and a good many private schools as well, and I now make a plea for two of those schools. Although the Minister for Education is not present in the Chamber, I am sure the matter will be brought to his attention. I look forward to the development that must occur at Swinburne Institute of Technology. A major effort is being made by that institution to obtain funds from the Federal Government. I know the Minister is aware of that. He was in the electorate a week ago for discussions with the school. I seek his support and encouragement for those young people who seek tertiary education through that college. As I said, the matter is currently before the Federal Government seeking substantial funding so that that facility can be redeveloped.

I also draw attention to the plight of the Hawthorn West Primary School, an older school that is falling behind in its facilities. A good deal of attention needs to be given to it.

I recall that in 1976, when I first spoke in this place, I mentioned the question of industrial relations. Given my background, I suppose that would not have surprised honourable members. I recall commenting at the time that the community was moving to a point where it would no longer accept the determination of industrial matters by the bully boys, and where it would look for both sides of the industrial fence to be prepared to enter into a contract that would be enforceable by law. I believe that move is now afoot within the community. When I first expressed the thought, it obviously was not getting anywhere in the event that there was not yet a grounds well of community opinion. With the more recent industrial action that has occurred throughout Australia, and particularly here in Victoria—especially the recent dispute at the Royal Children's Hospital—I believe there is now a good deal of empathy and support for a situation where both sides have their contract enforceable by law and where unions are not able to bully and hold the community to ransom, especially in a dispute which affects the lives of young children.

I refer now to free enterprise. In many ways it is the most important and the most threatened constituency in this State. It is threatened not merely because there are Labor Governments Federally and in Victoria, but also because the Victorian Government is the most anti-business Government, the most extreme Government, the one least sensitive to those fragile conditions that are necessary for prosperity and enterprise.
Some people still harbour the illusion that the Premier and the Treasurer are the acceptable faces of socialism. The notion of them as seductresses is frightening enough. However, the truth is that, with their gimmicks and their platitudes, they have seduced many into a totally false belief that they are concerned to see enterprise flourish. I invite honourable members to consider the record. Never has it been truer that actions speak louder than words. On 27 March 1982 the Premier said:

We do not see any need to increase State taxes in any area.

He also said that a State Labor Government would cut electricity and gas prices, public transport fares and hospital charges. The facts are that taxes and charges have increased by 55·4 per cent; gas prices have risen by 32 per cent; water rates have increased by 28 per cent; petrol tax on motor spirit has risen by 48 per cent and on diesel fuel by 28 per cent; pay-roll tax has been extended; land tax has been increased, as it affects private enterprise, and the Cain Government has introduced the financial institutions duty. These are daggers plunged at the very heart of business in times when it is least able to cope.

I remind honourable members that all of these actions were taken by a Government that claimed to be capable in economic management and to be concerned to see enterprise flourish. Clearly, the Government does not understand what business is about; it does not realize that to produce wealth, to employ people or even to pay the taxes that it would raise against them requires a private sector with funds left over to invest in service capital.

I shall not leave the matter there. Victoria now has the highest tax per head of any State in Australia.

Mr POPE (Monbulk)—On a point of order, Mr Acting Speaker, I understand that an honourable member is entitled to read his maiden speech, but I believe the honourable member for Hawthorn was a member of this Chamber some years ago. Nevertheless, I see that he is reading his speech.

The ACTING SPEAKER (Mr Kirkwood)—Order! There is no point of order.

Mr GUDE (Hawthorn)—In an earlier debate today honourable members heard a great deal about Queensland. The taxes in this State are at more than twice the level of Queensland's taxes. The closest we come is to the taxes levied by "Nifty Nev" in New South Wales where the taxes are 20 per cent lower than those in Victoria.

I make the point that, not only have taxes and charges risen by 54 per cent, but that they have done so in a period when price increases have accounted for only 22·2 per cent. Is it any wonder that the small business sector and the business community generally are going out backwards? I invite honourable members opposite to study the bankruptcy situation in this country. They will see from the next edition of the bankruptcy report that Victoria is a leader in the number of companies that are going out backwards as a result of the economic decisions taken by the Victorian Government. With that record, the Premier suggests that this State is moving forward! It is certainly moving, but in the wrong direction.

I invite honourable members to consider what has happened to a number of specific companies, such as Email Ltd, in Dandenong, a company in the high technology industry, a company producing refrigerated container units for the transport industry that is leaving Victoria and going to New Zealand because it cannot cope with the costs that are being created by the Victorian Government. Honourable members who examine the position of a laundry in Hawthorn will find that it has been denied Government contracts as a consequence of not being prepared to force its employees to join a union. I cite the instance of a canvas maker in Ferntree Gully where the same thing has occurred. Another more recent example is the remand centre site where the Government has forced four professional architects to join a union so that work on the site can continue.

I shall quote briefly from a press release by the Australian Chamber of Manufactures which sets out clearly the areas in which the Victorian Government is letting down the business community.
The ACTING SPEAKER (Mr Kirkwood)—Order! I ask the honourable member to mention the date of the publication.

Mr GUDGE—I cannot give the specific date at this moment, Mr Acting Speaker, but it is a recent document and I shall be pleased to make the date available at the conclusion of my contribution.

The document states:
The present Victorian Government has empowered the Victorian Economic Development to buy into and run private businesses.

Mr GAVIN (Coburg)—On a point of order, it is normal, where a member is quoting from a document, that he identifies the document. I ask the honourable member to supply the name of the author of the document.

The ACTING SPEAKER—Order! There is no point of order. The honourable member has already quoted the source and has intimated he will table the document if required.

Mr GUDGE (Hawthorn)—I was pointing out the areas in which the Government has impinged upon the freedoms of enterprise in this State. The document further states that the Government has:

... legislated to enable State corporations, including V/Line and the Road Traffic Authority to “compete” on the open market in the production of goods and services; foreshadowed a State monopoly to control workers compensation and the premiums of some $800 million a year; agreed to become a major shareholder in the new aluminium refinery built at Portland; extended the franchise of the State Government Insurance Office to include general insurance broadened the State Bank franchise to embrace general commercial areas; enabled the Victorian Tourist Commission to act as a private travel agent and compelled its departments and authorities to use that service.

There is no freedom in this State any more. The document continues:
The Government set up the Victorian Prison Industries Commission to manufacture and sell products, including concrete blocks and nails for both the domestic and export markets.

At the same time the Government wonders why Victorian and Australian exports are going backwards. The document further provides that the Government:

... encouraged the State Electricity Commission and the Gas and Fuel Corporation to seek out new markets to meet the dividend payments imposed on them by this Government; empowered the Urban Land Authority to compete in the purchase, development and sale of land; and authorized the Board of Works to conduct business on their park lands allowed the Police Department to establish its own print shop to print insignia, signs, certificates, etc.

The ACTING SPEAKER—Order! I have come to the conclusion that the honourable member is reading from extensive notes. I ask that the honourable member cease the quotation as such because it is extremely lengthy and rather unusual.

Mr LEIGH (Malvern)—On a point of order, other honourable members making their maiden speeches were permitted to read their speeches.

The ACTING SPEAKER—Order! There is no point of order.

Mr GUDGE (Hawthorn)—I thank you for your indulgence, Mr Acting Speaker. I believe my point has been made. The fact remains that the Government has intruded significantly into areas previously understood to be free enterprise. It is doing so in a way that is affecting the life-blood and future of the State’s economy. That is the point I was seeking to make.

Earlier I mentioned the imposts, regulations, taxes and charges introduced by the Government. As a citizen of the State, let alone a member of State Parliament, one would be entitled to question where all the money is being spent and for what purpose. In all charity one would have to assume that there is a purpose behind it.

Perhaps it is being spent on improving health services. Let us examine that possibility. It cannot be so because, if anything, the standard of health care is decreasing. Waiting lists
that did not exist three years ago are in place. One now has to wait six months for a hip replacement or a coronary bypass, which the now deposed former Minister of Health callously called elective surgery. In fact, it is surgery to relieve pain and suffering. To exacerbate the problem, the Government has closed more than 800 hospital beds. Industrial relations in the health area do not need highlighting for the community to understand what is going on.

Perhaps the funds have been spent on improving public transport. I suppose if one considers that painting trams and trains pretty new colours and providing new uniforms for railway staff is spending money wisely, that is all right. However, I do not hold to that view. I should have thought that running the trains on time, keeping to time-tables and providing facilities for the community where it wants them would be much more worthwhile ways of using those funds.

In the law and order area, the Premier came to office on the promise that the police strength would be increased by 500 people. We have a new police bandsman and one or two others, but as sure as heck we do not have the 500 people promised. As long as this situation continues, the Victorian crime rate will remain the fastest growing rate in Australia. There were 4500 burglaries in Camberwell, Hawthorn, Kew and Box Hill during the past twelve months. In Melbourne one burglary takes place every 10 minutes.

I shall not go on about the socially useful ways of spending Government funds. The funds are being spent on bureaucrats. At the outset I point out that I am not critical of all bureaucrats. Obviously many public sector employees play an important role. Public servants engaged in community-orientated functions in the police, education, health and social welfare areas perform a useful role.

However, there is a new army of people called administrators. The irony is that these people are administering fewer services. For example, Health Commission administration spending has more than doubled and transport administration has increased by 627 per cent. We are now paying six times as much for economic service administration. Perhaps these so-called experts were responsible for the loss of $140 million by not hedging United States dollar loans taken out by the State Electricity Commission, contrary to constant advice from private sector experts.

The economic service administrators are not interested in providing financial management. One wonders if they know what it means. They are more concerned with the invention of new taxes and their capacity for reassessing land tax rates. They have a capacity to extend the scope of pay-roll tax and in future will be looking to get their grubby little hands on workers compensation insurance, should it come their way.

We have a picture that would be rather amusing if it were not so serious—a dog chasing its own tail; the bureaucracy raising taxes to pay for raising more taxes.

The results are plain enough and are easily seen. Let us examine the Federal Government's figures. From June 1982 to June 1984 private fixed capital investment in Victoria has declined dramatically. There has been a fall in Victoria's performance on virtually every major indicator of economic activity.

Full-time employment has increased at a lower rate than for the rest of Australia. In December the numbers of unemployed in Victoria increased more than anywhere else in the nation. The building statistics are equally alarming. Victoria's share of office, shop and factory commencements has fallen from 25-4 per cent to only 12-5 per cent of national activity. There are a number of other major indicators within the community that point up the deficiencies of the Government and its failure to meet the needs of the business sector.

Because I am not one to be completely destructive, I thought I should offer one or two suggestions to the Premier. Taxes and charges need to be held in real terms. I know some honourable members will say that the Premier made that commitment. It would be nice if the Premier honoured one of his promises for once, and the Opposition will be watching him closely over the next four years.
There should be consolidation and a deletion of a number of business charges currently being imposed on the community. It is absolutely ridiculous that for an operator to run a corner store he needs ten separate licences and agreements. There should be one single licence for this operator to have a one-stop shop.

Land tax should be reviewed with respect to its effect on the economic activity of small business. In the area of workers compensation, of which honourable members have heard a lot in recent months and more recently today, an opportunity exists for the Government to introduce the recommendations of the Cooney report without the creation of another Government monopoly, and to bring about gains that will assist the ordinary worker in the workplace. I am sure all honourable members would like to see that come to pass.

Small business requires specific assistance with finance. This could be done by the establishment of private enterprise venture capital corporations. Small business should be given a genuine fair share of Government contracts. If it has not received that share in the past, members of the Liberal Party will be watching to ensure that it does in the future.

Apprenticeships should be encouraged and stimulated by genuine Government assistance. It is a ludicrous situation that young people who have made application for and have completed apprenticeship courses are not then able to obtain employment in the fields in which they have trained.

Small business is being squeezed by Federal and State Governments. It is drowning in a river of rules, acts, regulations and ever-escalating fees. In the industrial relations area, it might be appropriate and timely for the Government to institute a study to determine how much notice the Industrial Relations Commission in this State takes of the impact of its decisions against the small business sector. Decisions are made without regard to the small businessman's ability to appeal.

I would like to mention the lack of reference to the Public Bodies Review Committee which has done an outstanding job with respect to water boards. A Bill introduced into the House today is as a direct response to the work of that committee, which was initiated by a previous Liberal Government. The Government could do a lot worse than repeat the performance of the Bland inquiry in the 1970s which undertook a full review of the activities of government. This lack of reference to a body such as the Public Bodies Review Committee will never bring out into the open the sort of things that need to come to the light of day.

In conclusion, some honourable members have had an opportunity of acquainting themselves with the real generator of wealth and with the private enterprise sector. They have taken advantage of that opportunity to the fullest extent. I come here with a will and spirit to ensure that the breath of free enterprise is breathed back into this State and to ensure that the people of Victoria are given a genuine opportunity to improve their future and to ensure that the stagnation of a heavy-handed Government does not continue.

On the motion of Mr POPE (Monbulk), the debate was adjourned.

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

ADJOURNMENT

Issue of dairy licences—Bai Lin tea—Pekon Fire Protection Pty Ltd—State electoral offices—"The Voice of Malta"—Livestock carriers—Frankston Community Hospital—Admission requirements for universities—Ministry for Housing waiting lists

Mr FORDHAM (Minister for Industry, Technology and Resources)—I move:
That the House, at its rising, adjourn until Tuesday, April 16.

Mr AUSTIN (Ripon)—The Opposition is appalled at the way in which the Government has refused to allow Parliament to sit for more than a token period every now and then. As I said earlier today, we have a situation where there will only be some sixteen sitting days in a total of ten months. The spring sessional period concluded on 2 November 1984
and the House was resumed this week for two days only. I am not objecting to the House rising early this afternoon, but I am objecting to the fact that it is not sitting next week. The House will sit for a few weeks, break for the May holidays, and sit for one week after that. It is a disgrace if the Government believes it should sit for these short periods of time. We oppose the motion.

The motion was agreed to.

Mr FORDHAM (Minister for Industry, Technology and Resources)—I move:
That the House do now adjourn.

Mr HANN (Rodney)—I raise a matter with the Minister for Industry, Technology and Resources, who is the representative of the Minister for Agriculture and Rural Affairs in another place relating to a question asked this morning. On 26 February this year, the Premier, and more especially, the Minister for Employment and Industrial Affairs, gave an absolute assurance that no more dairy licences would be issued in this State. The Minister was clear on that point. He told the concerned dairy farmers of Victoria that as from the very moment he was negotiating with them no new dairy licences would be issued.

The truth of the matter is that new licences are still being issued, and the simple reason is that the Government does not have the legal power to stop their issue.

This matter was raised in debate in a previous session when the National Party proposed to amend the Dairy Industry Bill by suggesting that the Director-General of Agriculture should have the ability to prevent the issue of new licences.

I should like to know how many new licences have been issued since 26 February when the Government gave that assurance, and what action the Government intends to take to stop the issue of new dairy licences in this State.

Mr NORRIS (Dandenong)—I address my remarks to the Minister for Industry, Technology and Resources in the absence of the Minister for Consumer Affairs. I am concerned about a product which was discussed on the Michael Schildberger program on 3LO. One million packets of Bai Lin tea have been sold in this country over the past two years. That is not a bad effort! The virtues of Bai Lin tea revolve around the claim that it effects weight loss. This is a great health fad with people in the world today who are concerned about health, weight and heaven knows what. Because people may be susceptible, many of the claims made by the producers of this tea are disturbing. According to the manager of the distributing company, Mr Foster, it guarantees weight loss to a quite remarkable degree.

Mr Foster maintains it is an old Chinese remedy. Mr Speaker, there are many Chinese remedies, for all sorts of things, as you would know. However, this one guarantees weight loss. Apparently Mr Foster was so sure it would guarantee weight loss that he asked Mr Schildberger to have 100 radio listeners write in for a packet of Bai Lin tea and, if 90 per cent did not lose weight, he would take the product off the market. I certainly hope he does that.

One of the interesting comments made by the manager was that Bai Lin tea should not be drunk by pregnant women or infants. I spent $10 of my hard earned money to buy a packet of the tea at a chemist shop and discovered there is nothing on the packet or the enclosures mentioning pregnant women or infants. Bai Lin tea is drunk after each meal, so one can eat as much as one likes and then drink the tea which tastes like something brewed in an old tram driver's glove, and the guarantee is that one will not gain weight. That is a remarkable claim.

This product is marketed through chemist shops, which gives it an imprimatur that the medical profession approves of it. I am sure there is a very nice cut or profit for the chemist shops. An article in the December issue of Choice magazine stated:

The Queensland Health Department had Bai Lin analysed earlier this year and found that it contains no more theophylline than ordinary tea.
The product that is supposed to induce weight loss is theophylline. Bai Lin tea is ordinary tea except that it does not taste as refreshing as ordinary tea. The Queensland Health Department further stated:

The tea is no more weight reducing than ordinary tea and the claims are false.

The New South Wales Department of Health is currently investigating the tea and the advertising claims and it has told Choice magazine that the advertising contravenes the New South Wales Pure Foods Act. I ask the Minister for Housing to take my concerns to the Minister for Consumer Affairs and ask him to have this product investigated. It is freely available and selling very well on the Victorian market.

Mr CROZIER (Portland)—I direct the attention of the Minister for Public Works to a matter of public administration or maladministration, for which I do not hold the present incumbent responsible but he should know about it. A year ago a company called Pekon Fire Protection Pty Ltd of Nellbern Road, Moorabbin, was awarded a number of contracts by the Government for the servicing of fire appliances.

An Honourable Member—A good free enterprise transaction.

Mr CROZIER—There is nothing wrong with free enterprise but there is with the bureaucracy. It was not long before the company had difficulty with some Government payments. After an extraordinarily long term trying to collect the payments from the Public Works Department—and this is a department of a Government which prides itself on efficiency and effectiveness—it was necessary for the company to approach one of its local members. My colleague in another place, the Honourable Robert Lawson, was approached and his representations to the Government ended with some accounts being paid. However, there are still thousands of dollars unpaid and the company in its frustration approached Mr Lawson again and on 28 March approached the Ombudsman.

I suggest to the Minister that he avail himself of the details of this extraordinary episode and that he take the appropriate action to remedy this situation which has resulted either because of the indifference of his predecessor or because of the incompetence of the department.

Mr ROSS-EDWARDS (Leader of the National Party)—I direct a matter to the Minister for Property and Services and ask the Minister for Housing to pass on my concern. Traditionally in the electorate I represent, Shepparton, and the Federal electorate covering that area, the same returning officer is responsible for both elections to pass on my concern. For six or eight weeks the returning officer carried on work for both elections at his Federal office, but he was directed to establish a separate office for the State election. He obtained an office, had electricity and water connected, and furniture installed and he and a female officer moved across to that office, did the job, and then closed down the office.

A tremendous waste of money occurred and there is no sensible reason why the work was not carried out at the Federal Government office, as it was previously. I cannot understand why the State Government has indulged in this wasteful exercise. Several thousands of dollars have been wasted for no reason. The electoral officer operated under difficulty because his normal records for the Federal part of his responsibility were at his other office and all the up-to-date equipment in the Federal office was not available to him.

I understand that this situation has occurred in other electorates in Victoria. The same returning officer, for some unknown reason, has operated two separate offices at the same time. Up until the recent election, Victoria led Australia in its co-operation between the State and Federal electoral offices. Now they seem to have taken divergent paths. I ask the Minister why this has occurred and seek an assurance that this nonsense will not recur.

Mr RICHARDSON (Forest Hill)—I direct a matter to the attention of the Minister for Ethnic Affairs and direct his attention to the front page of The Voice of Malta, which is the largest selling Maltese newspaper in Victoria. The issue of 1 April carries a headline,
“Discrimination or politically victimized”. The article refers to the much vaunted policy of the Labor Government to increase its share of advertising to ethnic newspapers.

It is clear that what the Government means is that it will increase its share of advertising to some ethnic newspapers and not to others. Once again the Government is discriminating along political lines and for political reasons between different communities and now between different newspapers.

*The Voice of Malta* has a photograph of the Victorian Parliament House with the subtitle, “We’ve got the right to know”. The Maltese community is so distressed by the discrimination that has been demonstrated against its newspaper that a ban is being imposed on all Victorian Government press releases from 1 April until the Government ethnic press department considers the inclusion of *The Voice of Malta* in its advertising list of foreign language newspapers and ethnic community newspapers. It is not unreasonable that the Maltese community believes the Government should consider placing advertisements relating to the Victorian Maltese community in its newspaper which is the largest selling Maltese newspaper in Victoria.

The Maltese community and I want to know the reason for this disgraceful discrimination by a politically motivated and discriminatory Government against this newspaper.

Why is *The Voice of Malta* discriminated against by the socialist left Minister? What has it done? When will the Government put into effect its stated policy of even handedness and a greater share of advertising in ethnic newspapers? Will the Minister inform the House what other ethnic newspaper within the community has been similarly discriminated against?

Will the Minister take action to ensure that there is depoliticization of his department and the Government and will he take action to ensure that the stated policy of the Government which gained for it a great deal of support from the ethnic community is carried out? Will the Government now abandon the discrimination which has been brought so vigorously to the fore by *The Voice of Malta*.

Mr W. D. McGrath (Lowan)—I draw a matter to the attention of the Minister for Employment and Industrial Affairs, particularly as he held the previous portfolio of transport and would have detailed knowledge of the matter.

It relates to a Camperdown livestock carrier—an owner driver—who took a load of livestock to Borthwick’s meat works on 22 February this year. When he came to unload, he was questioned about his membership of the Transport Workers Union. He said he was not a member of that union but was a member of the Long Distance Road Transport Union. The reply was that that would be checked out.

On Sunday 17 March of the same year, this owner driver was questioned. He was told that he was all right and was allowed to unload. On Monday, 1 April he was refused unloading facilities because it was claimed that he had not complied with the union requirements.

A similar situation arose with an operator from Mortlake who was refused unloading facilities. He was asked to join the Transport Workers Union and when he said that he did not have the money he was told that he could go to the office, borrow the money and join the union, and he would be granted unloading facilities.

Is that the name of the game within the rules of the organization? On the first occasion he was allowed to unload. He returned on Monday, 1 April and was refused entry. As honourable members are aware, owner-drivers in the transport industry do not make a fortune. They work hard to ensure that livestock is transported in good condition to the meat works so that those members are kept in a job and the economy of the State is kept going.

I ask the Minister for Employment and Industrial Affairs to examine the matter to see whether these unnecessary interruptions to owner-drivers can be overcome.
Mr WEIDEMAN (Frankston South)—I raise a matter with the Minister for Transport representing the Minister for Health. It concerns the funding of the Frankston Community Hospital. The previous Minister of Health, now the Minister representing the Minister for Health in another place, visited Frankston in December and opened the out-patients section of the Frankston Community Hospital which was funded by State and local community input, despite the fact that during the recent election campaign the Labor Party pamphlets claimed that that party had put up $880,000 for the out-patients department.

I should like the Labor Party to honour that commitment because it appears that public subscriptions to that hospital are $60,000 short. Recent newspaper reports highlight this fact.

The Minister promised new kitchen and pathology facilities plus 100 beds, at a capital cost of $15 million. The doctors and members of the community do not believe $15 million is nearly enough to produce 100 additional beds plus the other facilities. In fact, the $15 million would not go much beyond providing kitchen and pathology facilities. When the Opposition studied the statement, it was apparent that the figures related only to the kitchen facilities and not the additional beds. Even though the Labor Party got front page press in reference to this promise the Frankston community was grateful for the announcement regarding 100 additional beds. At present there are only 192 beds in the hospital which represents one bed for every 4500 people on the peninsula. That is totally inadequate. At least one bed to every 1800 is necessary.

In the past twelve months 1500 people have been turned away at the Frankston Community Hospital. I should be happy if the Minister would use his influence to have this promise honoured. An amount of the order of $25 million is needed.

To get this matter in true perspective I shall read from a letter dated 21 January 1985, sent to all staff at the hospital by the medical staff. It states, *inter alia*:

> After considerable pressure has been applied to Mr Roper, he now thinks that would be a good idea if "Labour filled the hole at Frankston", and we now have a firm promise of one hundred beds including some theatre facilities with an early start on building, possibly July.

It has come to my attention, by rumour, that that work has now been put forward to next year. I ask the Minister to ensure that the 100 additional beds are started in July. The letter continues:

> This promise is on a basis that work can start early and go ahead smoothly, that is, there are to be no objections, no planning changes and no arguments.

> The Commission and The Frankston Hospital Board are not prepared to talk to the staff as a whole or individually. They will communicate through one person only, the Chairman of Medical Staff.

> The final statement says it all:

> You may all say that this sudden change of heart is pork-barrelling, and it probably is the price of one or two Labor Parliamentary seats. The advisory council, however, have approached the Liberal opposition to give us an offset promise that these beds will go ahead if they should be elected.

I request the Minister to honour the promise of the former Minister of Health.

Mr LIEBERMAN (Benambra)—The matter I raise is for the attention of the Minister for Education. In his absence I ask the Minister for Housing to direct my remarks to his attention. It concerns an area of abuse of young people, namely, the discouragement of young people from gaining further education and training. The anomaly to which I refer makes me angry. I hope all honourable members share my anger.

A girl in the electorate I represent undertook the higher school certificate examination last year at an Albury High School.

The reason was that she found the course available to her across the border was more attractive than the course available in Victoria. There is nothing wrong with that decision. She achieved an excellent pass in her higher school certificate. Her marks were more than adequate for her to be admitted to the medical faculty she had aspired to enter to undertake her training. She applied to the University of Melbourne and other Melbourne universities
for admission to their faculties of medicine. However, because she had undertaken her higher school certificate in another State, her marks were penalized by twenty points. She was therefore ineligible for admission to the Victorian faculties.

The girl has lived all her life in Victoria, as have her parents and grandparents. They have been taxpayers of this State and made contributions to Victoria as pioneers. This story does not end there. When she found that she would not be admitted to a Victorian university because of the pressure of placements and the penalty on her marks, she applied to be admitted into the faculty of medicine at the university of Newcastle, New South Wales. Other New South Wales faculties had already exceeded the maximum number of admissions. To her horror, and my anger, she was informed that, because she resided in the State of Victoria, she was excluded from admission to the Newcastle university. It appears that New South Wales universities have a policy of excluding from admission any person who resides in any State other than New South Wales. This girl was, therefore, excluded from admission to a Victorian faculty because of the penalty on her marks and was then excluded from admission to the New South Wales faculty because she resides in Victoria.

This behaviour by bureaucracy is not permissible. It is not the way in which young Australians should be treated. It is urgent that the Minister for Education take up this matter with his Federal counterpart and ensure that the nonsense and red tape involved in excluding young people from pursuing their academic careers is eliminated forthwith.

I further request the Minister to seek urgent discussions with other State Ministers responsible for education in Australia and with the Commonwealth Minister with a view to reporting on the number of young Australians, such as the girl to whom I have referred, who have been excluded from admission to a university because of ridiculous regulations and rules. The Commonwealth Government funds tertiary institutions. It is unacceptable for universities in Australia to use State borders to prevent young people, whether they be from Victoria or New South Wales, from pursuing their academic careers when they have already established academic excellence and have achieved the marks required for admission to a faculty on completion of their higher school certificate examination.

Mr JASPER (Murray Valley)—The matter I raise for the attention of the Minister for Housing relates to the policy on applicants for Ministry housing. I wrote to the former Minister of Housing, who is now the Minister for Education, on this matter. It relates particularly to the transferability of waiting time credits by applicants. In response to my representations, I received a letter from the former Minister on 5 March 1985. He said that in October 1985 the new policy of the Ministry was that applicants were able to maintain their full waiting time credits when transferring their applications to other locations. My belief is that we should not allow people to nominate for a specific Ministry estate in one part of the State and then allow them to carry over the waiting time to another estate.

For instance, in the City of Wangaratta the waiting time for Ministry properties is approximately eighteen to twenty months. In the township of Yarrawonga the waiting time is about two years. What has happened is that people on metropolitan waiting lists, who probably have to wait at least two years, have transferred to places such as Wangaratta where new homes may be being built. When they transfer to the other waiting list they are allowed to carry over the full waiting time credit. The problem is that many of these people move around. They are often unemployed married people with two or three children. On transferring, they may move to the top of the waiting list in another area. They are therefore housed ahead of local applicants who may have been waiting eighteen or twenty months.

The process should be changed so that applicants cannot carry over their full waiting time and immediately be housed in the area to which they move. They may not only be without employment in the area, but may also use local welfare facilities. However, the major concern is that those people are often placed in a higher position on the waiting list than the local people. I ask the Minister to consider the matter.
Mr WILKES (Minister for Housing)—In reply to the honourable member for Murray Valley, when people reach the top of housing waiting lists, they are informed of available accommodation. If that does not suit them, they remain on the top of the list and are given alternative propositions over the next three or four weeks. If that system does not work in country Victoria, the matter will be considered. It seems to be working satisfactorily in the metropolitan area. For instance, a person may not want accommodation in a high-rise development. He or she may prefer a four-storey walk-up or a single-storey dwelling. It is determined by availability. They are actually given three opportunities before they are taken from the top of the list and placed at the bottom. I have discussed the matter with my colleague, the former Minister of Housing. I am prepared to examine the proposal raised by the honourable member for Murray Valley and shall contact him about it.

In respect of the matter raised by the Leader of the National Party on the dual use of electorate offices by returning officers during the election campaign, I shall take up this matter with the Minister for Property and Services, who will reply to the honourable member.

The honourable member for Frankston South raised a matter concerning health and the Frankston Community Hospital. I shall refer the matter to the Minister representing the Minister for Health.

Mr CATHIE (Minister for Education)—The honourable member for Benambra raised what appeared to be an absurd case of bureaucracy in which a Victorian student who decided to undertake her higher school certificate across the Murray River at Albury because a more attractive course was offered, found that she was penalized when applying for entry into the medical faculty at the University of Melbourne. Having faced that rejection and turning to New South Wales she was rejected from admission to the Newcastle university on the ground that she resided in Victoria.

This morning I discussed with my Federal colleague and Minister, Senator Susan Ryan, the need for more tertiary places for Victorians. Approximately 6000 additional places are needed because of the number of young people who are waiting to gain entry into tertiary institutions. It is ridiculous for State Governments to be achieving considerable success in gaining higher retention rates of students, particularly in Years 11 and 12, and coming against a block put forward by the Commonwealth Government which prevents students from going on to tertiary institutions for further education. I will seek a review from VIPSEC—the Victorian Post-Secondary Education Committee—concerning the case and will reply to the honourable member.

Mr JOLLY (Treasurer)—In answer to the proposition put by the Deputy Leader of the National Party on the number of licences issued after 26 February for the dairy industry, I indicate that some three licences have been issued and that those were in train prior to the Premier's announcement on the granting of licences. It is the Government's intention not to allow any new applications received after 6 February. The Government will take whatever steps are necessary to ensure that this objective is achieved.

Mr CRABB (Minister for Employment and Industrial Affairs)—The honourable member for Lowan referred to difficulty experienced by owner-drivers carrying out their normal course of work because they were not members of the Transport Workers Union. On occasion that does happen, especially in circumstances where the owner-drivers are in the nature of being employees—in other words, the work concerns the carriage of goods for one particular firm. If the honourable member gives me details of the cases that he mentioned, I will examine them and see what I can do.

Mr WALSH (Minister for Public Works)—The honourable member for Portland referred to Pekon Fire Protection Pty Ltd and complaints about late payments to that firm. The firm was contracted by the Public Works Department to carry out maintenance and repair work to fire alarm systems throughout Government buildings, hospitals, schools and institutions generally within the Melbourne and metropolitan area.
The contract had two components, normal routine inspection and maintenance and response to faults and failures. Payments for routine maintenance could be equated to a retainer but responses to faults and failures generate far more monetary charges. During the course of such contracts hundreds of responses are necessary.

There has been difficulty in matching up the documentation from the contractor with the work that was ordered by the department and this has caused considerable delays in payment. As honourable members will be aware, it is necessary to ensure that work invoiced has been properly performed by companies before payments are made.

I understand that this matter has been resolved and that all payments have been made with the exception of a few invoices where further information or work by the firm is necessary.

Mr SPYKER (Minister for Consumer Affairs)—The honourable member for Dandenong raised concern about claims of weight loss from drinking Bai Lin tea. It was suggested on a radio program today that the tea should not be consumed by either pregnant women or infants as it may be detrimental to their health. Further, Choice magazine has suggested that the tea has no slimming qualities and that the product is simply tea and, according to Queensland health department research, tea has no slimming effect. I suggest that the public be very careful in using Bai Lin tea. I will have the product investigated by my department and I will advise the honourable member further.

The honourable member for Forest Hill raised an interesting matter concerning the publication The Voice of Malta. I can understand the sheer frustration of the honourable member as he has been a dismal failure in his role as consumer affairs spokesman for the Opposition. Further, during the election campaign he was at loggerheads with his Leader. Prior to the election campaign the honourable member for Forest Hill said that he would sack the Ethnic Affairs Commission. His Leader went further and said that he would abolish it altogether and would set up a “human service”. No wonder there was total rejection, particularly during the election campaign, by the ethnic community of the Liberal Party. I thank the ethnic community for its support of the Labor Party.

The Government has done its level best to try to ensure that the increasing number of publications published by the ethnic community get a fair spread of Government advertising. On the matter of The Voice of Malta, I would be most concerned if somehow a publication that would want to have credibility in the community would want political censorship. If there is some difficulty there I would be happy to discuss it with the editorial staff of The Voice of Malta to determine what arrangements can be made.

The Government tries to ensure that the taxpayers' funds spent on ethnic affairs are expended in ethnic communities, unlike the Leader of the Opposition who, when a former Minister, released a Liberal Party publication that was paid for by funds from the Ethnic Affairs Ministry. Under this Government, at least the funds that are spent are spent properly, which is not what happened under the previous administration.

The motion was agreed to.

The House adjourned at 4.18 p.m. until Tuesday, April, 16.
Tuesday, 16 April 1985

The SPEAKER (the Hon. C. T. Edmunds) took the chair at 2.5 p.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

STATE INSURANCE OFFICE

Mr KENNETT (Leader of the Opposition)—I refer the Treasurer to the dramatic increase in the liabilities of the State Insurance Office in the year to 30 June 1984, as revealed last week. Will the Treasurer publicly release the profit and loss statement of that office for the nine months to 31 March 1985, which was completed last week?

Mr JOLLY (Treasurer)—The annual report of the State Insurance Office for the year 1983–84 was, in accordance with the requirements of the Act, released the last time this Parliament sat. As I have pointed out on a number of occasions, that office is operating on a non-profit basis only because of third-party insurance, which is a non-commercial area.

I point out that I enabled the Leader of the Opposition and two other members of the Opposition to meet with the chief executive of that office and the Director of Finance from the Department of Management and Budget. Despite the fact that they were given a careful explanation of the treatment of workers compensation in the Government sector and despite the fact that it was pointed out to them that the figure of $341 000 should have been $341 million, they still went on the public record and dishonestly informed Victorians that a mistake had been made. There was no mistake whatsoever because the Opposition had been informed of the position. The Opposition told a deliberate untruth. The facts in relation to the 1983–84 report are these.

Mr KENNETT (Leader of the Opposition)—On a point of order, Mr Speaker, my question specifically requested the release of the profit and loss statement that the State Insurance Office has just completed for the nine months to 31 March 1985.

The SPEAKER—Order! As the Leader of the Opposition is well aware, Ministers of the Crown have the ability to reply to questions without notice in any manner they see fit.

Mr Kennett—He is not replying.

The SPEAKER—Order! That has been the practice of this House for as long as I can remember, and I have been here for some time. There is no point of order.

Mr JOLLY (Treasurer)—I indicate to Parliament that the Government has improved the reporting process and it is now at a better standard than that of any other Government in Australia. Unlike the Liberal Government which operated in this State for 27 years, I was prepared to allow the Leader of the Opposition and others to meet with the chief executive of the State Insurance Office. Despite that, they were blatantly dishonest in the press release on Sunday.

The annual report in respect of the income year 1984–85 will be tabled after the completion of the financial year. No departure will be made from that position.

Mr ROSS-EDWARDS (Leader of the National Party)—Will the Treasurer explain why he failed between 1982 and 1985 to increase premiums payable for third-party insurance to the State Insurance Office to prevent that office from accumulating losses, which have been stated by the Auditor-General to be in excess of $1000 million?

Mr JOLLY (Treasurer)—As the Leader of the National Party would be aware, there have been a number of years in which there have not been increases in third-party insurance premiums. The honourable gentleman asked only about the past three years; he
ought to be interested in history as well. One does not have to go far back in time. From the period after 1977, when the Liberal Party was in office, it was advised to increase premiums and did not do so. The Government made it clear both prior to and during the election campaign that a No. 1 priority on its agenda would be to reform the workers compensation system because it is an area where a need for reform exists. As was indicated, those reforms will result in a 63 per cent reduction in workers compensation premiums.

The Labor Party said that once it got that position into shape it would turn to third-party insurance. That is what the Government intends to do.

Miss CALLISTER (Morwell)—Is the Premier aware of reports concerning the commercial operations of the State Insurance Office and, if so, will he inform the House of the capacity of the State Insurance Office to compete in the insurance area?

Mr CAIN (Premier)—I am aware of the reports and statements that have been made. I want to say clearly that the Government has total confidence in the ability of the State Insurance Office to compete in the market-place.

I deplore the studied attacks on the State Insurance Office by some members of this Parliament who seek to undermine an important public asset. That is what the attack of the Opposition upon the State Insurance Office represents; it is an attack upon an asset or resource of this State. It is nothing more or less than that.

The Opposition seeks to undermine public confidence. I am sure the public will not be hoodwinked by that rubbish. The Opposition tries to undermine public confidence in the whole operation of the office because of something it created—the mess in third-party insurance. Everyone knows that third-party insurance has been a mess in this State for 25 years.

The Liberal Government in which the Leader of the Opposition served received a number of reports from Dr Coppel, QC, and Sir John Minogue suggesting that it should reform the whole process. The former Liberal Government, as it did with everything else, just walked away from the problem.

The Treasurer has indicated that the Government will examine third-party insurance as it should have been examined ten years ago. We will introduce reforms that do not just respond to the immediate demands for increased premiums; we will introduce reforms that mean something and tackle third-party insurance where it should be tackled. The Opposition is attempting to denigrate, bring down and threaten the integrity of the operation of the State Insurance Office by an attack on third-party insurance only.

The State Insurance Office, as the Opposition well knows, operates commercially in competition with private industry, and it does so well. As I am reminded by members of the back bench, and as members of the National Party will be aware, the same sort of operation works successfully in Queensland. Does the National Party denounce the operation of the Queensland State Government Insurance Office? Does the National Party denounce the Victorian State Insurance Office? That is the question the Opposition must answer.

Honourable members interjecting.

The SPEAKER—Order! On two occasions the Leader of the Opposition has used an expression that is bordering on being unparliamentary. I warn him that he should cease to use that expression.

Mr CAIN—The Opposition should indicate where it stands on the issue of third-party insurance. Does it want to increase the premiums of every motorist in this State by 60 per cent? That is the question the Opposition must answer. If that is what it is advocating, members of the Opposition should say so.

That is not the policy of the Government. The Government intends to ensure that a system of insurance operates which protects motorists from huge increases while protecting
the integrity, authority and standing of the State Insurance Office. The people of this State will back the Government because they will support the State Insurance Office with their premium dollars.

The Opposition does not like anything that is not run by private enterprise; it does not like public enterprise. The Opposition wants to get rid of the State Bank, the Government Printer and the State Insurance Office and it wants to lease off Victoria's gaols. I do not hear a word from members of the Opposition; Opposition back-benchers are mute.

Honourable members should understand that this matter is about the determination of an Opposition that is frustrated and has been rejected by the people four times in three years. It wants to pull down anything in the public sector, no matter what it is doing to serve the people. In the opinion of members of the Opposition, all public servants are wrong and anything in the public sector is wrong.

Mr WHITING (Mildura)—On a point of order, Mr Speaker, you are familiar with Standing Order No. 127. The Premier is obviously breaching that and he should be brought into line.

The SPEAKER—Order! I am familiar with Standing Order No. 127, which I believe the Premier is breaching. I uphold the point of order.

Mr CAIN (Premier)—The Opposition does not like the public sector, but the public sector will take no notice of it. The public will continue to support the State Insurance Office, as will the Government.

Mr STOCKDALE (Brighton)—I ask the Treasurer: Is it a fact that losses of the State Insurance Office have continued to increase during the current year so that the assets of the office have been actually reduced during the current year?

Mr JOLLY (Treasurer)—I ask the honourable member for Brighton to repeat the question.

Honourable members interjecting.

The SPEAKER—Order! I ask members of the House to return to some decorum.

Mr STOCKDALE (Brighton)—I ask the Treasurer whether it is a fact that during the current year the losses of the State Insurance Office have continued to increase so that the assets of the office have been actually reduced during the current year.

Mr JOLLY (Treasurer)—The next time the honourable member for Brighton receives a briefing I hope he will understand what is put by the State Insurance Office. In respect of the areas where the State Insurance Office is competing with the private sector, such as workers compensation premiums and comprehensive insurance for motor vehicles, the office is operating at a profit. However, in respect of third-party insurance, it is continuing to operate at a loss. There is no question about that.

The Government has made it clear that a need exists to completely reform the system. On the basis of the pay-as-you-go system, in 1983–84 the income from third-party insurance compared with expenditure showed a surplus of $37 million.

The State Insurance Office, I repeat, competes in performance with the private sector; it is making a profit; it is an organization that deserves the support of the Opposition as well as the Government. In only the third-party insurance area has there been any loss in its operations.

Mr HANN (Rodney)—Does the Treasurer have in his possession a statement of the current total assets and liabilities of the State Insurance Office? If so, will he make it available to Parliament?

Mr JOLLY (Treasurer)—I have made it clear that on the reporting of the State Insurance Office the Government will continue to follow the practice of all Governments; that is, to
provide an annual report to Parliament when it is completed. We are only partially through the 1984-85 year and at the conclusion of that year the annual report will be provided to Parliament as it properly should be.

PREMIER'S PROPOSED OVERSEAS TRIP

Mr McDONALD (Whittlesea)—Can the Premier provide the House with details of his proposed overseas trip to increase investment in Victoria?

Mr CAIN (Premier)—For those honourable members who are interested—I am sure there are many—I shall give a brief indication of what I intend. As the question indicated, the intention of the trip is to seek investment growth in the State and to provide more jobs. That is what the Government has been about since it came to office.

I shall be meeting with officers of Alcoa of Australia Ltd to discuss the Government joint venture which has restarted the important smelter project. The House may be interested to know that the honourable member for Portland has never said whether he supports the project. I shall be meeting also with a number of United States of America-based trade and banking officials.

Mr Williams—Will you be going to Chicago?

The SPEAKER—Order! Supplementary questions are out of order.

Mr CAIN—I shall be speaking with business and banking operators in London, Zurich, Dusseldorf and New York. I am pleased that the Leader of the Opposition agrees it is a good idea that I should go overseas. I know the honourable member would like to get out of the State, even for only a short while.

I am concerned that the Leader of the Opposition has sought to undermine what I wish to do. Today in his responses he has been going out of his way to whinge, knock and say that Victoria is not doing well, which everyone knows is absolutely untrue.

Victoria is doing better than any other State in the Commonwealth. The Leader of the Opposition is the equivalent of Victoria's "Typhoid Mary". The way he has been behaving today indicates that he does not seem to be interested in the long-term future of the State. The Government believes Victoria can and will be enhanced by indicating the initiatives that have been taken to make it the State where there is maximum growth and opportunity. I suppose it might be said that the Leader of the Opposition has a vested interest in discouraging investment in Victoria; that is the way he is behaving and responding today.

I suppose the best news for investors from other parts of the world and in Australia is that the Liberal Party was soundly defeated at the election; that party will not be put in charge of running the State for a long time. That is the best possible news for Victorians, Australians and everyone else in the world who is contemplating investing in the State.

I am also pleased that the Chinese have affirmed their interest and concern about what the State has to offer by the announcement that a Chinese consulate will be located in Melbourne. That points to the need to maintain good relations with a wide range of our near northern neighbours as well as with our traditional neighbours and allies in other parts of the world. I will certainly be going to sell Victoria.

Honourable members interjecting.

Mr CAIN—I wish there was some response from the Opposition to show that it is concerned about the State and that it wants to join me in selling the enormous assets Victoria has to offer to investors to ensure them a good return.

We can do wonderful things in this State, Mr Speaker, and the Government intends to promote Victoria in a way that will ensure it continues to lead economic recovery in this country.
THIRD-PARTY INSURANCE

Mr RAMSAY (Balwyn)—I draw the attention of the Treasurer to the 1983 and 1984 reports of the Insurance Commissioner in which he made suggestions to the Government for cost savings in the area of compulsory third-party insurance. I ask the Treasurer what were the suggested reforms that were made by the Insurance Commissioner and which of them have been adopted by the Government. If the Government has failed to adopt any of the suggested reforms, why has it done so?

Mr JOLLY (Treasurer)—It is an interesting question. Unfortunately, the honourable member for Balwyn was not at the briefing otherwise he might at least have had an accurate picture of what occurred.

As the General Manager of the State Insurance Office told Opposition members, the advice that was given to the Government was similar to the advice given to the previous Liberal Government on changes that should take place in third-party insurance.

One of the major problems facing the Government is as a result of the previous Liberal Government failing to increase premiums in line with increases in the consumer price index.

The General Manager of the State Insurance Office has made some suggestions about the legal process on a number of occasions. The first item on the agenda for reform—workers compensation—is the most important one from the point of view of the economy of Victoria. Unfortunately, the Opposition, in its usual negative, carping way has tried to undermine the reforms suggested and is now trying to undermine the State Insurance Office.

The Government will reform the third-party insurance system so that it is a far more effective system than it has been over the past decade, and it will be reformed at the appropriate time. I have indicated—and I will repeat it because the Leader of the Opposition is obviously a genuinely slow learner—that the workers compensation system is receiving top priority as it is the most important reform needed for the economy of Victoria.

INDUSTRIAL RELATIONS

Mr POPE (Monbulk)—Will the Minister for Employment and Industrial Affairs inform the House of progress being made to preserve a good industrial climate for Victoria’s economic development?

Mr CRABB (Minister for Employment and Industrial Affairs)—I am pleased to inform the House that in 1984 Victoria had the lowest number of days lost due to industrial disputes since records commenced. To put that statement into perspective, that represents one-sixth of the amount of disputation that occurred during the last year of the Liberal Government in this State.

It is also worth noting that the number of days lost through industrial disputes in Victoria was only 14 per cent of the Australia-wide figure, despite Victoria having some 28 per cent of the nation’s work force. That means that Victoria had half the relative number of disputes that occurred in other States.

This process is succeeding because of the fair and firm approach the Government is continuing to take in industrial relations.

The benefits can be seen in the steady economic recovery in this State. This contrasts markedly with the abysmal economic performance of Queensland, which has continued to pursue confrontation with trade unions to the extent that the Government, in the latest lunacy of that peculiar State, has passed draconian legislation which, among other things, makes it a crime to picket, makes it a crime to report the views of people picketing and makes it a crime to refuse a direction.
Mr B. J. EVANS (Gippsland East)—On a point of order, Mr Speaker, the question related to the employment situation in Victoria and the action that is being taken in Victoria. It did not relate to what is occurring in other States or other parts of the world.

The SPEAKER—Order! I have attempted to listen carefully to the reply of the Minister for Employment and Industrial Affairs and, although he started to range further than the State of Victoria, I believe he is now on his way back.

Mr CRABB (Minister for Employment and Industrial Affairs)—It is fundamental to the continued economic recovery of this State that the Government maintains in the fullest sense the fundamental principles of a free democratic society. Two of the fundamental institutions in a free democratic society are a free press and a free trade union movement.

The freedom of speech and the freedom to work or not work are the fundamental rights of every individual in a free society. When the Queensland Government takes away the rights or the freedoms of Brisbane journalists or Queensland electricians, it diminishes the rights of every Australian because the next time those affected may be dairy farmers, nurses or doctors.

"Ask not for whom Joh's bell tolls; it might be for thee"! The Opposition should be alert that although a populist Premier in Queensland might well get himself some transitory acclaim for what he does from honourable members opposite, the chickens will come home to roost in due course.

The Victorian Government will continue to deal fairly but firmly with all sections of society on an industrial basis and will do that with the abiding commitment to preserve the freedom of every citizen in this free community. Thereby Victoria will continue its economic recovery whilst Queensland continues to slip into the abyss.

TELEVISING OF PROCEEDINGS

The SPEAKER—Order! I advise the House that although today’s proceedings are being televised, sound is not being recorded.

STATE INSURANCE OFFICE

Mr STOCKDALE (Brighton)—I direct my question without notice to the Treasurer and I refer the honourable gentleman to section 20 (5) of the State Insurance Office Act 1984 which provides that the State Insurance Office shall comply with the requirements of Federal Insurance legislation unless the Treasurer determines otherwise. Has the Treasurer made any such determination and, if so, to what classes of business do they relate?

Mr JOLLY (Treasurer)—In respect of compliance with Commonwealth legislation, until the Government introduced the State Insurance Office Act 1984 it was not necessary for the State Insurance Office to comply with Commonwealth legislation.

The Leader of the Opposition will have an opportunity of finding out the facts if he listens rather than again opening his mouth. It is only as a result of legislation introduced by this Government that there is a requirement in the State Insurance Office to comply with Commonwealth Government legislation covering solvency requirements. Previously it was not necessary.

There are only two areas in which the State Insurance Office does not comply. The first is in the area of compulsory third-party insurance. Honourable members would be aware that in 1976 actions by the then Victorian Liberal Government forced every private sector insurance company out of third-party insurance.

Mr Kennett—Federal legislation!
Mr JOLLY—The Leader of the Opposition has the gall to suggest that it was Federal legislation that brought that about. The State Liberal Party forced the private sector out of the area of third-party insurance by making it unprofitable. The only other area where a determination has been made concerning the requirements of Commonwealth legislation involves workers compensation premiums to the Government sector. This occurred because prior to the Labor Government coming to office the system of determination of workers compensation premiums in the Government sector was based on case studies. That approach requires the Treasurer to make a determination that the solvency requirements of the Commonwealth legislation are not being met. In conclusion, I have made only two determinations. Prior to the Labor Party coming to office, there was no requirement to comply with Commonwealth legislation.

APPOINTMENT OF MINISTERIAL ADVISER

Mr B. J. EVANS (Gippsland East)—I direct my question to the Treasurer, who represents the Minister for Agriculture and Rural Affairs in this place. Can the Treasurer inform the House of the qualifications and experience that led to the appointment of the former member for Sandringham, Mr Graham Ihlein, as a Ministerial adviser to the Minister for Agriculture and Rural Affairs other than the fact that he is a defeated Labor Party member of Parliament?

Mr JOLLY (Treasurer)—As the honourable member should be aware, Mr Ihlein is an extremely competent person. He is qualified in a number of areas and I am sure that the Minister for Agriculture and Rural Affairs would be prepared to make available Mr Ihlein’s curriculum vitae to the honourable member, who apparently was not aware of Mr Ihlein’s qualifications when he was the honourable member for Sandringham.

POLICE ACCOMMODATION AND EQUIPMENT

Mr STIRLING (Williamstown)—Can the Minister for Police and Emergency Services inform the House of the steps that are being taken to relieve the accommodation problems of the Victoria Police in the central business district of Melbourne?

Mr Kennett interjected.

Mr MATHEWS (Minister for Police and Emergency services)—I suggest to the Leader of the Opposition that he should be quiet.

The SPEAKER—Order! I suggest also that the Minister should answer the question. I will endeavour to control the Leader of the Opposition.

Mr MATHEWS—In the next few weeks, the first of almost 1000 police officers will be moving into the new police complex at 412 St Kilda Road. Next month the installation of the new $19.3 million police main frame computer will be commenced at those premises.

Those two developments exemplify the enormous improvements that have occurred in police accommodation and equipment over the past three years. They are in marked contrast to the squalid accommodation and lack of equipment the Police Force had to endure under the previous Government. The Cain Labor Government is rightly proud of this progress.

STATE INSURANCE OFFICE

Mr PLOWMAN (Evelyn)—I ask the Treasurer, especially in the light of an earlier answer in which he somewhat piously referred to mis-truths, whether he will indicate to the House why on 21 February 1985 he stated that he had not received the report of the State Insurance Office when he had in fact received the report on 11 February.

Mr Kennett interjected.
Mr JOLLY (Treasurer)—If the Leader of the Opposition for once kept his mouth shut and his mind open he might start to understand some of the issues here. The facts are these: I indicated on every occasion that I spoke about the State Insurance Office that I had received a copy of the report. The Sun, in its second article, incorrectly reported that I had not stated that position. I note that there was another incorrect report in relation to that matter in the Sunday Observer last week-end.

On every occasion I have made it clear when the report was received by me and the Sun article on 21 February was incorrect. I have also said that I would comply with the Act with respect to tabling the annual report of the State Insurance Office. I did that after the Auditor-General had completed his comments on the report.

As honourable members would be aware, I am required in accordance with the relevant Act to ensure that the annual report is tabled within fourteen sitting days of the Auditor-General completing his report and I did that.

**DISCIPLINE IN SCHOOLS**

Mrs RAY (Box Hill)—Will the Minister for Education outline to the House the new disciplinary regulations that will apply in State schools?

Mr CATHIE (Minister for Education)—The Government has for some time been concerned about the need to tighten up discipline and disciplinary procedures in schools. It has been concerned to do this because of the problems caused by disruptive students who are able to prevent the rest of their classmates from getting on with their work.

Mr Richardson interjected.

Mr CATHIE—The only way in which the honourable member for Forest Hill and the Opposition can help is to go back to medieval times and suggest that the strap and the cane be reintroduced. The Government is not prepared to do that because those measures are ineffective and inefficient. The difficulty with the current regulations is that school principals have found them to be too time-consuming, too legalistic and too formal. There was also a difficulty in interpretation of a regulation which gave as a ground for the suspension of a student, “grossly improper or disgraceful conduct”. It is almost impossible to define what constitutes disgraceful or improper conduct.

The Government has adopted the major recommendations of the Ministerial review set up in 1984 by my predecessor and the ground for suspension of a student will now be, “consistent and deliberate behaviour which interferes with the educational opportunities of other students”.

In other words, it gives to the principals the power to deal effectively and efficiently with disruptive students who are preventing the rest of their classmates from pursuing their studies. The way in which these matters can be dealt with will be much more flexible. Teachers will be able to impose longer periods of detention and they will be able to deal with disruptive students without the necessity for long and more formal inquiries. That power will be greatly welcomed by schools and by school communities.

**STATE INSURANCE OFFICE**

Mr BROWN (Gippsland West)—I ask the Treasurer why he misled the Victorian electorate on 21 February 1985 by dismissing claims that the State Insurance Office had lost up to $500 million at a time when he knew that the 1984 report of the State Insurance Office disclosed a loss of $476 million, on its own figures, and accumulated losses of more than $1000 million since 1983.

Mr JOLLY (Treasurer)—I should make it clear that I did not dismiss any claims about the size of the loss in relation to third-party insurance. The only thing I did dismiss was the Leader of the Opposition for his incompetence.
OVERSEAS BORROWINGS

Mr McNAMARA (Benalla)—I ask the Treasurer whether it is correct that the Victorian Government has incurred substantial losses as a result of its overseas borrowings in the climate of the present devaluation and whether the Treasurer can advise the House of the extent of the losses incurred by the Government. Is it also a fact that the Treasurer’s department was advised to hedge against any possible devaluation?

Mr JOLLY (Treasurer)—The honourable member for Benalla has raised a number of complicated issues. It should be pointed out that the Government has followed a sound policy in relation to overseas borrowings. Firstly, it has ensured that the public sector, when it enters borrowings, has a mix of overseas currency loans which equate with the basket of currencies which determines the international value of the Australian dollar.

Prior to coming into office the Government was faced with the fact that the overseas borrowings of public sector authorities were 80 per cent US dollars. If the Government had not changed that position, there would have been enormous losses to this State.

Secondly, the most recent loans highlight how successful the Government has been in respect of its overseas borrowing program.

Honourable members opposite and those in the corner party should be well aware that it was only as a result of the Victorian Government making representations to the Australian Loan Council that Victoria received access to public markets throughout the world. That resulted, firstly, in a loan of 30 billion yen at an interest rate of 6.7 per cent which was the lowest interest rate from Japan for AAA borrowers for six years. Only at the end of last week did we complete a very successful Euro loan with an interest rate of 11.58 per cent—that is for US dollars—over a seven-year period at a time when the United States dollar is very high relative to the Australian dollar. It is expected that that will yield substantial benefits to the people of Victoria. The Government’s overseas loan program has been of great benefit to this State and if the program had not been changed, there would have been substantial losses.

Fortunately for the people of Victoria, the Government has effected an efficient overseas loan program that benefits the State in terms of increased investment, increased jobs and over-all better performance of the Victorian economy.

Honourable members interjecting.

The SPEAKER—Order! I advise the honourable members for Forest Hill and Mornington that interjections are disorderly and I will take action according to the Standing Orders if they continue.

ROAD FUNDING

Mr KENNEDY (Bendigo West)—Can the Minister for Transport inform the House of the result of the conference of Ministers for Transport on road funding and what this signals for Victoria?

Mr ROPER (Minister for Transport)—I thank the honourable member for Bendigo West for the question, because honourable members would be aware of his great interest in road funding for upgrading the Calder Highway. I would have to say on behalf of Victoria and, I am sure, other States, that we were disappointed with the Commonwealth Government proposals for road funding for the next five years. All the States representing the three political parties—the National Party of Queensland, the Liberal Party of Tasmania and the four Labor States—took the view that the Commonwealth Government has unnecessarily reduced funds for roads throughout Australia for the next five years and has—unfortunately, in our view—wrongly changed the way in which the break-up of those funds is occurring.
I will give the House an example of what has occurred. If the inflationary costs for roads had been applied, approximately $60 million more would have been provided for the States for road funds under the program. Not only did the Commonwealth not allow for inflation but it also reduced the actual amount by $20 million. That will have a severe effect on road building throughout Australia.

To some extent the shortfall will be made up through the bicentennial program, although the five-year funding program is the basis of our road building effort.

The Commonwealth Government attacked the arterial roads area with a 23 per cent cut for this State for country and city arterial roads. All the State Ministers have told the Commonwealth that this will have quite deleterious effects, not only on road building but also on employment. The Victorian Government will continue to press the Commonwealth, if not for more money then for more flexibility in the way it is used, because the effects on both city and country arterial road spending will be substantial. All the reports suggest that it is the arterial roads of Melbourne and Sydney which need the maximum level of funds.

The Victorian Government will use all avenues and work in co-operation with other States in an attempt to have the Commonwealth Government change both the quantum of funds and the way in which those funds are to be provided.

STATE INSURANCE OFFICE

Mr STOCKDALE (Brighton)—By leave, I move:

That this House censures and rebukes the Treasurer because of the incompetence he has displayed and for his deceptive and evasive statements and conduct in his Ministerial responsibilities regarding the State Insurance Office.

Mr FORDHAM (Minister for Industry, Technology and Resources)—Leave is refused.

PAPERS

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


Hairdressers Registration Board—Report for the year 1984.


Statutory Rules under the following Acts:

Adoption Act 1984—No. 96.

Drugs, Poisons and Controlled Substances Act 1981—Nos 90 to 94.

Fisheries Act 1968—Nos 97, 99, 100.


Public Service Act 1974—No. 103.

State Electricity Commission Act 1958—No. 95.

Youth, Sport and Recreation Act 1972—No. 98.

Town and Country Planning Act 1961—

Ballaarat—City of Ballarat Planning Scheme, Amendments Nos 77, 78.

Geelong—Geelong Regional Planning Scheme, Amendment No. 102.


Lillydale—Shire of Lillydale Planning Scheme 1958, Amendment No. 148.
Lorne—Lorne Planning Scheme, Amendment No. 4.
Melbourne Metropolitan Planning Scheme, Amendment No. 340.
Pakenham—Shire of Pakenham Planning Scheme Part 1, Amendment No. 17; Shire of Pakenham Planning Scheme, Amendment No. 36.
Sale—City of Sale Planning Scheme 1975, Amendment No. 18 (formerly Amendment No. 2).
Sherbrooke—Shire of Sherbrooke Planning Scheme 1979 (Urban Areas), Amendment No. 31.
Tambo—Shire of Tambo (Lakes Entrance) Planning Scheme, Amendments Nos 48, 52, 52a.

**APPROPRIATION MESSAGE**

The SPEAKER announced the presentation of a message from His Excellency the Governor recommending that an appropriation be made from the Consolidated Fund for the purposes of the Water and Sewerage Authorities (Financial) Bill.

**FIRE AUTHORITIES (AMENDMENT) BILL**

The debate (adjourned from April 4) on the motion of Mr Mathews (Minister for Police and Emergency Services) for the second reading of this Bill was resumed.

Mr CROZIER (Portland)—This small Bill which, as the Minister pointed out two weeks ago is a privilege Bill, is necessary to correct an administrative error. An amendment which was previously approved by this Parliament in the spring sessional period last year relating to what used to be called “local advisory committees” needs to be validated.

As has been pointed out by the Minister, the background is simply that that phraseology was subsequently amended to read “local fire prevention committees”. It was considered that the term “municipal fire prevention committees” was more appropriate, and Parliament endorsed this view. However, inadvertently, through this administrative error, the previous amendments were proclaimed prior to the 1984 amendment coming into force. This Bill is necessary to correct that procedure. It simply changes the name once again of what are currently known as “local fire prevention committees” to “municipal fire prevention committees”.

The Opposition offers no objection to the measure. I conclude by expressing the wish that the Minister and his Ministry will take note of the deliberations and the recommendations that flow from those committees.

Mr McNAMARA (Benalla)—This Bill is obviously quite unnecessary. If it were not for the incompetence of the Minister for Police and Emergency Services, honourable members would surely not have to deal with it today. Originally, in 1983, the Fire Authorities (Amendment) Bill was introduced to change the title of the committees from “local advisory committees” to “local fire prevention committees”. However, before that amending legislation was proclaimed, the Government accepted advice to change the name to “municipal fire prevention committees”. As a result, this change was subsequently contained in another amendment to the Fire Authorities Act in the spring sessional period last year.

There seems to have been some error at either administrative or Government level. Obviously a Minister would have been involved, because the legislation was required to go to the Governor in Council for proclamation, and someone delivered the wrong Bill to the Governor.

I do not know whether the Minister will accept responsibility for the error. His supposedly highly efficient Government prides itself on streamlining departmental efficiency, and yet a basic mistake seems to have taken place. The 1983 amendment was taken to the Governor for proclamation instead of the 1984 amendment.
This further Bill is not only a waste of the time of Parliament but also a further administrative cost. Perhaps the Minister should repay from his own pocket the expense involved in preparing the proposed legislation. Whether the Minister will reimburse the State for the additional cost incurred because of this basic mistake is something the Minister may advise in his response.

The National Party is happy to support the amendment which initially was supported by both the urban and rural fire brigades. The National Party acknowledges that the Minister was prepared at the time to listen to advice from both authorities, and that is why the amendment was introduced in the 1984 spring sessional period.

However, one should not allow the fact that the correct amendment was not proclaimed to pass without comment. When I spoke to the rural and urban fire brigades I realized that they thought the amendment was already in place and were absolutely overcome with surprise and incredulity when I told them of the error. Obviously it seems to be a case of blundering at the first level; perhaps the Minister could adopt that subject as an extra portfolio.

The SPEAKER—Order! The honourable member for Benalla is well aware that the Bill has some limitations with respect to the subjects over which honourable members may range. I should imagine that the honourable member has already been advised of that by his colleagues and I suggest he comes back to the subject of the Bill.

Mr McNAMARA—I was actually speaking to the Bill, and the very reason it is before the House is because of a blunder by the Minister. That is basically what the second-reading speech states. The amendment was originally passed in the autumn sessional period last year and, because of a blunder by the supposedly highly efficient Government, this further Bill has been introduced. I shall not dwell on the matter because honourable members are well aware of what has taken place. The National Party supports the Bill and hopes there is not a recurrence of such an unfortunate mistake.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

WATER (MORNINGTON PENINSULA AND DISTRICT WATER BOARD) BILL

The debate (adjourned from April 4) on the motion of Mr McCutcheon (Minister for Water Resources) for the second reading of this Bill was resumed.

Mr DELZOPPO (Narracan)—The Bill follows from the activities of the Public Bodies Review Committee's investigation into the water industry and concerns the recommendation of the sixth report presented in 1981. The report recommended that a restructuring of the non-metropolitan urban water and sewerage sector of the water industry should take place and the Bill bears on that report.

The report indicated that the number of bodies that administer water and sewerage functions in the State should be reduced. In 1982 the Government appointed a water structure task force to assist in the carrying out of those recommendations. Honourable members are well aware that the number of water boards and sewerage boards has been significantly reduced; many have been amalgamated; some have been abolished completely; and, in other cases, the function of the water board has been transferred to the local municipal council.

During the autumn sessional period, the Water and Sewerage Authorities (Restructuring) Bill was passed by both Houses. Its purpose, to quote the Minister of the day, was to remove the uncertainty in the minds of those directly affected. This was because those authorities that were abolished or had their operation altered had a significant effect on those employed by them.
Arrangements have now been made for the authorities operating on the Mornington Peninsula—authorities operating within the shires of Pakenham, Cranbourne, Mornington, Flinders and Hastings, and the City of Frankston—to form a board which will be known as the Mornington Peninsula and District Water Board. This board is temporarily in place. The Bill deals with the appointment of officers, a chairman and an executive officer to preside over and to assist with conducting the activities of that board. The board will consist of a representative of each of the municipalities that I have named plus three Government nominees. One of those nominees will be the chairman.

I understand that, in accordance with the Bill, clause 4 gives the Governor in Council the power to appoint a member of the board as a chairman and further provides that clauses 2 and 3 of the Water and Sewerage Authorities (Restructuring) Act do not apply. Although I am not opposed to the appointment of a chairman under the circumstances set out in the Bill, I believe it would be far better for the Government to allow the board to appoint its chairman. In this way, the harmony of the board would be enhanced and the most suitable and acceptable person would be appointed to the board. After all, that person will be given the task of ensuring the provision of water and sewerage facilities to the Mornington Peninsula. That practice would be easier and more harmonious than following the terms of the Bill which allow the Governor in Council to make that appointment when the Governor in Council takes advice from the Minister of the day.

The board will be responsible for one of the fastest growing areas in the State. It will be the second largest water and sewerage authority in Victoria after the Melbourne and Metropolitan Board of Works and will be the sixth largest authority in Australia. The board will employ more than 400 people. It is estimated that it will service approximately 300,000 persons in the area over which the board has jurisdiction. It will have an expenditure of $70 million and included in that will be approximately $30 million per annum of loan works. During his second-reading speech, the Minister for Water Resources said:

... that through economies of scale and other financial and administrative actions the board can achieve considerable savings to provide greater social equity.

I do not know what the Minister meant by "greater social equity". It seems that those words are out of place in the Bill; perhaps the Minister might like to comment on them when he closes the second-reading debate.

In his second-reading speech the Minister for Water Resources has given a long and glowing account of the benefits of the Bill and it will be interesting to see whether the predictions of the Minister are accurate and whether the savings to be made and the greater service to persons living on the Mornington Peninsula come to fruition.

The Mornington Peninsula and District Water Board has been described in glowing terms, and members of that board will have a heavy responsibility to carry out the predictions that the Minister for Water Resources has made for them.

As I indicated earlier, although the Opposition does not oppose the Bill or the clause concerning the chairman, the Opposition believes it would be more appropriate if the chairman were nominated to the Minister by the board rather than the board having to accept the Minister's nominee. Under the terms of the Bill, the Minister is limited to appointing three Government nominees to the board. Not one of the municipal representatives whom I have mentioned will be considered by the Minister when he makes a determination as to who is to be chairman of the board.

The Bill requires that the executive officer who will carry out the day-to-day functions of running the board and who will serve the board, should be appointed by the Governor in Council. The Opposition is opposed to this clause, but it will not move an amendment to it. However, I ask the Minister to consider, while the Bill is between here and another place, allowing the board to advertise the position of executive officer, to interview applicants for that position and to appoint the executive officer.
As I mentioned earlier, the executive officer is really the person who adjusts the nuts and bolts of the board and he or she will have the responsibility of carrying out the day-to-day tasks and ensuring that the operations of the board are carried out in a smooth manner. The second function of the executive officer is to deal with individual members of the board. The executive officer should have a close personal relationship with all members of the board. No doubt members of the board will turn to the executive officer for advice on the running of the board. Because of that relationship between the executive officer and members of the board, it would be to the advantage of the board and to the people they are serving if such officer were chosen by the board itself. This would lead to a more harmonious relationship and a better acceptance by the board of the executive officer.

The Bill allows for the remuneration of board members, and the Opposition has no quarrel with that. Remuneration is given at the discretion of the board and I mention that in answer to the interjection from the honourable member for Preston, who I believe is asleep.

Clause 9 requires the board to give effect to policies specified in writing by the Minister. The clause further provides that such a direction may be published in the Government Gazette and in the annual report of the board. The board is thus under the direct control of the Minister and it is bound to carry out Government policy issued under the direction of the Minister.

The requirement is that the board must publish such directions in its annual report and the policies may be published in the Government Gazette. I draw to the attention of the House the fact that the responsibility will weigh heavily on the Minister's shoulders to ensure that the directions he gives to the board are reasonable and just and that he is not influenced by the advice he may receive from some of his colleagues from the faction of which he is a member within the Government party.

Clause 2, which deems that the Act will come into operation on 1 March 1985, is obviously retrospective and I ask the Minister to give an explanation of why that clause has been inserted in the Bill.

That is an outline of the Opposition's attitude to the Bill. I remind the Minister that he owes the House an explanation, firstly, of why the chairman should be appointed by the Governor in Council from Government nominees only and, secondly, and perhaps more importantly, why the executive officers must be appointed by the Governor in Council. Why is the board not allowed to appoint its own executive officer after advertising the position and interviewing applicants?

Mr STEGGALL (Swan Hill)—It is ironic that the Water (Mornington Peninsula and District Water Board) Bill should be the first Bill that the new Minister is handling in this place. The Bill is also interesting from my point of view because, when the Public Bodies Review Committee was dealing with these matters some years ago, I happened to be on the other side of the fence as a member of a water trust and sewerage authority. Unlike many honourable members, I do not put too much faith in the decisions that were made by the Public Bodies Review Committee on its way through.

In the case of Swan Hill, it was necessary to bring about a number of changes to achieve a workable and appropriate operation. As time has gone by, the implementation of the recommendations of the report has been just about completed or is in the final throes. This Bill creates the biggest of the revamped water boards under the new system. It is interesting to note that the Bill creating this board reveals a few changes and new rules that I suggest the left wing of the Labor Party, the Minister and the Department of Water Resources will endeavour to impose on other water industry sectors in the community. Through the Bill the Government is saying that the water board is not capable of electing its own chairman, it is not capable of taking the Mornington and district water industry in the direction in which the people of the area want to go and believe it should go. It has
been decided that these decisions will be taken by the Minister and the Governor in Council.

Similar changes have been accepted in other areas of the water industry. I do not have any time for this type of proposed legislation, which is aimed at transferring the decision-making powers from the local community to the Minister for Water Resources and his department.

Whichever way one views the water industry, it is one of the most vital areas in the community. It is interesting to note the low priority given to the water industry through the assignment of that portfolio to a junior ranking Minister. The National Party views the water industry as one of the basic, fundamental and vital areas of Government administration and, as such, it should have been given a higher ranking with regard to Ministerial portfolios.

Why does the Government believe the people who live on the Mornington Peninsula are not capable of electing the chairperson and the chief executive officer of the Mornington Peninsula and District Water Board? With regard to the position of chairperson, it appears the Government is interested in appointing a figurehead who has similar political persuasions so that the Government has a personal and direct link with the water board. It would not come as a surprise if the Government appointed one of its own members who was defeated at the last State election!

Although I can understand the Government wishing to make that appointment, I cannot understand its desire to appoint the chief executive officer, who will be responsible for managing the day-to-day operations of the board. Whoever is appointed to that position will have to work with members of the board and respond to the needs and desires of the people whom the water board serves. Unfortunately, the board will not be given the opportunity of selecting its chief executive officer. The board will have that appointment imposed upon it irrespective of whether the appointee will do a good or bad job. In the eyes of the residents of the Mornington Peninsula, the appointee will be untouchable.

Only the Minister for Water Resources will have the power to remove the chief executive officer, and that officer will be able to implement only the policy directives of the Minister. One wonders why there is a need for a water board when the total powers of policy direction lie in the hands of the Minister. It is to be hoped that the honourable gentleman can explain to the House why it is so important that he and his department have this power and why only he and his department are considered to have the necessary knowledge and expertise to enable them to act for the 300,000 residents on the Mornington Peninsula.

Perhaps the Minister could provide the House with a good reason for believing that persons will not be appointed to positions in that area purely and simply on a political basis. From the actions of the Government and the appointment of advisers to the Minister for Water Resources in the past week or so, it is clear that it becomes a huge joke. I note in the Bill that the Minister will be able to choose who will chair the meetings of the board, who will run the board and in which direction it will proceed. Perhaps when the Minister replies to the debate, he might like to inform honourable members of the role of the board.

The Bill proposes that the board will have one representative from each council involved. I thought that was an interesting point. On reading the Minister's speech and listening to what he said, it seemed that the five shires and one city involved in that area were very happy, that agreement had been reached and that everyone was very friendly and ready to go ahead with the proposal. However, after doing some research on this matter, I find that is not the case. During the past two years that I have been a member of Parliament, this Government has said that it will have consultations with the local communities and that eventually a consensus approach will be taken. Consultations might have taken place in the context of the former Minister's overview of the original recommendations of the Public Bodies Review Committee, or they might not have occurred at all. In most of the discussions I have had with people in the Mornington Peninsula area they have complained
about the lack of consultation and input that councils have had in the establishment of the board.

It is proposed that there will be one representative from each of the involved areas. The Shire of Pakenham controls only the water side of the service; the Pakenham Water Board is separate and is a sewerage-only operation and is not part of the body now being debated. The Shire of Cranbourne controls both water and sewerage services, and the City of Frankston, the Shire of Mornington, the Shire of Flinders and the Shire of Hastings are also involved. Honourable members, particularly those of us from the country, have heard espoused by the great philosophers of the back bench of the Labor Party that one vote, one value is a sacred thing and should be introduced in Victoria.

Mr Micallef—A sacred cow.

Mr STEGGALL—I suggest that the honourable member for Springvale, who regards one vote, one value to be a sacred cow, should have a look at his sacred cow in this case and consider how the Government and the Minister are now prepared to throw that sacred cow out the door. To me it is not a sacred cow; I do not go along with the principle of one vote, one value.

I am pleased to note that a left wing Minister is proposing that one person will represent some 19,500 people and that another person will represent 84,000 people. That is wonderful! It was hoped that honourable members would be able to obtain more equal representation and not have to cover half the regions that we represent in this State. However, we do not mind; we quite enjoy it. I must admit that I quite enjoy seeing a left wing Minister introducing a right wing voting perspective.

I do not believe the City of Frankston is particularly impressed by having only one representative, and I point out that the rating base will come strongly from that area. That one representative will have his work cut out, particularly if matters become sticky. However, they probably will not, because the Minister will always have the power of policy. People must be breaking their necks to become members of the board!

Regionalization is one of my pet dislikes and one of the newly emerging trends. The Bill demonstrates that beautifully. What has regionalization done to the Frankston and Mornington area?

I shall quote shortly all the monetary benefits that we are to obtain, but I point out that the Bill will give people in those areas virtually no input into the day-to-day operations of the board. If the 84,000 people in that city are upset about an issue, they will have one vote to attempt to bring about some direction to correct the situation. The entire direction and operation of the board will move away and become remote from the local community. No one will have any direct input. I see that as the sign of things to come. These bodies will become so big that no one will be able to "get at" them. If the board should go off the rails, of course, no one will need to "get at" it, because it will be the Minister who has pushed it off the rails. The water board will not be able to be influenced by the people it represents; it will be aloof from them.

That is what regionalization has done throughout Victoria. The Government has introduced regionalization schemes that have made boards and committees remote, so that only the Government and the Minister can touch them. Unfortunately, the Bill is heading in that direction. The people of Mornington had better maintain close scrutiny on the board and the direction in which the Minister and the Department of Water Resources take it.

The department comprises an interesting group of people. Honourable members may recall that last year problems arose in working out the functions of the Rural Water Commission. Although most of its functions seem now to have been settled, enormous confusion exists in the water industry as to who does what and who is responsible to whom.
At least it is clear under the Bill. The people of the Mornington Peninsula had better make sure that they can influence the Minister in some way in case they want to change something that is not going in the direction in which they would like to see it going.

The board has been established and is operating. It will have on it three Government nominees who will, no doubt, be nominated by the Minister and the department, so that the Minister and the Government will have a fair amount of power and influence over the board. I suggest that, in the eyes of the Minister, the people of that area are not capable of making major decisions in the best interests of those whom they represent.

The only way in which people may have influence over the board will be through shire and city councils, and that is not a good way of doing it. However, if one wants to control, regulate and dominate society, the best way to do it is through the water industry. That is exactly what the Government is doing.

In his second-reading speech, the Minister stated:

The concentrated effort in all areas of the restructuring process will, I believe, provide the framework for the water industry accountability, control direction.

The Minister believes that means that those involved in the water industry will be accountable to him and not to those who pay the rates. He believes he will control what the water industry does and the direction in which it goes.

The Minister also stated:

This has enabled the industry to liberate and harness the creative energies of individuals who share a common purpose.

That is wonderful stuff—I wonder what it means. I suggest that the individuals who have the creative energies are in the mind of the Minister.

The spokesman for the Opposition wanted to know what was meant by “social equity”. The second-reading speech states:

As a result of investigations it has been conservatively estimated that through economies of scale and other financial and administrative actions the board can achieve considerable savings to provide greater social equity.

The Minister currently has a wonderful forum in which to explain what he means by “social equity” in the water industry and how he will apply it to an organization controlled by him hook, line and sinker.

The second-reading speech continues:

Particularly, the customers throughout the board’s districts will benefit financially from elimination of duplication in administration, plant and equipment, stocks, depots and associated facilities; rationalization of stock levels; greater flexibility in fund management; improved tendering and purchasing arrangements; rationalized manpower management; modern financial and management systems; and access to the diverse capital markets.

“Modern financial and management systems” is a throw-away line of the Treasurer. It may mean that the Mornington Peninsula and District Water Board will, in approximately ten years, be in debt 20 to 30 times more than it is today. That is the Government’s idea of modern financial and management systems.

As to access to diverse capital markets, the policy of the Treasurer is that everyone will need to borrow as much as they can to justify the desires of a high spending Government. The people of Victoria are asking, “Where are the benefits from the extra spending; have our standards improved; are we living in a better society through being in debt up to our necks?” The answer is, “No”.

Perhaps the Minister would be so kind as to tell us exactly what benefit this proposal will give to the people of the Mornington Peninsula. The Government has given away all its power with respect to water and sewerage—in some cases I appreciate that the power has come from other Government departments, but the Government has given away its autonomy.
What are the financial benefits? I might be able to help the Minister in this regard. The previous Minister for Water Resources espoused that the principal benefit of this Bill was that it would provide the enormous saving of $5 a service a year. It is possible that the people of Frankston and the Mornington Peninsula might consider that in the long term it would have been cheaper and far easier to have paid the extra $5 a household a year.

In his speech, the Minister for Water Resources said that this Bill provides for strong and unambiguous links between the Government and the board. The Bill empowers the Minister to direct the board on policy matters relating to water resources, requiring that the board act on directions and report on its actions to the Minister. The only resort open to the board, when faced with a direction coming from a department that I believe at the moment has lost its way—that is, the Department of Water Resources—will be to publish the direction in its annual report. The board will be able to say, “We have made a mess of it; it is not our fault. This was the direction we were told to take.” That is why board members will be breaking their necks to get on to the board!

The Minister’s influence over the water board is enormous. This board is really just a Government agency, a regionalized body that has been created. The State is leaning in the direction of regionalization and sooner or later politicians and the people of Victoria will wake up to the fact that this continued regionalization of our facilities and structures is leading to complete bureaucratic control.

I sometimes wish that I had been a member of Parliament at the commencement of the regionalization process of the water industry. Much that was contained in the report of the Public Bodies Review Committee was good. However, some of the principles espoused in that report became lost along the way. I do not hold it up as a great report.

I remember having a meeting with a former chairman when I was Mayor of the City of Swan Hill. The meeting was far from pleasant. The people involved in hearing evidence at Swan Hill on that day told us what could happen and advised us that we should start making arrangements to fit in with their proposed recommendations. Over the years, councils have become sick and tired of trying to stop the enormous number of changes that have been imposed on them, whether by water and sewerage boards or anyone else. Sooner or later, honourable members and the people of Victoria will want to call a halt to the myriad of changes of direction and changes of philosophy, many of which are foreign to our way of life.

These changes are being brought in by the Government so beautifully—bit by bit and in a piecemeal fashion—that it makes it difficult to explain to the people of Victoria what is happening.

In summary, the Mornington Peninsula and District Water Board is too remote from the people it represents. The public will not have the ability to scrutinize the operations of the board and will not be involved in elections to the board. The people in that area will have no say in how the board operates and the future of the area the board services will depend entirely on the whim of the Minister for Water Resources.

Under the Bill the board will have no right to elect its chairman or to select its top public servant. It will have no right to select the direction it wishes to go. I have no quarrels with provisions relating to members of the board being paid for the work that they do. I sincerely hope the people of the Mornington Peninsula and district will be able to come to grips with this revamped water industry organization and that the Department of Water Resources and the Minister will work closely with those people. Although that does not have to be done under the provisions of the measure, I trust that it will be done and that the Minister and the department seriously consider the wishes of the community.

Mr COOPER (Mornington)—The Bill is the final stage in a shotgun wedding that has not been greeted with joy anywhere in the area that the board proposes to service. In the past twelve months the Frankston Sewerage Authority has been dragged, or bribed, into this marriage. The Mornington Sewerage Authority and the Mount Eliza Sewerage
Authority have been reluctant to come to the wedding and the same can be said about the other sewerage authorities covered by this measure. The people who will be serviced by the water board know of no good reasons why the provision of services should be transferred. A large question mark will be over the water board and no amount of rhetoric from the Minister or members of the Government who support this motion will persuade the people of the Mornington Peninsula and other people serviced by the new water board that they will receive the same kind of service that they currently receive from the sewerage authorities that service their areas and from the Rural Water Commission.

I support the honourable member for Narracan in his remarks about the appointment of the chairman and the chief executive officer of the proposed authority. It is staggering that a Government that has boasted freely about consultation with local government and with other authorities should be embarking on a course that will allow the Government to appoint a chairman and chief executive officer rather than allow the body to do the job for itself. Even in the interests of harmony, one would expect the Government to allow the water board to make those appointments. It appears that the Government has so little trust in the membership of the authority and so little regard for the expertise of the personnel elected to that board by member councils, it is prepared to railroad and ramrod through its decisions.

It is common talk around the Mornington Peninsula that a leading light in the socialist left will be appointed as chairman of the Mornington Peninsula and District Water Board.

Mr Delzoppo—It is a surprise!

Mr COOPER—Yes, it is a surprise. The only qualification of this man is that he served for one term on the Frankston council and the first time he went to the electors, he was thoroughly defeated and was thrown out. Again it is a job for the boys, but this one carries a salary. The man has to be paid off and this is it. His pay-off will be $6000 or more and he will sit on the board with all the expertise of Donald Duck. He will chair a board which will be the sixth biggest water authority in Australia. Currently it is only a rumour, so I ask the Minister to quash that rumour and tell the House who the three Government nominees are who will be appointed by the Minister to the authority.

Honourable members have heard about the fantastic savings or raison d'être—or reason for being, for those members who do not understand French—why the authority is to be created. It falls into line with the statement that has been uttered all over Victoria for some years in the areas of local government, water supply and other areas where local input is available—that “big” is better.

The belief seems to be that it has to be better if we make it bigger.

The Minister's predecessor went around the countryside in an effort to establish reasons that might be swallowed by the people of the Mornington Peninsula as to why the Mornington Peninsula and District Water Board should be created. The best the honourable gentleman could come up with was that it would save every ratepayer $5 a year. What a fantastic reason to create another gobbling monolith of a bureaucratic structure that is unproven and untried!

The best the Government could offer the people of the Mornington Peninsula was that each ratepayer would save $5 a year. That is not good enough. The people in this district view the creation of the board with a great deal of distrust. They do not believe they will receive the service they should receive from the board. They believe the authorities that will go out of business—particularly the sewerage authorities—have provided the required services on a local basis with local input and control. That will not be the case in this instance. The unsewered areas of Frankston, Mornington and Mount Martha will all be vying for reticulation extensions. The big areas will win and the small areas will suffer. That is why the people of the Mornington Peninsula view the creation of this board with suspicion.
The Minister for Water Resources should make a firm statement on who are to be the three persons appointed over the locals on this board. Who is to be the chairman, and why will not the Minister and the Government allow the members of the board to elect the chairman and the executive officer? It is about time honourable members were told the truth on this matter because they did not hear it from the Minister's predecessor. All that was heard were statements that floated around the issue. Perhaps the present Minister will tell the House and the people of Victoria—particularly the people of the Mornington Peninsula—the real truth about the matter.

Mrs HILL (Frankston North)—I support the Bill. The importance of the creation of the Mornington Peninsula and District Water Board is not reflected in the short preamble to the Bill. I have listened with interest to the contributions of other honourable members. The comments of the honourable member for Swan Hill deserve answering. I am glad to note that he has accepted one of the clauses. It must be interesting to belong to a party which never has to implement any of its policies! It appears that the information network controlled by the honourable member for Mornington in the peninsula area is not as good as mine. I have received two telephone calls from people who informed me that they had received letters indicating that they had been appointed as Government nominees to the Mornington Peninsula and District Water Board. One of those people is a defeated candidate who stood for election to this Parliament.

Honourable members interjecting.

Mrs HILL—That man is a member of the Liberal Party. I shall leave the naming of those people to the Minister for Water Resources as that is his prerogative. I suggest that the honourable member for Mornington brushes up on his peninsula network.

The creation of the water board is an important step forward. It has been discussed for a long time. I remember sitting in the council chamber at Frankston in 1980 when I was a member of the council when the then honourable member for Frankston, who is now the honourable member for Frankston South, came to address the council. He said that we had to rationalize the use of water in the peninsula. I shall be interested to note whether he contributes to this debate. I shall also be interested to know whether a split has occurred in the Liberal Party as the honourable member for Mornington is advocating that the status quo be maintained with fragmented management of water and sewerage facilities on the peninsula, whereas the honourable member for Frankston South has previously advocated a rationalization and direction towards the water board, which the Labor Party has now undertaken.

Plenty of time has been available for consultation about the creation of the water board. The former Minister ordered another overview study because the choice of being integrated into the Melbourne and Metropolitan Board of Works was not included in the first place. It was discussed by many people and the resounding answer was that the people of the peninsula do not want to be part of the Board of Works structure. They want to remain independent and they support the creation of the water board. Some areas would have liked to maintain the status quo and manage their areas. However, with the complexities of water and the fact that water is a scarce commodity in Victoria, this was not possible. Although the peninsula rarely has water shortages, water must still be regarded as a valuable resource.

Peninsula residents must stop thinking of the area as different areas belonging to different shires. It is a part of Victoria that must be united. The water board will play an important part on the peninsula. It will control an estimated annual expenditure of $70 million and will probably have a loan program of $30 million. The composition of the board and the representation sought was given serious consideration. It was decided that the fairest way would be to have one representative from each council so that it is up to the councillors to choose their representation, and to have three Government nominees. The Government nominees are not taken straight from the Minister. Every member representing that area was given the chance of making recommendations.
Mr Richardson—Who makes the decision?

Mrs HILL—The Minister cannot appoint anyone who has not been nominated. I am sure the Liberal Party ensured that it nominated people of its persuasion. It certainly appeared that way when I read the list. I should not hint too much, but, not all of the three people I recommended were appointed. When I hear it said that the people will not have access to the new board I wonder where I have been. I wonder what access there has been to the sewerage authorities and the people who control those authorities on the peninsula at present. It will be far easier to gain access to the board as it is now, and will certainly be easier with the establishment of offices in shopping areas. It will be easier to find out what is going on in that way.

I look forward to the establishment of the water board. It is a matter that I have thought about and tried to contribute to for many years, as I know the honourable member for Frankston South has also done. I look forward to working with the people involved, whether or not they are of my political persuasion. It is important that the peninsula should progress in the right direction and that its water resources are managed to the benefit of those who live there.

Mr MACLELLAN (Berwick)—I suspect that honourable members representing Frankston must have a different view on this matter from that of honourable members who represent areas which have been roped into the Mornington Peninsula and District Water Board district without consultation and without the ability to make the same inputs that it appears those who are privileged to be members of the Government party can make. I regret that the new Minister for Water Resources is handling the Bill as his first piece of proposed legislation. I regard it as a disaster. The Bill invites me, as an honourable member representing the ratepayers and electors of Pakenham and Cranbourne, to agree to proposed legislation that will come into effect on 1 March of this year, by way of backdating. The honourable member for Frankston North has indicated that she has seen the list of Government nominees and knows who has been appointed. She was obviously consulted on that matter. However, nobody consulted the honourable member for Berwick on the subject of Government nominees. The people of Pakenham and Cranbourne, irrespective of their politics, have been excluded from consideration.

During the contribution of the honourable member for Mornington, the former Minister of Public Works said, “Not your mates” by way of interjection. It sounds to me as though the Minister for Water Resources is being invited to launch his Ministerial career with political attitudes towards the proposed legislation and the board, rather than the open-mindedness that he ought to adopt as his approach. I am surprised, knowing the Minister, that the Government nominees were chosen in that way. The history of the process, at least as far back as the term of office of his predecessor, was that every local member was invited to submit names for Government nominees. So far as I know, the selection has never been on the basis of party politics. The names of Government nominees were submitted to the Minister. If the Minister had any questions about the nominees, he would approach the person submitting the names to save that person and the nominee embarrassment.

I have never known which faction of a party or which member in a group of members is the Government member, as opposed to members of other parties, that determines these matters. I say to the Minister, “Minister, beware, this is the beginning of your career. You have come into the House with proposed legislation and you may ask honourable members to backdate its date of operation. One of your own Government back-benchers says that she was consulted and that she has seen the list of nominees, apparently not only her own nominees but also other persons’ nominees, and that she knows who has been appointed—she has said that she knows who has been appointed—yet there are local members representing the area who have not been invited to submit names.”

The significance of that statement is that the Minister is saying that the representatives on this water board are not qualified to be the chairman of the board; they cannot be the chairman; they cannot be selected by the Minister because the Minister has decided, by
this proposed legislative measure, to tie his hands behind his back and to say that he will select the chairman only from the people on the list which he has discussed with back-benchers and towards which he has forgotten to invite local members to contribute. That is a nonsense and certainly a bad start to a Ministerial career.

I should have thought that the Minister would have argued for the widest possible selection from which he had to choose. If the Minister makes the choice as to who is to be the chairman, surely the Minister ought to have the widest field possible, whether it is the representative of the Shire of Pakenham or the representative of the Shire of Cranbourne. Why deliver a gratuitous insult to those municipalities by saying that they can have a member on the board but that they cannot have their member as chairman; he is not good enough for the money; he is not good enough for the Minister's nomination; he is not good enough as leader of that water board.

This proposition represents a very bad principle and a very bad direction. It would be better for the Minister between here and another place to consider amending the Bill to provide that the Minister makes a choice—it is the Government's view that the Minister makes the choice—from any one of the members of the board, instead of having the nominee of the honourable member for Frankston North for chairman, or the nominee of the honourable member for Frankston South for chairman, and so on, thereby immediately bringing into it the party politics of those honourable members, the political persuasion and whatever other complication.

The honourable member for Gippsland East says that that may well be the whole objective; it should not be the whole objective. The Government should be creating a team of people to do the best possible job. The board is already operating under difficult circumstances because Pakenham never wanted to be part of the wretched board, anyway, and for very good reasons; if we are to attract industry to Pakenham we need to make an offer to industry which relates to sewerage, water and other services.

If the Shire of Pakenham has to go trotting to Mornington or to ask permission of the Minister's own chairman or of the Minister's own nominee as chief executive, "Please may we invite in this new industry, will water be available, and at what price?" and so on, and if shire representatives have to go down on their hands and knees to the Minister's back-bencher referral nominee who becomes the chairman of the board, or the Minister's choice of a chief executive of the board, is it any wonder that Pakenham constituents will feel suspicious that, being on the edge of the whole thing, they may well be on the outer when consideration is being given to establishing new industries?

The Opposition has the problem of being invited to support the Bill and to agree to backdate the proposed legislative measure, no matter who are these magical creatures to whom the honourable member for Frankston North refers. Whoever they are, they started on 1 March, and any decisions made between 1 March and today are already to be given the imprimatur of Parliament and said to be all right.

The Minister will make directions—this is curious—and the Bill, framed in its modern English, provides in the last clause that the board may publish the directions in the Government Gazette. If that is not a classic way of making sure that no one knows what directions the Minister has given the board, I do not know a better one. I could not imagine anywhere better to bury a Ministerial direction than to say that the board may publish it in the Government Gazette.

The Minister ought to offer a prize for the first person who can find his direction in the Government Gazette. Firstly, the board does not have to put it there and, secondly, if it does it will be a real problem for anyone to find it.

At the same time, the honourable member for Frankston North was saying how marvellous it is that we are to have these shop front offices in the local communities to bring the board closer to the people. I suggest to the Minister that the best place to display Ministerial directions would be in the windows of these shop fronts, not in the Government
There the locals may actually find and know what directions the Minister is giving to the board. Of course, one would not go for anything as inexpensive or as effective as that!

I should like the Bill to provide, and I hope between here and another place the Minister will think about it—he may get a hint that it would be a good idea—that the Minister's direction should be posted to the municipalities, because they are constituent members of the board, so that the direction could be drawn to the attention of the local councillors in the affected area. It would be appropriate that the Minister's first direction should be so displayed rather than either hiding it or not publishing it in the Government Gazette, and to provide that every future direction will be displayed in the shop front office of the board, no matter where, so that every shop front office of the board will always have the Minister's direction and the people will always know what the Minister has been directing the board to do.

If honourable members are really interested in the people of the area, those who have been roped into it and those who are fundamentally part of it because they are right in the Mornington Peninsula and cannot be separated, or if honourable members are keen for these people to know what is going on and for them to be represented and to feel that they are part of the decision-making process, then this Bill is the insult to end all.

Firstly, it informs one that the Bill came into operation one and a half months before the Bill went to Parliament. Secondly, it provides that the Minister may give directions and the board may bury them in the Government Gazette so that no one is aware of them, and then put them in the annual report.

One has only to interpret the remarks of the Treasurer today to know that the Treasurer was indicating that he does know how broke the State Insurance Office is and that he does not intend to tell the Parliament anything until he has to, and that he does not have to until after the Auditor-General has issued a certificate on the end of the year final accounts—that is some time next year—and it is too bad for honourable members that that is his interpretation of Ministerial responsibility.

Frankly, I hope this new Minister for Water Resources, at the beginning of his Ministerial career, will set a higher example and say that it is not good enough that the Ministerial direction should be put in the annual report which is published six months late and tabled in Parliament, if it is sitting—Parliament has sat only a few days in the past eight months. That is another way of burying things.

Why not have the courage to say that the direction will be given in writing—and that is provided in the Bill—and will reasonably be brought to the attention of the people concerned, that is, the municipalities, and that the shop front offices are the best possible way of doing it? The clause that provides that the board may publish the direction in the Government Gazette is, to say the least, a curious nonsense and an insult to any intelligence; certainly, one would have thought, an insult to the intelligence of the Minister for Water Resources.

How this Minister has been converted so quickly from being an ordinary, normal, intelligent, well-informed human being into being the creature that introduced this Bill, I cannot imagine.

The Minister for Water Resources must be the quickest convert to Yes, Minister that this Government or any Government has experienced for a long time. The Minister has to suffer the embarrassment of seeing the runners coming in from the corner where the Ministerial advisers sit with little notes asking what this or that means. It would have been far better if the homework had been done in the first place.

The Minister could not possibly justify a clause that states that the board may publish a direction in the Government Gazette because there is not the slightest reason for saying that it will be carried out. Certainly, if the direction were embarrassing it would not be carried out. There is not the slightest reason to suppose that, if the Minister chooses the
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chief executive officer and the chairman, any direction will be published in the Government Gazette and, if it is, it is not indicated how one might find it. It is a nonsense and the Minister knows that. If he did not know it before, he should know now.

A further nonsense is that the board started a month ago without the slightest reason in the world. What explanation is there for the notification that whatever board it is had started a month or six weeks ago?

Clearly the Minister needs to clean up the mess and make sure it does not happen again. The honourable member for Frankston North, a member from the Government side of the House, was able to say, "I have seen the list of nominees". Obviously she knows who the Government nominees will be. Apparently she alone, apart from the Minister, knows that. One wonders whether the Minister was involved at all. Perhaps he has not been told who the prospective chairman is to be!

Why should Parliament be asked to discuss a Bill which will give the Minister the right to choose the chairman when Government members already know the field? They know who the three nominees are, and the Opposition and the National Party do not. That applies to local members. As the representative of the people of Pakenham and Cranbourne I was not told. However, I am asked to give the Minister the power to choose who is to be the chairman of the authority which will fix the water rates for the people in the constituency I represent. All the people of Cranbourne and Pakenham will have to pay the price.

The Minister knows, and apparently one of the back-bench members knows. Why cannot the Minister come clean and tell all honourable members so that we all know who the three Government nominees are and which one of those nominees the Minister intends to choose as chairman? Then perhaps one could see how poor is the argument that the Minister should choose the chairman from such a narrow and politically inspired field.

I have enormous goodwill and high hopes for the Minister. It is his first piece of proposed legislation, and I hope the Minister will not be manoeuvred into this position again. I hope he will be wise enough to ensure that this does not happen. If the Minister is asked to introduce similar proposed legislation I suggest he ensure that the second-reading speech provides a crystal clear explanation for why he would ask Parliament to do something as unnatural and so obviously in breach of Parliamentary Government and principle as this provision.

If the Minister continues in his present role in the water industry, I hope he will extend to all members of Parliament the courtesy of inviting them to suggest nominees for the Government on water boards irrespective of the qualities of those nominees. I hope that, irrespective of which side of the House those members represent, they will make suitable nominees, irrespective of their politics.

That means that one would not nominate to the Minister a person who would be an embarrassment because of political entanglements, past character or past performance. I do not think any member of this Parliament that I have known would make a bad nomination in any of those ways. If a difficulty arises, the first action would be to go back to the member and discuss it with him or her. This Minister should have been man enough to do so if a problem arose.

However, to say, "I will introduce legislation to narrow the field of the chairman of the board to one of the three tainted nominees" is a nonsense. I use the word "tainted" because I consider the nominees to be tainted. I was not invited to provide a nominee, whereas a Government member knows the name of every nominee put forward and the name of the successful nominee. That taints the nomination and that taint is a bad start for the board.

It is not going to be a pleasure to go back to the representatives of the shires of Pakenham and Cranbourne and tell them that they were excluded from the office of chairman because a Bill was passed by Parliament, after being introduced by the Minister, who said that they could not have the job no matter how good they were. That is a bad start for the board
and a bad principle and, while the Bill is between here and another place, the Minister should examine the matter.

The choice of executive officer makes a further complication for the Minister. If the Minister wants to consult the board about who could be a suitable officer, what is wrong with that? If the Minister wants to give a direction in writing, Heaven knows that most of the Bill is about that. He can do so saying he will choose "Mr X" as the executive officer.

Why say that the Minister should have anything to do with the executive officer if one expects the board to take on the responsibility for the water industry, including the fixing of rates, the delivery of services and the future directions on the peninsula?

If Parliament expects the board to accept that responsibility it ought to have the courtesy and trust to give it the responsibility of choosing its own chairman and executive officer and hope and pray that the Minister will never have to give them a direction, because the giving of a direction would be the last resort. I hope if the Minister has to give a direction he will at least have the courage to make sure it is not buried in the Government Gazette with the words, "may be published in the Government Gazette." It should be placed where all can see it and know that the Minister intervened because he believed he had to do so; not that he did it surreptitiously and deviously and tried to hide it at election time, waiting for the annual report to be a disaster if the direction was a disadvantage to some organization or person.

I could not believe the Minister could give a disadvantage or advantage to some new industry and expect that to be hidden away until the annual report was printed perhaps in eighteen months' time. That would be a disgrace. If the Minister has to intervene with a direction, let him have the courage to do so openly and publicly and let the public, who pay the price through their rates, know about it in advance. That approach will give the Minister a new and successful career. If he is manoeuvred into the position where he introduces proposed legislation and gives a second-reading speech as he has done with this Bill, he will be on the road to disaster. I wish him well and hope the experience will not be repeated for him.

Mr WEIDEMAN (Frankston South)—I am told that confession is good for the soul. I must confess--

The SPEAKER—Order! If it is on the Bill!

Mr WEIDEMAN—Comments were made previously, and I confess to being a part of the subject of those comments. When I was a member of Parliament previously I served on the Public Bodies Review Committee. I confess to that role. I also confess to the honourable member for Frankston North, who raised the issue of being present at the Frankston council meeting, and that I support the reconstruction of the water and sewerage boards on the peninsula.

Honourable members are today debating the formation of the Mornington Peninsula and District Water Board. The Bill is important and concerns the development and provision of water and sewerage services for the peninsula.

I pause to think about those 300 or 400 employees of the water authorities in the Mornington Peninsula who will no longer be needed. I remember in particular the Frankston Sewerage Authority with which I had dealings recently when the sewerage was put through my property. The board carried out that job with expertise and with few of the problems that one would expect a family to experience when the sewerage is being put on.

Over the years the Frankston Sewerage Authority has carried out a magnificent job. That authority has been lucky. The Government keeps referring to what the former Government did or did not do for the State, but I congratulate the former Liberal Government for the funds it made available to the Frankston Sewerage Authority. The authority has been well controlled by the Frankston City Council and has made good use
of the funds made available to it on loan. The millions of dollars that have been spent by the authority have made it possible for the board to sewer many properties.

The Minister has said of the Mornington Peninsula, which has a population of approximately 300,000 people, that it is the fastest growing residential area in Victoria, if not in Australia. The peninsula is prepared for changes. Financing of the sewerage authorities on the Mornington Peninsula has depended on the availability of loan funds. The authorities have been affected by the restriction of $1.2 million in funds so I imagine the shires of Mornington, Hastings and Flinders have not been able to function properly with the loans they have obtained.

More sewerage authorities were established than were really needed. In 1980 I helped to investigate the water and sewerage authorities in the State. I was aware of the problems faced by sewerage authorities on the Mornington Peninsula during the drought. I well remember the water restrictions that were imposed by the then Water Commission. A lack of communication existed between the commission and the municipality because the drought conditions that preceded the implementation of the water restrictions were obvious to most Victorians. For many years people living on the Mornington Peninsula were able to avoid the imposition of water restrictions. During the last drought water restrictions were imposed but at a very late stage. The Frankston City Council commented on the information it received about the imposition of those water restrictions. I hope the Mornington Peninsula and District Water Board takes up the cudgel for that council to prevent that situation from recurring.

In response to the comments made by the honourable member for Berwick, the Minister asked me in a letter to gather together my colleagues from Mornington and Dromana and to ascertain from them a panel of three names from a list of candidates who had responded to an advertisement in the *Frankston Standard* and other Mornington Peninsula newspapers. I did that. If I am at fault for not including the honourable member for Berwick, I confess to that. I have only partly got the Minister out of the problem that he faces; with the honourable member for Berwick, he will have to sort out the rest himself.

That particular matter involved nine honourable members, one of whom was the former Minister of Water Supply, the Honourable David White. I congratulate the honourable gentleman for his attitude towards consultation and the manner in which he followed the matter through. Honourable members would be aware that he was a member of the Public Bodies Review Committee before he became the Minister of Water Supply. I am sure all honourable members recognized how successful his consultation process was. I have since made inquiries about his methods and have found that he was well accepted. I recommend the new Minister for Water Resources to follow in the footsteps of the former Minister of Water Supply in consulting with local sewerage authorities.

After saying that, I point out that the former Minister faced some problems with the Frankston City Council when discussions were held about the inclusion of a Frankston councillor on the new board. The Minister gave an assurance that Melbourne Metropolitan Board of Works rates in Frankston would be lower than those imposed by metropolitan boards. Since then it has been discovered that because of re-evaluation the rates could be increased by 20 per cent. The ratepayers of Frankston could be in for a shock. I notice a wry smile on the face of my colleague, the honourable member for Frankston South, who suggests, by way of interjection, that that may be more the truth of the situation.

I suggest that the new board and the Minister carefully examine the promises made to the Frankston City Council because it was generally accepted that the differential rate that could be applied in different districts would be applied in this case. When a meeting was first held I suggested to the then Minister that some newspapers had suggested that the new guidelines and boundaries which had been drawn up for the Mornington Peninsula were the result of a Liberal Party gerrymander. I have been asked to ask you, Mr Speaker, to correct that situation. I shall do so at a later stage because somewhere along the line the wires have been crossed. I am not aware of who established these boundaries. I am not the gerrymander Frankston South member as was suggested.
It was suggested that, because of the new boundaries and the increased number of representatives, representatives from the Frankston South and Mornington districts be included in the Government appointees. That request was refused because the number on the board set by the Act was nine and I did not allow for two more. Prior to any consultation it was suggested that a representative be appointed from each of the councils. That suggestion was accepted.

Many members of the water boards in Victoria will be elected in a similar fashion to those of municipal councillors. I suggest that while the Bill is between here and another place the Minister review his consultation process and increase his meetings with the water boards. Many people on water boards have been appointed rather than elected. Very few elections have been held over the years. The crux of the proposed legislation is to ensure a proper representation of an area through voting rights.

The board will be comprised of nine members. Six members will be councillors from various municipalities and there will be Government nominees. The Minister should consider having one of the councillors or Government nominees appointed as chairman of the board rather than one of the three Government nominees as proposed.

This would be a democratic way for the Governor in Council to appoint one of the total board.

Having served in colleges of technical and further education and on the council of a technical school, I have some knowledge of the new approach to the appointment of chief executive officers where the chairman and the board members, together with the union representatives, interview various applicants to select a suitable appointee.

In his second-reading speech, the Minister for Water Resources indicated that the Government would ensure that the positions of chairperson and chief executive officer would be filled by people with the highest level of managerial expertise and leadership qualities. I hope the Minister will consider one of the nine people on the board who I believe would have those qualities, so that a chief executive officer can be appointed to administer the needs of that community.

Under the guidelines laid down by the Water and Sewerage Authorities (Restructuring) Bill I have a concern about the way some chief executive officers associated with water and sewerage boards are being paid. I remember clearly one gentleman being secretary to seventeen water and sewerage boards, receiving $3000 from one board and $1700 from the others. He was also the shire secretary and received a salary for holding that position. He worked only between the hours of 9 a.m. and 5 p.m. each day. When questioned about how he handled his other duties he said that he did them within that time frame. I believe it is a most generous situation for the people concerned to be guaranteed that they will be no worse off than they were before. One gentleman rented a house, that was owned by a sewerage authority, for $10 a week. That was a generous situation. The Minister should study those guidelines carefully when new boards are appointed to take over the responsibilities.

It is a sound principle to ensure that in the amalgamation of authorities and boards employees are not disadvantaged. I suggest that the Minister directs the board to be careful about these matters and to ensure that it is fair to the taxpayers of Victoria as well.

The Minister has indicated that the directions will be printed, and that is a positive aspect. It was also indicated that there is a need for proper responsibility and Ministerial direction and accountability. That concept was in the reports prepared by the Public Bodies Review Committee.

The Minister for Water Resources must ensure that directions are advertised through the “shop fronts” and through the local papers so that the community is aware of policy directives.
The creation of a board such as this is not an important issue for the Mornington Peninsula. As the honourable member for Berwick said, it is the first Bill that the Minister has introduced into the House and he has got himself into a lot of trouble. I was treated similarly with the first Bill that I introduced as a Minister, and I wish him well. If the Minister takes the advice of the honourable members for Berwick, Mornington, Dromana and myself and, to a lesser extent, the honourable member for Frankston North, the board will be very constructive, will have a good executive and will be able to provide the services that are required for the Mornington Peninsula.

The Minister indicated in his second-reading speech that there will be a "shop front" capacity in each of the areas involved. It is not easy to obtain a shop front in Frankston at present. I understand the honourable member for Frankston North in his previous capacity as a councillor of Frankston Council ascertained that it was part of the local ordinance that there be five shops to one office in the central business district of Frankston. That ordinance has caused problems, so I suggest the Minister should keep that in mind in setting up his "shop fronts".

I am sure the Minister will overcome his problems with the help of other honourable members. I wish the new board well and I concede that, with the functioning of the board, the cost of sewerage and the provision of water on the Mornington Peninsula should stabilize. The City of Frankston has done a tremendous job in providing sewerage facilities and water for the residents of the municipality.

I am sure the board will direct its attention to the matter of water quality. The honourable member for Niddrie is not in the House at present, but he indicated that he was a constant visitor to the Mornington Peninsula. He would be in a position to observe the improvement in the water quality that has occurred and will occur in the future.

Mr McCUTCHEON (Minister for Water Resources)—I thank the honourable members for Narracan, Swan Hill, Mornington, Frankston North, Berwick and Frankston South who have all contributed to the debate. I do not think honourable members expected the debate to last as long as it did. Important contributions have been made to the establishment of the board by this proposed legislation. Questions were raised by various honourable members and I propose to answer them.

I thank the honourable member for Frankston South for not standing with the rest of his comrades and for being someone who supports the general principle of the restructuring of the water industry. That is where the Government stands and I am glad that there are people in Opposition who support that view and see its wisdom.

The honourable member for Swan Hill was perhaps the most conservative of the contributors to the debate this afternoon. It appears from what he said that he wants no changes made; he wants the same old pattern of water and sewerage trusts that existed in this State for almost 100 years.

Due to the initiatives of the former Liberal Government, the Public Bodies Review Committee got to work and made some recommendations, which the Government is now carrying out. Complaints about the restructuring are really water under the bridge. New Acts have been passed, restructuring is in process and the restructuring of the Mornington Peninsula and District Water Board is part of that process. The honourable member for Frankston South acknowledged that there had been consultation, that advice had been given by various councils and that that advice has led to the format of the board. It is the third largest water authority in the State. It is a prestigious authority that deals with 300 000 people in a fast growing part of Victoria. As such, it is not just one of the local water boards that come under the other Act. This is a specific measure to recognize the importance of the water board.

The Bill provides for the appointment of a chairperson and of a chief executive officer. I find some of the questions that have been raised about that a little surprising, because my second-reading remarks dealt in some detail with those specific matters. I am surprised
that honourable members appear either not to have heard the speech or to have read it in preparing themselves to speak in this debate.

With reference to remarks made by the honourable member for Narracan, about social equality, I believe other speakers did in part answer those comments. When there is a fast changing urban area, the old patterns of trusts and boards soon become out of date with the changes in population and urbanization. The reason why the board will create social equity is because it will have resources and the ability to employ the most skilled people in the water industry to be its officers. It will be a fine board. Its members will be elected by the councils and representatives will be appointed by me but with the advice, clearly, of the members of Parliament representing the area.

I apologize to the honourable member for Berwick, who was not consulted. The process of contacting local members was in train before I became the Minister and I regret that he was not consulted, although I am aware of a number of other honourable members who were consulted, including the Leader of the Opposition in the Upper House.

The nominations for appointment were certainly representative and I shall detail the process to the House.

The process for appointment by the Government was advertised extensively in daily newspapers throughout the district to be administered and 36 people registered their interest. Those 36 names were then made available to local members of Parliament, so honourable members should not charge the honourable member for Frankston North with having special information. The names were circulated to those members of Parliament who were then asked to send me their nominations. Having received those views, I wish to announce the following appointments. I believe all appointees have received non-party political support from the persons who have submitted their names. They are: Mr Keith Buchanan, a former Councillor and President of the Shire of Flinders, who is currently the Chairman of the Dromana—Rosebud Sewerage Authority; Mr Peter J. Love, a former Councillor of the City of Frankston and a member of the Frankston Sewerage Authority; Mr Derek Bunyan, a former Councillor of the City of Frankston, and a member of the Frankston Sewerage Authority, who is currently President of the Frankston Hospital. Those are the three Government appointees. The appointments have been made and the appointees have been notified.

The next question raised during the debate by the honourable member for Narracan and also by the honourable member for Swan Hill was: Why can the board not appoint its own chairperson? This issue ties back in with some remarks I have already made about the board and its size and importance. A number of other boards are in the same position, with the Minister appointing the chairperson of the board. They include the Melbourne and Metropolitan Board of Works, the Latrobe Valley Water and Sewerage Board, the Geelong and District Water Board, the Ballarat Water Board and the Rural Water Commission. All of those are important bodies in the water industry and I have the power to appoint the chairpersons of those authorities. It is consistent with those appointments that should have the power and right to make the appointment for this new and important board on the Mornington Peninsula.

The appointment of the chief executive officer has also been questioned. During the debate honourable members asked why board members should not have the opportunity to take part in advertising, interviewing, and making recommendations. One honourable member suggested they should make the appointment. I have already received deputations from a number of water boards and my attitude to that is to hear the views of boards, which I am interested to do. I have no objection to their taking part in the process, considering the list of applicants and then making recommendations to me.

Currently, the measure requires that I make that appointment and I shall do that but I am happy to have the advice of the board on that matter.
During the debate honourable members also raised the question of clause 9 of the Bill, which requires the authority to provide for the publishing in the Government Gazette and the publishing in its annual report of any directions that I, as Minister, might give that board.

Mr Maclellan—No, it says “may publish in the Government Gazette”.

Mr McCUTCHEON—That leaves it with the board in Mornington to make that decision. There may be times when there is information that the board believes is of public interest and it would publicize it.

It would be a matter of whether the boards believed the direction I had given, it was one that the public needs or wants to know about. In my second-reading speech I said that the Bill provides for strong and unambiguous links between the Government and the board and that is true for the Melbourne and Metropolitan Board of Works and for any other Government authority. The Bill empowers the Minister to direct the board on any policy related to water resources, requiring that the board act on directions and report its actions to the Minister. It is the Government’s belief that these links should be overt and subject to proper scrutiny both by Parliament and the public. The Bill therefore requires the board to publish in its annual report any policy directions received by the board and gives the board discretion to publish such directions in the Government Gazette. I am sure there is no objection, as the members of the board are local councillors, to their reporting to their own councils any directions I might give that board. As the Government Gazette is a publication which anyone can read that is virtually making that public and they would have the right to put it up in their shop front windows or display it anywhere else that is appropriate.

Mr Maclellan—When did you last read the Government Gazette?

Mr McCUTCHEON—That is not the point. I reiterate, because it has been published in the Government Gazette, the information is public and can be displayed elsewhere and that is at the discretion of the board if it believes the information is important or of vital public interest.

Finally, honourable members opposite asked why the Bill is retrospective to 1 March, 1985. Obviously those honourable members who raised the question have not looked closely at the second-reading speech. The board was constituted on 1 March by the Governor in Council as a way of establishing it twelve to fifteen months before it assumes responsibility for its operations on 1 July 1986. That period will enable a smooth transition of operation, and it is a perfectly logical and desirable process. Is the Opposition suggesting that the board should be established immediately and made to operate from day 1 when it will have such a large area of responsibility?

The Bill will transform the water industry on the Mornington Peninsula. It is a far­sighted and creative proposal which will enable strong public input on decision making. The board will have sufficient size and skills to meet the water and sewerage needs of the Mornington Peninsula.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 3 were agreed to.

Clause 4

Mr DELZOPPO (Narracan)—Earlier the Opposition expressed concern that the chair­person will be appointed from one of three Government nominees. In the interests of democracy clause 4 should be widened so that nominees of the councils represented on the Mornington Peninsula and District Water Board will also be eligible for nomination as chairperson by the Minister for Water Resources. Before the clause is agreed to the Minister should indicate why representatives of the municipalities and shires and the City
of Frankston should not be considered and why the appointment of the chairperson should be limited to three Government nominees.

Mr COOPER (Mornington)—It appears from the remarks made earlier by the Minister for Water Resources that the rumours that are circulating throughout the Mornington Peninsula are based on fact. Earlier the Minister read out the names of three Government nominees, Mr Keith Buchanan, Mr Peter Love and Mr Derek Bunyan. Mr Bunyan and Mr Love represent the City of Frankston, and Mr Love represents the socialist left of the Australian Labor Party. It is a pity the honourable member for Frankston North is not present, because Mr Peter Love is a defeated ALP councillor from the City of Frankston whose only qualification for any appointment to the Mornington Peninsula and District Water Board is that he is a member of the ALP who was defeated in the Frankston City Council election. It is obvious that this gentleman will be appointed chairperson of the board.

I reiterate that it is the members of the board who should decide on the appointment of the chairperson. The board is composed of members nominated by the municipal councils within the area covered by the board. All the members have been democratically elected by the voters in the municipalities and they are responsible people. It is reprehensible for the Government not to give those people a say in electing the chairperson. In the interests of democracy the Government should re-examine the decision to appoint the chairperson from three Government nominees, because I do not believe the person who will be appointed chairperson will have the support of the people who will pay the bills imposed by the board. I should have thought that matter would be vital to a Government that continually boasts of its record of consulting local residents and local government on these matters.

Clause 4 should be redrafted so that the appointment of chairperson is made by the full membership of the board, not at the whim of the Minister for Water Resources.

Mr WEIDEMAN (Frankston South)—I support the remarks made by the honourable member for Narracan. The nine members of the Mornington Peninsula and District Water Board should have the right to elect the chairperson. The board is composed of nine members—one councillor from each of the municipalities and three Government nominees. I was surprised to hear the Minister for Water Resources claim that he consulted on the matter with his colleagues in another place, as that statement contrasted with the information contained in the newspaper advertisements. I urge the Minister to reconsider his position in line with the recommendation made by the water structures task force that the chairperson should be nominated by the board members.

I consider that to be a suitable way to go. The Minister quite rightly sent to me a list of the names of 37 people who were nominated for the position of Government nominee, and I circulated that list to my two colleagues. It was interesting to note that I could not find the name of any member of the Liberal Party in that list, but I found the names of twelve members of the Labor Party. In fact, half of those members had been candidates who had stood in previous elections for the Labor Party.

Miss Callister interjected.

Mr WEIDEMAN—If the honourable member for Morwell listens to what I have to say, she will understand how I saw among the remaining twenty names on the list the names of people with an enormous amount of expertise in the water and sewerage industry who were engineers, management consultants and so on. I do not see the need for asking local members to provide names of people for nomination. I believe the Minister and the Rural Water Commission should have the expertise to select suitable candidates from the names put forward.

It was difficult for the local members not to consider local interests and put forward the names of people who would show special interest in the area. I suggest that in future a different approach should be adopted regarding the forwarding of names to the Minister.
This is a new concept, and I hope the Minister will consider taking advice from both sides of the House, particularly when it involves an area as important as the Mornington Peninsula. I can assure the honourable gentleman, as I was assured previously, that not all wonder, all expertise and all knowledge comes from one side of the House, so I pass on to the Minister the little expertise that I possess.

Mr MACLELLAN (Berwick)—The Minister was kind enough, during his second-reading remarks, to offer an explanation of the role of local members, and my role in particular, in the nomination of people to him for the appointment of the Government nominee. I accept his remarks.

Mr Simpson interjected.

Mr MACLELLAN—It is a matter of deep regret that the honourable member for Niddrie is not still in the Ministry, because when he was in the Ministry he was silent, and when he was not silent he was entertaining. However, now that he is on the back bench he is noisy and never entertaining. The Minister now finds himself in the classic bind where he has announced the three nominees. Whether he should have done so is a matter about which perhaps His Excellency might have something to say. The Minister did not indicate whether the Governor in Council has approved it or not.

Mr McCutcheon—it is not a Governor in Council appointment.

Mr MACLELLAN—The names of the three nominees having been announced, it has now been indicated by the honourable member for Mornington that one of those nominees has a sort of factional allegiance to the same faction as that of the Minister. That will produce a problem and a difficulty because, if the Minister proceeds to appoint that person as chairman of the water board, it will be extremely difficult for the ratepayers and citizens in Cranbourne and Pakenham to accept that their members were excluded from the consultation process—although it may have been accidental—and that there are two nominees from Frankston, the Labor member for Frankston North and the Liberal member for Frankston South, and one of them comes from one of the existing boards. Then, lo and behold, a Labor candidate, or a former Labor councillor who belongs to the same faction as the Minister, is appointed as chairman.

The Minister ought to carefully consider expanding the opportunity for Ministers—not only for himself but also for future Ministers—to choose from any one of the members of the board rather than being faced with the problem where he has to choose one of his own nominees—that is, persons nominated to him by local members. Rather than having one of those nominees taking up the position of chairman, the Minister ought to be able to expand his opportunities and take the opportunity, at least in the first instance, of choosing a completely non-party political person from local government to be the initial chairman of the board to get the board off to a good start rather than the board becoming embroiled in party political controversy or Government faction politics. That would be the worst possible start for the board.

I suggest that the Minister should examine the list of representatives on the board and give a vote of confidence to one of those nominees who is from local government by appointing him or her as chairman. The provision ought to be amended, and the Government ought to broaden its choice and change the clause to state that the Minister may choose any member of the board and appoint him or her as chairman. That widens the scope; it does not necessarily reduce the opportunities of the Minister, it gets the Minister out of the difficulty of the bind in which he now finds himself, and that is that he has to choose from people whom he has nominated on to the board after some form of consultation with local members.

The situation now exists where the position is advertised in the press, the people who respond to the advertisement are subjected to a sort of vetting process by local members, and three of those people are then appointed by the Minister, who then chooses one of them as chairman. That is the worst possible start for the board. It deserves better. I ask
the Minister to genuinely consider the possibility of changing the provisions so as to widen the process and so that any person, whether he be a council representative or one of the nominees, may be appointed as chairman. He ought to try to appoint a person who is seen to be impartial, outside of the political involvement and who can represent the whole area without party politics and without the hate that party politics will bring to the work of the board at the beginning. It would be a bad start for the board if that were to occur. There is now a golden opportunity for the Minister—since the legislation provides for the measures to be backdated to 1 March—and for us to take as long as we like about it; we do not have to hurry up with it because everything we do will be operative from 1 March.

There is no need for speed in this matter for that reason, but there is need for a great deal of care. If ratepayers and citizens in Pakenham and Cranbourne are to have confidence in the decisions of the board, they need to know that it is not a political football, or a factional football within the Government. They need to know that its work is being approached with independence and a Ministerial responsibility that goes right outside the party political function. Instead of having a broader group of persons to choose from, the Minister will have a smaller group and, in narrowing the field, he will be confronted with the sorts of problems to which I have referred, particularly if he proceeds with the appointment of the person who, as the honourable member for Mornington mentioned, belongs to the same faction as the Minister.

Mr McCUTCHEON (Minister for Water Resources)—The Opposition is putting two propositions—firstly, that the board should choose its own chairperson or, alternatively, that I should choose the chairperson from the total nine members rather than from among the Government nominees.

Firstly, I reject the proposal that the board should choose its own chairperson. I have already pointed out that this board will be a large and important body and I believe, similarly to the Board of Works and other larger boards in this State, power should remain with me and be in line with the power of the Minister in regard to other water and sewerage boards.

I am prepared to consider whether the field should be widened from the three Government nominees to the total of nine members. I shall let the Opposition know my views while the Bill is between here and another place.

The clause was agreed to.

Clause 5

Mr STEGGALL (Swan Hill)—I raise with the Minister a query concerning the election of members in the future. As I mentioned in my contribution to the second-reading debate, the balance of the board membership turns on the structure of the five shire councils and the City of Frankston.

Has the Minister any intention, after a period, of making the Mornington Peninsula and District Water Board an elected board as such, or does he intend that it will always continue to consist of persons from those municipal areas? Membership of the board may impose pressure on individual councillors at council elections. A councillor who is a member of the board may be advantaged or disadvantaged vis à vis other candidates at council elections, depending on how matters are going with the board. To achieve any type of electoral balance for the Mornington Peninsula board, it may in future be advantageous to consider an electoral base for that board.

Mr McCUTCHEON (Minister for Water Resources)—The appointment or election of members of the board comes under the principal Act. Choices are available to boards to determine and to bring to me their suggestions as to how members should be appointed. For example, I understand that with the Geelong Water and Sewerage Board six members are elected and three are at my nomination. It is a matter for the board to present to me a proposal, should it desire to make any change. I do not believe Parliament is in the business of determining how a board should structure itself.
The clause was agreed to, as was clause 6.

Clause 7

Mr DELZOPPO (Narracan)—This clause deals with the appointment of the chief executive officer. During the second-reading debate numerous members of the Opposition pointed out the folly of the Minister's making the appointment through the Governor in Council.

During the debate on an earlier clause the Minister mentioned that the Latrobe Valley Sewerage Board, the Geelong and District Water Board, the Ballarat Water Board and the Rural Water Commission chairpersons were appointed by the Governor in Council through the Minister, and there is no denying that; but when it comes to the position of the chief executive officer, the Minister cannot use those boards as examples.

In my experience, for example, as a member of the Latrobe Valley Water and Sewerage Board, I well remember interviewing candidates for the position of chief executive officer. Those candidates were closely examined to see whether they were competent, what experience they had and, more importantly, to determine whether they would fit into the workings of a relatively small board where it was important not to put square pegs into round holes. As a result of my experience, I suggest that the same should apply to the chief executive officer of the body with which we are now dealing. I can well imagine the disaster of appointing a person who was not acceptable to the board. That could lead to all sorts of repercussions and upheavals within the board.

During the second-reading debate, I asked the Minister to consider this point while the Bill is between here and another place. So far he has not responded, and I take this opportunity of reiterating the point that has been made by other members of the Opposition as well as myself, that it would be in the Minister's own interests and those of the board if the board had power to appoint its own chief executive officer. As I said before, the executive officer deals with the nuts and bolts and the everyday performance of a board, so it is imperative that the right person be chosen and that the person chosen fits in with the personalities of other board members. I sincerely ask the Minister to give further consideration to the points that have been made, urging him that it would be in the interests of the board to interview, decide upon and appoint its own executive officer.

Mr COOPER (Mornington)—I support the remarks of the honourable member for Narracan. I point out to the Minister what I believe to be an escape clause in the drafting of the Bill. The word “may” is used rather than “will” or “shall”. It seems to me that the Bill leaves it open to the Minister to have second thoughts.

I hope the Minister will acknowledge that the views expressed by members of the Opposition representing the area that is to be represented on this board in fact represent some of the strong feelings that are apparent within the area. I assure him that they do. In the interests of making the vehicle work properly for those who are to be the receivers of the service that will be provided by the board, the appointment of the chief executive officer ought to be made by the board.

I also raise the question of the term of appointment. I stand to be corrected if I am wrong, but I understand that the Governor in Council will set the term of the appointment. I consider that curiously unsatisfactory and I should like to know—as I am sure the members of the board, the ratepayers and those who will pay for this board would like to know—how long the term of the appointment of the chief executive officer is to be. I should also like to know what escape clauses are available if the person chosen is deemed in general commercial terms to be unsatisfactory but not so deemed to be unsatisfactory in the terms listed in the Bill. In other words, if he cannot get on with members of the board or of the community that he purports to represent by the process of him being appointed.

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It is important that honourable members should be aware of how long will be the term of appointment. Is it an appointment for life; do we have to have the chief executive officer assassinated to get rid of him?

I ask the Minister for Water Resources to explain why the Bill provides that the position of chief executive officer will become vacant if he engages in paid employment outside the duties of the office of chief executive officer without the approval of the Minister. That provision seems to be unnecessary when clause 7 (2) (d) provides that the chief executive officer shall hold office on a full-time basis. One of those provisions is unnecessary, and I am interested to know whether it is a "belt and braces" job or whether the Minister is trying to achieve something of which I am unaware.

Mr WEIDEMAN (Frankston South)—I support the remarks made by the honourable member for Narracan regarding the appointment of the Chief Executive Officer of the Mornington Peninsula and District Water Board. Honourable members who have examined the water industry would have some criticism to make. However, they would also have recognized the enormous expertise and capacity of many people involved in the industry. One has only to visit Geelong, the Latrobe Valley and other water boards around the State to witness the expertise of many of the people involved.

The position of chief executive officer should be advertised throughout Australia as well as overseas because it is one of the plum jobs in Victoria's water industry, which is the second or third biggest of its type in the country. I ask the Minister for Water Resources to indicate quite clearly how he intends the appointment of the chief executive officer to be carried out.

Mr McCUTCHEON (Minister for Water Resources)—On the question of allowing the Mornington Peninsula and District Water Board to appoint its chief executive officer, I indicate that my views on that have been made clear. To be consistent with other major public authorities, such as the Melbourne and Metropolitan Board of Works, the Government will make the appointment.

The honourable member for Narracan stated that he took part in an interviewing and screening process. That is quite acceptable. I hope to speak to the members of the new board about the process of both advertising the position and reducing a long list of applicants to a short list. I shall be interested in their views as to who should receive the appointment. In accordance with the practice of the Government regarding other major appointments, it is consistent for the appointment of the chief executive officer to be made by me.

The honourable member for Mornington raised the matter of the length of the appointment. I will be quite happy to discuss that matter with members of the board. The Government has clear policies on such matters and top executives are not expected to be appointed for life. They are placed in positions for a number of years and they may be reappointed if they are appropriate. However, an appointment is not locked away forever so that an inappropriate appointee cannot be shifted. Provisions relating to that are contained in clause 7 (4) of the Bill.

Mr MACLELLAN (Berwick)—I am curious regarding the appointment of the chief executive officer. I wonder whether the honourable member for Frankston North has a list of potential chief executive officers which she may have perused or whether someone has written to her or telephoned her last night and announced his or her appointment. I will take the silence of the honourable member to mean that she has not perused such a list or has not become aware of it and that the Minister has not approached her about the appointment of the chief executive officer. The Committee would benefit from any knowledge that she may have of candidates that the Minister may be considering for appointment, whether any appointment has been made or whether it is still the subject of factional negotiations within the Government.

The clause was agreed to.
Clause 8

Mr DELZOPPO (Narracan)—I speak against clause 8 for the same reason that I spoke against the previous clause. It is ludicrous that an acting chief executive officer must be appointed by the Governor in Council. The Minister is putting himself in a ridiculous situation—how far down the chain of command does the Minister wish to use his influence? The Minister will appoint the chief executive officer as well as the acting chief executive officer. Will he also appoint the accountant, the secretary and the man who turns on the valve to allow the water to flow? The Minister should seriously consider the clause and allow the Mornington Peninsula and District Water Board to appoint its own acting chief executive officer who will act in the absence of the chief executive officer.

Mr McCUTCHEON (Minister for Water Resources)—There is no force behind the argument put forward by the honourable member for Narracan. When the chief executive officer is on leave or not present for some reason, an acting chief executive officer is required. The functions he will carry out will be the same as those carried out by the chief executive officer, and to be consistent with that, the appointment should be made by me. The Committee is not talking about accountants or people further down the line—it is talking about the position of chief executive officer of the board.

The clause was agreed to, as was the remaining clause.

The Bill was reported to the House without amendment, and passed through its remaining stages.

WATER AND SEWERAGE AUTHORITIES (FINANCIAL) BILL

The debate (adjourned from April 4) on the motion of Mr McCutcheon (Minister for Water Resources) for the second reading of this Bill was resumed.

Mr DELZOPPO (Narracan)—The water and sewerage industry is regulated mainly by the Water Act and the Sewerage Districts Act, the exceptions being the Geelong and District Water Board, the Latrobe Valley Water and Sewerage Board and the first Mildura Irrigation Trust and Sunraysia Water Board.

As was mentioned in the House today, the water and sewerage industry was subjected to a detailed inquiry by the Public Bodies Review Committee and a number of recommendations were made and adopted by the Government. The number of water trusts and sewerage authorities has been significantly reduced by amalgamation into new boards. Some of the functions of the then existing water and sewerage authorities have been given over to local government, but over-all there has been a general restructuring of the water and sewerage industry.

Of course, some boards and authorities have been retained and have not been affected by the activities of either the Government or the Public Bodies Review Committee. In other cases, the functions have been given to councils to administer.

Other recommendations by the Public Bodies Review Committee relate to the accounting practices and the keeping of statutory reserves for depreciation and loan and debt servicing. Under section 285 of the Water Act, there is a requirement that 7.5 per cent of the capital value of machinery, plant or any item of a perishable nature be calculated as depreciation on the capital worth of those assets and a sum set aside in a separate account known as a depreciation account. The trust or authority was required to invest moneys paid into this account in gilt-edged securities and the moneys so held were not allowed to be used except by the express permission of the Minister. The account was usually only drawn upon when a specific asset had to be replaced; for example, a water or sewerage main that might last for twenty years. Under the requirements in the Water Act and in the Sewerage Districts Act, 7.5 per cent of the original value of that asset had to be put aside yearly. The theory behind the depreciation account was that at the end of the estimated life of the asset—say a water main that had failed after twenty years—funds would be available to replace it.
Compound interest would have been calculated and added during this period and the theory was that sufficient funds would be available from the depreciation account to cover the cost of replacement.

The great drawback to the scheme was that it did not allow for inflation. In 1958, when the Act was first promulgated, inflation was relatively low. As years went by and inflation "took off", the value of the funds put aside twenty years ago gradually eroded and instead of the original intention in the Water Act and the Sewerage Districts Act that this fund would replace an asset without any further draw on the general account of the authority, shortfalls occurred. What started out in 1958 as a logical idea has now become an enormous drawback for the scheme and section 285 of the Water Act no longer achieves what it set out to achieve. Currently, the so-called depreciation fund only provides a fraction of the replacement value of a capital item. Loan funds would have to be acquired and these would be an additional cost to the ratepayers of the board or the local council.

The Water Act and the Sewerage Districts Act also require the trust or authority to maintain sinking funds to repay mortgage loans and debentures. This is expressed in the principal Act as being 0·5 per cent of the principal sum per annum. With both the sinking funds and the depreciation accounts the same problem is encountered inasmuch as the value of the money put aside some twenty years ago—depending on the asset—has eroded with inflation as the years have gone by and the fund is not now capable of assisting the trust or authority to replace the asset when it comes to the end of its useful life.

The Bill sets out to dispose of both the sinking funds and depreciation accounts. The Minister, in his second-reading speech, stated that it is the intention of the Government that all such moneys be held in the general account of the body and that all accounts that the trusts or authorities are required to keep under the Act be now abolished. I agree with that point of view. However, I am disappointed that the opportunity has not been taken by the Minister to repeal section 160c of the Water Act and its equivalent in the Sewerage Districts Act. Section 160c of the Water Act requires the water trust or authority to set aside amounts each year to cover a long service leave liability in the event of any person in the employ of the authority or trust claiming long service leave.

The Minister for Water Resources stated:

... water authorities have been required to maintain cash and investment reserves in depreciation and sinking funds.

... large sums of money have been tied up instead of being available for funding much needed capital works.

I agree with those comments concerning depreciation and sinking funds. However, I cannot understand why the logic used by the Minister was expanded to include long service leave accounts. It appears that the unions have applied pressure on the Minister and he has allowed this rather archaic practice of setting aside funds for long service leave to continue. Private enterprise does not require firms to set aside sums of money for long service leave liability. The liability for such claims is met out of revenue.

There is little likelihood of a water trust or authority under the aegis of the Government going bankrupt or someone absconding with the funds or some other catastrophe taking place which would prevent the workers being paid their long service leave. I suggest that the Minister has overlooked a golden opportunity of abolishing long service leave accounts on the ground that they are archaic, on the ground of the logic that he has advanced for the depreciation and sinking funds and on the ground that large sums have been tied up instead of being used to fund capital works.

I ask the Minister to explain why he has not taken the opportunity of repealing section 160c of the Water Act and its equivalent in the Sewerage Districts Act because this is a golden opportunity to bring about some reform. I ask the Minister whether the unions have made any overtures towards him on this point and whether they have exerted pressure to have these funds kept in perpetuity.
Members of the Opposition and I have consulted with representatives of the water industry and they have clearly indicated to the Minister and the Minister's task force, which has been active during the restructuring process, that the provision of long service leave accounts is unnecessary and a complication that can be done without. I shall raise further matters in the Committee stage, but I ask the Minister to reply to the questions I have raised.

Water trusts, water authorities and sewerage authorities will now have reserves existing in depreciation accounts which will become available to those authorities and trusts through general revenue. Members of water trusts and authorities believe the Government has its eye on some of these funds. The Government already imposes a tax of 5 per cent on the income of the Melbourne and Metropolitan Board of Works and other Government or semi-Government instrumentalities. Following recommendations by the Public Bodies Review Committee there is a fear that releasing depreciation funds and transferring them to general revenue will mean that the Government could apply its 5 per cent tax on water trusts and authorities in the same manner as it does on the Board of Works. I ask for an assurance from the Minister that the Government has no intention of applying the 5 per cent tax to water trusts and authorities.

Mr Cathie—It is not a tax.

Mr DELZOPPO—The Minister for Education interjects, but no matter what one calls it, the fact is the Board of Works has to pay 5 per cent from its revenue account into the Government coffers. A levy, charge or imposition by any other name would smell just as bad as does the 5 per cent tax imposed on the Board of Works. I ask the Minister to give an assurance that water trusts and authorities, having gone through the upheaval of restructuring, will not have such a direction made to them by the Government. I admit that the majority of trusts and authorities agree it is no longer necessary to keep depreciation accounts and that these funds can be transferred into general accounts, but I ask whether the Government has any intention of applying its 5 per cent duty, tax or imposition on the water authorities as it does to the Board of Works, the Grain Elevators Board and other semi-Government organizations.

I await the response of the Minister to those issues and I shall raise other matters when the Bill is in the Committee stage.

Mr STEGGALL (Swan Hill)—I shall take a different tack on the Bill from that taken by the honourable member for Narracan. The measure puts into effect some of the changes in modern accounting principles that honourable members have heard about from time to time. Most organizations have agreed to this concept. However, every person to whom I have spoken has worries and problems concerning some of the provisions in the Bill.

The Bill terminates the requirement that authorities maintain sinking funds and that they keep money to the credit of a depreciation account. With the new style and management of accounting, the Government has attempted to get hold of the reserve accounts of authorities and departments and to spend the money as quickly as possible. The arguments espoused by the Government on the measure give the impression that money held in reserves will be freed. The Minister and honourable members know that water boards in Victoria have been borrowing against and lending money to other authorities, but have maintained assets for the day when they must repay money for their operations loans or to replace the asset that was built.

I am sure honourable members will agree that the Department of Water Resources and the Auditor-General have been having a battle in recent times. The department has been trying to impose changes, retrospectively, on water boards throughout Victoria without the backing of legislation and has been trying to convince them that this is the way to go, but they have run into problems.

I guess that is why this Bill has been introduced without honourable members having had the opportunity of circulating the measure and contacting as many water boards as
they would have liked to contact. My colleagues and I represent a large number of what, according to the Minister’s terminology, one would call unimportant water boards throughout Victoria.

Sinking funds and depreciation funds are part of the present accounting system, whereby a water board can decide to borrow money for major works and can put aside money on a steady basis to bridge the gap. This measure virtually takes the money out of those accounts and places it in the general account. Artificial surpluses will be recorded in the statement of account of the authority.

I suppose the proposal contained in the Bill makes the accounting methods more simple but it will cause problems politically because members of the board will see the reserves as a reason for not having to increase the water rates. For example, many councils had problems when the first of the personal income tax money started flowing into local government. A lot of the money got swallowed up. I am sure that a similar situation will arise when these funds become available.

I do not know how the Minister will make the accounting procedures work when a balanced budget must be shown, because a lot of assets in the sinking funds are held in investments and are not readily obtainable. During the past three or four years many changes have occurred in the water industry and in the system of operating water boards, local councils and local government. The Minister and his department received tacit approval during discussions with local government because those involved in local government are sick and tired of having to fight the changes being imposed by the Government.

The changes being introduced by the second Cain Government will create more problems. As I say, those involved in local government have had some of the fight taken out of them. The Labor Party seems to want to downgrade and eventually disintegrate local government structures as we know them. Water boards are an integral part of local government. Much of the legislation is unnecessary.

I take up the point raised by the honourable member for Narracan regarding long service leave entitlements. I do not agree with his opinion on that matter. In local government and water board operations—financially and politically—it is difficult to put money aside to meet future commitments, and I strongly object to any move which will make that more difficult. It will not take many years for the reserve to be spent. As money comes in from investments there will be pressure from within communities to spend that money, and this will mean that councils will be forced into the policy of budgeting and management introduced by the Government over the years, and everyone will get deeper and deeper into debt.

The indebtedness resulting from this type of legislation compounds the general direction in which the Treasurer is taking Victoria. I wonder how few years it will be before communities will have to start finding money to repay the loans created now for major works. If there are no sinking funds and no depreciation funds, all loans will be rolled over. We will have a “roll over, roll over” situation, and eventually the whole system will collapse. I think that is one of the things that this Government would like to take place.

I refer to the changes in the water industry where subsidized loans are up to an interest rate of 8 per cent. I believe it is the intention of the Treasurer to bring the interest rate on those subsidized loans up to 10 per cent, and this will put more and more pressure on the authorities and the recently created enlarged water boards.

Many communities throughout Victoria do not have adequate water or water pressure and some communities in the electorate I represent do not have a sewerage scheme. In some municipalities major capital works will have to be conducted to meet development in the community. A couple of municipalities may have to postpone major developments because of water problems. A scheme was introduced over the years to help those communities but over the past six or seven years that scheme has been eroded.
The proposed legislation will not lead to good management practices in future.

In the short term, it will be lovely. Money will be available for communities to carry out developments and keep down rates. However, in the long run the system may be modified in accordance with the principle of the changes that have been introduced, and this will lead to problems in the year ahead. The reforms to management and budget procedures are mind-boggling to the people in the areas of concern. I do not doubt that the Government has not had many complaints about this matter. I am sorry that the time in which the Bill has been introduced and debated has not been sufficient for honourable members to have political input to ensure that water boards approve of the operation. The changes, like changes to most of the other areas the Government is tackling, weaken the system. They lead to the realization of the design of the socialist left of the Government to break down local government financially and make it a poor relation of this Government in the future. This Bill will do that quite well. The National Party will oppose the proposed legislation.

Mr B. J. EVANS (Gippsland East)—The Bill may be described as stage 2 in a plan involving three or more stages embarked upon by the Government some time ago to use the local authorities section of the Administration, particularly in rural areas, as another source of revenue raising for the Government’s own purposes. The first stage was to bring about a so-called restructuring of local government authorities, particularly water and sewerage authorities, by eliminating a large percentage of them and thus breaking down the number of people who were actively involved in the authorities and who may have been alert enough to be concerned about where the ultimate objective of the Government lay. By eliminating a large number of local authorities and combining them into water boards, the Government has reduced the number of commissioners and has now hit the new water boards before they have had a chance of becoming established and being able to come to grips with tasks in store for them.

The Government is now hitting local authorities with this new proposition, which represents a disastrous financial measure. The original intention, as the honourable member for Narracan pointed out, was to build up reserves of funds against the day when capital assets had reached the end of their lives and required replacement. It is true that the depreciation of the Australian dollar has eroded the principal purpose of these funds, but there can be no argument that at least they represent some contribution towards necessary works in the future. In many cases the lifetime of the assets before they are replaced is more than the term of twenty years to which the honourable member referred. Many capital assets such as pipelines may remain in use for considerably longer and for a period of years depreciation funds can be built up substantially towards the cost of replacement. As the honourable member for Swan Hill pointed out, future generations will be required to find the total cost of replacements. That will be a sad day.

It will be interesting to note how the Government relates this proposition to the kindred problem of the replacement of assets owned by the Rural Water Commission of Victoria in the nature of dams and major distribution channels because, if the same principle is applied, it will be against the recommendations that irrigators should be obliged to contribute towards the cost of those works. If this principle is applied, irrigators could hardly be expected to contribute towards the cost of replacement works for the period of the life of the asset.

The crunch is in the third stage of the proposal that the Government has in mind, which is to use the local authorities as revenue raising bodies. I wonder whether the honourable member for Narracan came down in the last shower if he hopes to get an answer from the Government on whether it intends to levy the public authority dividend on the local authorities. The Government has made it abundantly clear on numerous occasions that that is precisely what it intends to do. There is no shadow of doubt that until it has its hands on all the reserves that the local authorities have built up over the years, it does not have much case for imposing the public authority dividend tax.

I suggest that the figure of 5 per cent is only an initial figure. It will be easy for Governments in the future, once they have instituted that tax, to decide that it will be 6
per cent, 7 per cent or 8 per cent as the demands for more revenue increase. The sufferers in the long run will be people in smaller rural communities. Many of the smaller communities are already finding that the effects of the change to the larger water boards, instead of having their own local authority, is resulting in rapid increases in rates. In addition, the services they provide are fewer than were provided by their own local authorities.

There is ample evidence throughout the State that big is not beautiful for local authorities. They should remain as they were intended to operate. They were intended to be local authorities serving the local community. Nobody knows better than local people what is needed and when works should be carried out. I point out that I am not the beneficiary of a water supply service. I have to pay the total cost of providing my own water supply. In my local town the waterworks trust has been absorbed by the local water board. People are complaining not only about the way in which rates are increasing, but also that they are receiving green water instead of clean water because nobody bothers to flush out the system as regularly as was done in the past by the local authority which knew when it needed to be done. For example, a small community has to rely on a water supply from a stream that was nothing much more than a trickle a month or so ago. These are the sorts of problems arising.

One of the basic mistakes that the Public Bodies Review Committee made in its early stages was that when it examined costs and rates of local authorities, it did not compare like with like. It related water supply costs in the metropolitan area to those in many country towns.

In some cases, the level of rates in small country towns was considerably lower than those applying in the metropolitan area. There is a big difference between a guaranteed three-year water supply storage and a stream from which water—when it is there—is taken. The metropolitan area virtually is drought proof and, therefore, people in metropolitan areas should pay more for their water. The quality of water supplied to the metropolitan areas is far superior to that available in many country towns. These factors must be considered.

The Melbourne and Metropolitan Board of Works is one authority to which the application of a public authority dividend tax is justified because it, alone, has very substantial areas of public land set aside for its exclusive use for which it pays no revenue to the State Government. It ties up extraordinarily valuable assets—timber reserves—from which all citizens are entitled to benefit. If the Board of Works wants to tie up an exclusive water catchment area, it should pay something to the State. There is justification for the Board of Works paying the public authority dividend tax, whereas there is no justification for small local authorities to do so.

After all, the assistance that has been provided by the Government over many years for the very laudable objective of good quality water supplies being made available to citizens in small rural communities was, in some measure, offsetting many of the immense advantages that are provided by the Government to metropolitan residents. For example, the Government is picking up a colossal tab for the privilege of providing metropolitan people with a highly subsidized transportation system, an advantage that country people do not have. It is reasonable that, as a quid pro quo, some concession and consideration be given to helping country people in the supply of good, clean water.

A strange order of priorities was established in an early report of the Public Bodies Review Committee—that local authorities should pay the public authority dividend tax. The committee believed all public authorities should pay that form of tax—the Grain Elevators Board pays the public authority dividend tax—but, without any justification, an exception was made of the Victorian railways and tramways boards. The only possible explanation is that those people who think that way believe it is more important for a metropolitan person to have a cheap transportation system than it is for a country person to have a drink of water.
The proposed measure will react strongly against rural people. It will affect landowners, who will have to pay the inevitable increased rates. Time will prove that the decision of the National Party to oppose the Bill was correct.

The sitting was suspended at 6.24 p.m. until 8.6 p.m.

Mr WHITING (Mildura)—Earlier in the debate, some criticism was levelled at the Minister for Water Resources for the method by which he introduced the Bill. I shall add to that criticism because although the Minister’s second-reading speech was short, the philosophy behind the attitude of the Government comes out very clearly.

As reported on page 37 of Hansard for 4 April, the Minister referred to the fact that the Public Bodies Review Committee believed it was evident that there needed to be improvements in both the level of accountability and the principal management of authorities in the non-metropolitan urban water sector. That statement is a slur on the activities of water authorities in country areas and it is typical of the attitude of a city-based Minister who is not aware of the problems associated with operating these authorities in country centres. These authorities have run successfully and at reasonable cost to the ratepayers in those areas. They have also provided a service that would not otherwise have been available had it not been for the voluntary work performed by the commissioners of those trusts and the dedication and long hours provided by the executive officers of those trusts and water boards.

The Minister went on to point out that part of the problem was due to the use of outmoded fund accounting practices. Many water boards in this State have installed computerized accounting systems and I do not accept that they are not up to date so far as accounting practices are concerned.

I presume the Minister for Water Resources wrote the second-reading speech but, if it was written by some other person, I do not believe that person would criticize water boards and trusts to such an extent without giving the Minister any background on why these statements were proclaimed to be facts. The point made, of course, is that large sums of money have been tied up instead of being available to fund much needed capital works.

There is an old adage in any accountancy activity that one can spend money only once. If a reserve exists to provide for depreciation and the replacement of equipment that has outgrown its usefulness, then that reserve cannot be spent twice. If it is spent immediately—and that is the thrust of the Minister’s second-reading speech—no further funding is available when other equipment comes up for replacement.

Under the former State Rivers and Water Supply Commission, provision was made for replacement of equipment as it was needed. However, under the present system, no such provision appears to exist with regard to the Rural Water Commission and I do not believe the Government is interested in having any funding of that kind available to replace equipment that has outlived its usefulness.

The Minister goes on to say that the relevant water Acts will be amended by terminating the requirement that authorities keep moneys to the credit of a depreciation account, terminating the requirement that authorities maintain sinking funds and terminating the requirement that authorities account under separate funds.

If, in the past, the board or trust believed it should keep separate funds and account for its money separately, that in itself was not a bad thing. However, the centralist attitude of the Government is that everything should be in a general fund so that it can be easily got at and dispersed by the avaricious Government whose interests are not necessarily those of the ratepayers or consumers of those bodies. This is the start of the socialization of various authorities in the State. It is being done by a softly, softly, catch-all approach.

The Minister for Water Resources, in his second-reading speech, stated:

Already some 200 administrators from water authorities have attended regional workshops to assist them adapt to the contemporary financial management practices which these amendments will facilitate.
In Russia people are sent to psychiatric hospitals to do exactly that. The Minister indicated that Price Waterhouse, a leading firm of accountants, was involved in those workshops, and I am surprised at that, but I suppose it is prepared to do as the Government directs for a price.

It is another indication that the whole fabric of this community will be broken down with the result that the Government will have complete control of every body and authority. Management will all be pushed into one Socialist area that can be easily controlled by the Government without reference to the people. That is the basis of the National Party's objection to this Bill and the reason why it will vote against it, despite the claims that some 200 administrators are prepared to go along with what the Government wants. They are doing that only because they are afraid they will not receive further funding if they oppose it. The public do not realize the consequences of these moves and the activities of the Government.

The Minister for Water Resources has summed up his second-reading speech by saying:

\[ \text{... the amendments demonstrate the Government's commitment—} \]

One would need to put the next words in inverted commas—

to improving financial management and accountability in the public sector.

It is a slur on the people who have been running organizations over many years. I believe there has always been good management and accountability, particularly by the water authorities and trusts with which I am familiar, and I am sure those sentiments are held by other members of this House.

Part VI of the Bill refers to the amendment of the Mildura Irrigation Trusts and Sunraysia Water Board Act 1958. Although the provisions in the Bill that relate to the Act and other authorities referred to within the Bill are similar, a number of smaller amendments have occurred because the principal Act, in this case the Mildura Irrigation Trusts and Sunraysia Water Board Act 1958, contains references to both the First Mildura Irrigation Trust and the Mildura Urban Water Trust. A number of amendments are inserted so that where the word "trust" is used, there shall be substituted the words "the First Mildura Irrigation Trust"; so the provisions of the Bill will not apply to the activities of the First Mildura Irrigation Trust but will apply to the former urban water trust or, as it is now known, the Sunraysia Water Board.

The Public Bodies Review Committee report recommended that sewerage authorities under the auspices of the shire and city of Mildura be amalgamated with the Mildura Water Trust, and that has occurred. The transition has been smooth and to the benefit of all concerned in that area. However, I ask the Minister for Water Resources whether it is appropriate to force the Sunraysia Water Board to do away with its depreciation and sinking funds. Why is it not also a requisite for the First Mildura Irrigation Trust?

The Minister must address that question because both those authorities provide a similar type of service. At this stage the First Mildura Irrigation Trust is not included in the Bill and, I presume, will be able to continue with its sinking and depreciation funds as it has in the past.

Water boards that do not wish to dispose of their depreciation funds, and which have been prudent by putting money aside to cover the replacement of outmoded equipment, will be penalized by the Government. The National Party will move amendments in the Committee stage in an endeavour to provide an option to the commissioners of those boards. If the Minister is determined to press ahead with the Bill, I hope he will consider giving some flexibility to the provisions covering the activities of the commissioners of water boards.

The honourable member for Swan Hill clearly demonstrated that a false financial position will be provided, particularly when funds are transferred to the general fund in the first instance. The Government funds authorities on an annual basis and if an authority
does not use its allocation in a particular year, it will be reduced the following year. Therefore it is important that the Government does not apply that system to any water board that is forced into that position. It would be disastrous for country water authorities because they would not be able to afford to carry on with a reduced allocation of funding from the Government. If they are not provided with more funds, a book entry in their general fund accounting system will show an increased profit margin and they will be penalized because of that.

The socialization of the water industry in Victoria has already gone too far and, as the honourable member for Swan Hill pointed out, many trusts and authorities have not had time to study the provisions contained in the Bill and do not understand the implications of its implementation. The Victorian community will eventually wake up to the fact that they have been conned by the Government and they will vote against the Government as soon as water charges commence to rise, as they will rapidly do because of the action of the Minister for Water Resources.

The National Party is opposed to the proposed legislation and believes the status quo should be retained or that an experimental freezing of funds held by water boards should occur to see what eventuates. If the Government does not agree to those proposals, the National Party will move amendments during the Committee stage.

Mr WEIDEMAN (Frankston South)—When I was a member of the Public Bodies Review Committee, I do not remember one of the 375 bodies from which the committee heard in its public inquiries that did not raise the issue of sinking and depreciation funds. Not only did they raise this issue, they also raised it as the first or second item they wished to discuss with the committee. The bodies wanted to be given the capacity to use those funds to provide for sewerage facilities for their ratepayers and their communities. It was obvious from the stories they presented to the committee that at around the turn of the century this State had real problems with water and sewerage—especially water—and many trusts were in financial difficulties when the Government of the day, to its credit, ensured that the trusts would have sinking and depreciation funds.

These funds were established at a time of low inflation—1 or 2 per cent. That is an inflation rate that we do not know about in today's market. This was done to put the trusts and boards on a financially viable basis. They carried on for some years with these funds being suitable for the replacement of sewers but I remember the case of one board that complained to the committee that it had some $20 000 in its sinking fund but the cost of replacing the sewerage system would be in the order of $1 million. It also appeared that because of regulations and the Act under which it operated, the board could not replace a specific type of pipe with the money that had been put aside for it. The pipes were originally wood, then porcelain and then types of polyvinyl chloride and other material.

In those days, it would seem that it was suitable and proper to have this type of fund. To the credit of every one of those boards who raised this issue with the committee, they believed it was in order that these funds be used to provide services for their ratepayers. My understanding of the creation of the funds they have in some parts of Victoria, especially in the Western District and in the Gippsland area, is that they have lending arrangements through which one sewerage or water trust can lend to another in a back-to-back agreement that has Ministerial approval, so that the funds can be used to provide new services and programs. That is not a desirable situation as it was found that different trusts could use the funds without the Minister and the Government of the day knowing exactly where the funds were being used.

The issue of the public authority dividend tax has been raised and I am sure that if we are given an assurance by the Minister for Water Supply that these funds that are now being designated to go into the general fund will not be taken back in the form of taxation——

Honourable members interjecting.
Mr WEIDEMAN—He is the new Minister and he has an honest face, even though he wears a beard. I am sure the Minister will give the House an assurance that these funds will be used for the purposes for which they were intended.

The sewerage system in the City of Ballarat has been in existence for 100 years, and enormous sums will be required to replace it. The system is inadequate to service the city and real problems will arise with the intended extension out to Mount Helen. I am sure the Ballarat board would express a desire for these funds to be freed so that it can take the appropriate action to ensure that it can give service in the future and replace the sewerage system that it now has.

With that proviso, if the Minister can give an undertaking that these funds will be put to their intended use—that is, sewerage and water purposes—I wish the Bill a speedy passage.

Mr JASPER (Murray Valley)—I join with members of the National Party who have expressed concern about the proposed legislation. The reason for the concern is the action taken by the Government, with regard not only to the Bill but also other legislation dealing with the collection of money. The Government seems to have an appetite for collecting money and putting it to some use. Funds set up by previous Governments have been examined by the Government and then collected and used in areas where they were never intended to be used. That is why the National Party is concerned about the proposed legislation.

One must examine and analyse what is happening in relation to water and sewerage authorities. Previous speakers referred to the recommendations of the Public Bodies Review Committee regarding the amalgamation of water and sewerage authorities, the reduction of funding and ways of achieving economies of scale. There are some obvious advantages in examining the authorities and trying to achieve economies of scale, perhaps by amalgamating several authorities. The National Party is really concerned about the motive behind the proposed legislation.

Prudent business practice states that funds should be retained for the future replacement of particular assets. If one buys a motor vehicle and runs it for a long time without providing for the purchase of another vehicle in future, one will have nothing to replace that motor vehicle when its life is ended.

In this case the Government is closing the funding arrangements made in the past to provide for the future. That is the real concern of the National Party. The squeeze is being put on these authorities.

It looks as though it is an easy way for the Government to take funds out of the depreciation area and bring them to account so that the authorities can use those funds, and not allow for the replacement of facilities in future. It is really a philosophical approach. The National Party believes some money should be made available for the replacement of capital works in future.

Many authorities that carried out developments in the past year were able to do so by using funds that were provided at a very cheap interest rate subsidy of 3 per cent.

The previous Government decided that this situation should be changed and in the 1978–79 Budget there was a change of philosophy and the percentage in subsidies provided to water and sewerage authorities was changed. Currently that rate of subsidy is back to 8 per cent and the National Party believes the Government intends to increase the percentage to 10 per cent.

Representations have been received from many authorities seeking to use their investment reserves to assist in the carrying out of capital works, recognizing that when the funds become available, because of depreciation, the increase in the consumer price index and the devaluation of the dollar, they will not be sufficient to replace those facilities. It should be recognized that one can suck the funds from a hollow log only for a particular...
time and that once those funds are utilized, one needs to look elsewhere for funding for the future.

It is a philosophical choice whether one provides funds for the future or utilizes all the funds immediately, so future generations will have to pay for the capital works. The honourable member for Springvale is interjecting but if he remains a member of the House long enough he will learn some of these lessons. Indeed, some Government members should examine the terminology used in the second-reading speech. The second-reading speech states, *inter alia*:

> Already some 200 administrators from water authorities have attended regional workshops to assist them to adapt to the contemporary financial practices . . .

Obviously the honourable member for Springvale does not understand that terminology.

**The SPEAKER**—Order! The honourable member for Murray Valley will address the Chair and ignore the honourable member for Springvale, who is out of order.

**Mr JASPER**—I, like yourself, Mr Speaker, would be pleased to hear the comments of the honourable member for Springvale on the Bill, but that is most unlikely to happen. Large amounts of money are held in investment reserves in depreciation sinking funds. These funds could and should be used by many water and sewerage authorities. However, the National Party is totally opposed to the suggestion by the Government that all these funds should be terminated and put in the credit of the various authorities referred to in the second-reading speech. In that speech the Minister for Water Resources referred to terminating the requirement that authorities keep money to the credit of a depreciation account; terminating the requirement that authorities maintain sinking funds, and terminating the requirement that authorities account under separate funds so that the funds will be brought back into one major account to allow the authorities to utilize them immediately.

Allowances should be made for the future replacement of capital works and assets of the various authorities. If all the investment funds are closed it will provide the Government with an opportunity of taxing the water and sewerage authorities through the public authority dividend tax. Although the Minister has indicated that that will not happen, the Government has taxed authorities such as the Grain Elevators Board. The Government has provided no funding to that authority, yet this financial year it will charge the authority $5 million through the public authority dividend tax. Many water and sewerage authorities will have funds immediately available, which will prompt the Government to adopt the attitude that they can be taxed.

The Bill is the thin edge of the wedge. Some accountants believe funds should be utilized with no regard to the future. However, future generations will have to pay for the replacement of capital works and will not have the benefit of the maintenance of any significant funds. Some accountants believe depreciation should be allowed for. It is the view of the National Party that depreciation should be allowed for and maintained in a separate fund so that the various authorities can use those funds if they so desire.

It is removing a buffer for many authorities. It will not provide for replacement unless they utilize the funds now. Otherwise future generations will have to raise the money in any way they can. As I indicated, the bottom line is whether to use all the funds immediately, bringing the funds to account now, or in the future.

The National Party believes we should plan for the future and provide the depreciation for future replacement of capital works, albeit that at the time of replacement in 30 or 40 years additional funds will be required. Accountability should be necessary. By bringing it back into the fund, as suggested by the Government, it will be swallowed up and the authority may be called upon to make some contribution to the Government by way of a public authority dividend tax. The National Party will oppose the proposed legislation on the basis of the reasons put forward.
Mr McCUTCHEON (Minister for Water Resources)—I thank the six members of the Opposition and the National Party who have spoken for their contributions to the debate. Some constructive comments were made and there is obviously considerable support for the Bill, particularly amongst the Liberal Party. It is the National Party that is mostly opposed to the measures in the Bill. I shall examine some of the arguments put forward. Many of the arguments have been setting up straw men and busily knocking them down. The National Party has not adopted a constructive line of argument. To a certain extent it seems to be misunderstanding the provisions of the Bill by saying that it is providing centralized control, that it will take away money and do other things that the Bill will not do.

The Bill is simple and straightforward, providing a number of measures that water boards can adopt in accounting. It does not interfere with their use of money, but enables them to take actions that they have not been able to take until now because of outmoded provisions in the legislation. At present these bodies are required to provide funds for depreciation accounts and sinking funds. Reference has been made during the debate to the fact that in the past 20, 30 or 40 years the value of accruing funds in depreciation accounts and sinking funds has been reduced due to the high rates of inflation that have been encountered. That means that money has been disappearing before the eyes of the people who belong and subscribe, through their rates, to those bodies. The proposed legislation will make better use of those funds.

Mr Whiting—Spend it now and review it later!

Mr McCUTCHEON—The provisions mean that the bodies will no longer be required to find funds for depreciation accounts and sinking funds. It will enable the boards to allocate the funds held in depreciation and sinking funds to their general accounts but they will be required to spend the funds on capital works. That is a sensible and practical requirement. Instead of borrowing for a particular project and making up the difference from depreciation funds, money will be available for immediate use for any capital work the board has to undertake. It will mean that their borrowings will be less and, therefore, recurrent expenditure in meeting those loans over future years will be less.

It is a fairly simple proposition, and it is not binding. I should like the National Party to listen to this. If the boards still want to retain their nitpicking mentality and keep depreciation accounts and sinking funds, there is no requirement in the measure to prevent them from doing so.

The honourable member for Narracan raised some other matters, and I should like to briefly refer to them. He made a suggestion that long service leave funds should also be dealt with in the same way or that they should be made available to boards to invest in their capital works programs. There are some difficulties with that proposal. Recently some proposals were put on behalf of local government to the Treasurer, and he will consider the matter in the context of local governments being able to have more flexibility in the use of funds that are set aside for long service leave.

The history of this part of the Act is that a provision was introduced in 1970 which had the effect of stating that long service leave funds should be held by the particular authority to encourage mobility of staff amongst the different sewerage and water authorities. The difficulty experienced prior to that was that if anybody wanted to move from one authority to another, funds also had to be transferred.

The Government has supported the idea of enabling mobility of staff from one authority to another, and it will continue to support that important principle. To change the Act without further consideration of the factors involved, in my view, would not be wise. I can assure the House that the question of the future of long service leave funds and the mobility of officers of boards will be considered, and it is a matter which will come before Parliament again at some future date.
The Bill is simple and straightforward. It deals with matters which the water and sewerage industries have supported. At its two recent annual meetings, VICWASAA, the Victorian Water and Sewerage Authorities Association, has requested the Government to introduce these sorts of changes. That request was repeated this year at its conference at Benalla, which I attended. Therefore, I believe there is considerable support within the industry for the proposed legislation, which will enable much more flexibility and more use of modern accounting methods to make the finances of the boards more flexible and more effective. It will enable the Department of Water Resources and water authorities generally to be much clearer and will result in the effectiveness and efficiency of the State's various water bodies. It will allow more effective use of the capital that in the past has been held in these funds but which has not been used effectively in the interests of those people who have been paying their rates during the years that those funds have been operating. I commend the Bill to the House.

The House divided on the motion (the Hon. C. T. Edmunds in the chair).

Ayes 69
Noes 8
Majority for the motion 61

AYES

Mr Andrianopoulos Mr Harrowfield Mr Perrin Mr Smith
Mr Austin Mr Hayward Mr Pescott (Glen Waverley)
Mr Brown Mr Hefferman Mr Plowman Mr Smith
Miss Callister Mrs Hill Mr Pope (Polworth)
Mr Cathie Mr Hockley Mr Ramsay Mr Stirling
Dr Coghill Mr John Mrs Ray Mr Tanner
Mr Crozier Mr Jolly Mr Remington Mrs Toner
Mr Culpin Mr Kennedy Mr Reynolds Mr Trezise
Mr Cunningham Mr Kenneth Mr Richardson Mr Walsh
Mr Deltzoppo Mr Kirkwood Mr Roper Mr Weideman
Mr Dickinson Mr Lea Mr Rowe Dr Wells
Mr Ernst Mr Leigh Mr Seitz Mr Williams
Mr Evans Mr Lieberman Mrs Sitches Mrs Wilson
(Ballarat North) Mr McCutcheon Mr Sheehan
Mr Fogarty Mr McDonald Mr Shell
Mr Fordham Mr MacelIan Mrs Sibree
Mr Gavin Mr Mathews Mr Sidiropoulos
Mrs Gleeson Mr Micallef Mr Simmonds Mr Cooper
Mr Gude Mr Norris Mr Simpson Mrs Hirsh

NOES

Mr Evans Mr Jasper Mr McGrath Tellers:
(Gippsland East) Mr McGrath (Warrnambool)
Mr Hann (Lowan) Mr Whiting Mr Steggall Mr Wallace

PAIRS

Mr Spyker Mr McNamara Mr Wilkes Mr Ross-Edwards

The Bill was read a second time and committed.

Clauses 1 to 3 were agreed to.

Clause 4

Mr STEGGALL (Swan Hill)—I move:

Clause 4, line 21, omit "shall" and insert "may".

It is interesting to note that, according to the Minister's second-reading speech, there is nothing in the Bill to stop authorities from maintaining funds or depreciation funds if they wish to do so. The proposed amendment, if accepted, will provide an option for those authorities that wish to maintain sinking or depreciation funds to do so.
As the Bill stands, the authorities will not be able to maintain them and the funds shall be transferred by the authorities to their general funds.

I expect the Government will accept the amendment because it will achieve what the Minister has intimated the authorities ought to be able to achieve. When the Bill is passed and the procedures are implemented, does the department intend to bring in a depreciation amount to be imposed on each authority at the 1985 replacement values. If that is the case, has the Department of Water Resources yet set a percentage figure? If so, it will soon cause an escalation in water rates throughout Victoria. However, the Minister has pointed out that this will be a simple accounting procedure. Will the Minister respond on that point and outline what percentage the department will apply to water boards for depreciating their assets at the current value?

If the Bill is passed without amendment, it will have a huge impact on the rating structure of the authorities.

The amendment proposed by the National Party is a compromise. It will allow authorities and water boards to use the modern accounting practices espoused by the Treasurer and the Minister for Water Resources if they so desire. For those water boards that prefer to put funds aside to meet future capital payments, whether they be for loan repayments or depreciation payments, the amendments will allow them to retain that method. If the amendment is agreed to, the judgment will be made by the individual who, according to the Minister, will benefit the most.

The National Party has proposed eleven amendments, all similar in nature. It is the intention of the National Party to use the first amendment to test the feeling of the Government.

Mr DELZOPPO (Narracan)—The Opposition supports the amendment proposed by the National Party on the ground that some trusts may prefer to keep their funds separate in the old manner and that option should be available.

From the discussions I have had with representatives of various trusts, authorities and the Victorian Water and Sewerage Authorities Association, few, if any, trusts will want to keep their depreciation and sinking funds separate from their general accounts. However, in the interests of autonomy, the Opposition supports the amendment. The water and sewerage authorities may avail themselves of the luxury of keeping their funds separate if they wish to, and the Opposition supports the amendment.

Mr McCUTCHEON (Minister for Water Resources)—The Government does not agree with the amendment. I made it clear in the second-reading debate that water boards will have the ability to create funds. The proposed legislation terminates the requirements in previous legislation providing for depreciation and sinking funds. Therefore, it will be the choice of a board to create a fund for those purposes as it will have the ability to do so under the provisions of the Bill.

The amendment is unnecessary because the power for boards to put funds aside is already contained in the Bill. The amendment should be opposed.

Mr WHITING (Mildura)—I am having difficulty understanding the attitude of the Minister towards the Bill and the amendments. The honourable gentleman said during the second-reading debate that the Bill did not prevent water boards from keeping resources in depreciation funds. As I understand it, the way the Bill is worded it specifically indicates, as indicated by the Minister for Water Resources, that it will amend the relevant Acts in the water sector by:

(i) Terminating the requirement that authorities keep money to the credit of a depreciation account;
(ii) terminating the requirement that authorities maintain sinking funds;

and so on. I understand the Bill will terminate the requirement that it is no longer obligatory for a water board to keep a depreciation account. The only problem is that clause 4 (2) of the Bill states:

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Any money standing immediately before the commencement of this section to the credit of a depreciation account maintained by an Authority within the meaning of the Principal Act pursuant to the provisions of section 285 of that Act as in force immediately before that commencement of this section shall be transferred by the Authority to its general funds.

The purpose of the amendment it to change the "shall" to "may", which will give the board the flexibility to leave that money where it is without having to transfer it to a general fund. Some water boards may require that flexibility, but I agree with the Minister that not all water boards will want to do that. All honourable members know that both Federal and State Governments take a dividend from the transfer of funds in that manner, which is an unnecessary added cost.

The amendment moved by the honourable member for Swan Hill will do exactly what the Minister says he wants to happen without necessitating the movement of funds from their present position in a depreciation account to a general account. If the Minister is sincere he must be prepared to accept the amendment. If he is not, I will be amazed. The Minister also spoke about the position of long service leave funds. I suppose one could gather from his comments that the same would apply to superannuation funds that are held by various bodies and public authorities.

If the Minister is happy for the water authorities to retain long service leave funds and superannuation funds, why will he not accept the retention of depreciation funds if the water authorities consider that to be prudent?

I ask the Minister to rethink his attitude towards the amendments proposed by the honourable member for Swan Hill, even if he does so while the proposed legislation is between here and another place. The honourable gentleman should reconsider the matter with a view to accepting the amendments.

Mr DELZOPPO (Narracan)—I support the points raised by the honourable member for Mildura. In closing the second-reading debate, the Minister clearly stated there was no compulsion for trusts or authorities to transfer the depreciation reserves out of a depreciation account into a general account. The Hansard transcript of what the Minister stated will be clear and members of the Opposition heard the Minister distinctly state that.

The amendment proposed by the National Party accords with the statement made by the Minister. Therefore, the Minister has no option but to agree to the amendment proposed by the honourable member for Swan Hill.

Mr McCUTCHEON (Minister for Water Resources)—The Government, in its proposed legislation, is making an important point to the water board about the board's approach to discounting and managing its resources. The Bill, therefore, removes from the principal Act those sections which in the past have made provision for depreciation accounts and sinking funds, and it now requires the authority to transfer funds in those accounts into the general account. Somewhere down the line, depreciation charges will still need to be taken into account. The Bill is not directing the boards to ignore depreciation charges which are taken into account when the boards prepare their budgets to set their rates and draw up annual financial statements. The Bill is providing what the authority does with those resources, and there is some point in actually requiring the authority to transfer from old accounts into the general account the money that has been collected there over the years.

It is then a conscious decision by those boards to open new accounts and not put money into bickie tins and defy the modern advantages of using that money more constructively for the works of the board. The wording in the Bill should remain as it has been drafted.

Mr STEGGALL (Swan Hill)—I ask the Minister to address the point that I made when moving the amendment. It would appear from what the honourable gentleman has just said, that depreciation charges will continue to be levied by water boards. This seems to be one of the sleeper provisions in the proposed legislation. In fact, depreciation charges
will be levied at a percentage which has not yet been agreed to or determined and those charges will be levied on 1985 replacement values. I ask the Minister to respond.

Mr McCUTCHEON (Minister for Water Resources)—Depreciation charges will be taken into account when the board is framing its annual budget and setting its rates. I did not mention the phrase “depreciation levies” as such but merely that each water board must take account of its depreciation when setting its rates and framing its budgets.

Mr Steggall—Would that be at the 1985 value?

Mr McCUTCHEON—that would be the normal accounting practice.

Mr WHITING (Mildura)—I disagree with the Minister in relation to clause 4. In his earlier statement the honourable gentleman indicated that the necessity for a water board to continue to keep a depreciation account is being removed by the repeal of this section. That is the case with section 285 (1) of the principal Act which will be repealed by clause 4. However, section 285 (2), to which I referred earlier, provides that any money held in those accounts at present must be transferred back to the general fund.

Surely common sense indicates that once the requirement under sub-section (1) is removed, the board has the ability to do as it pleases with the money that stands in the depreciation account at the time. If the amendment is accepted, the option is left for the board itself to decide whether it transfers the money back to the general fund or leaves it where it is.

The only reason I can think of for the Minister wanting to get that money back into the general fund is so that it will be shown as a false profit in the general fund and will be subject to some nefarious Government activity that will reduce the amount of funding provided to that authority for the forthcoming year by providing a basis for a public authority dividend tax or for some other reason.

I do not yet trust the Minister and his advisers to not cover up such action as I believe the whole of the water industry has been snowed—to use the modern idiom—with regard to what the Minister terms as current accounting practices.

The Treasurer has not fared too well regarding the current accounting practices of the State Insurance Office and this may be a forerunner of what has happened there.

The ACTING CHAIRMAN (Mr Stirling)—Order! The honourable member is digressing from the clause before the Committee.

Mr WHITING—The same situation could apply to the water boards.

Mr B. J. EVANS (Gippsland East)—It is difficult to follow the reasoning of the Minister for Water Resources. The Minister is now telling the Committee belatedly that water boards in their budgeting procedures will have to plan for depreciation charges. What happens to those charges when they are collected from the ratepayers? If those moneys are not paid into a separate account and kept for depreciation purposes will the boards spend depreciation moneys immediately on further capital works or will those moneys show up as a surplus in the accounts of the water boards and so give the Government every reason to say that the boards can pay a five per cent public authority dividend tax to the Government? I believe the Government has the second alternative in mind. I do not understand the logic of a board budgeting for depreciation charges and then having a depreciation account in which to pay those charges so as to keep them for the purpose for which they were raised. Those moneys will be called “depreciation charges”, but they will be converted into a public authority dividend tax for the benefit of the Government.

Mr McCUTCHEON (Minister for Water Resources)—I shall ignore most of the comments made by the honourable members for Mildura and Gippsland East regarding hidden agendas and other motives that are being accredited to me or to the Government. A simple proposition underlies the introduction of the Bill and that proposition has been mentioned several times during the debate. The Bill proposes to eliminate the requirement
to have depreciation funds and sinking funds so that those funds can be used in the capital work programs of the boards concerned. Borrowings will be less and a significant impact will accrue to the ratepayers of those constituencies. It is a simple principle, but it has been churned up into a mountain. It is a straightforward accounting practice which has been requested over a number of years by the industry itself.

The determination of the rates for depreciation has been discussed with the industry for some time. The rates have been set in consultation with the industry based on historic costs and depend on the life of the assets themselves. Those rates are not being altered and the whole process will continue as it has in the past.

The Committee divided on the question that the word proposed by Mr Steggall to be omitted stand part of the clause (Mr Fogarty in the chair).

| Ayes | 42 |
| Noes | 38 |

Majority against the amendment 4

AYES

Mr Andrianopoulos  
Mr Cain  
Miss Callister  
Mr Cathie  
DrCoghill  
Mr Crabb  
Mr Culpin  
Mr Cunninghame  
Mr Ernst  
Mr Fordham  
Mr Gavin

Mr Gleenon  
Mr Harrowfield  
Mrs Hill  
Mrs Hirsch  
Mr Jolly  
Mr Kennedy  
Mr Kirkwood  
Mr McCutcheon  
Mr McDonald  
Mr Mathews  
Mr Micalet

Mr Norris  
Mr Pope  
Mrs Ray  
Mr Remington  
Mr Roper  
Mr Rowe  
Mr Seitz  
Mrs Setches  
Mr Shell  
Mr Sidiropoulos  
Mr Simmonds

Mr Simpson  
Mr Stirling  
Mrs Toner  
Mr Trezise  
Mr Walsh  
Mr Wilkes  
Mrs Wilson  
Mr Hockley  
Mr Sheehan

NOES

Mr Austin  
Mr Brown  
Mr Coleman  
Mr Cooper  
Mr Crozier  
Mr Delzoppo  
Mr Dickinson  
Mr Evans (Ballarat North)  
Mr Evans (Gippsland East)  
Mr Gude

Mr Hann  
Mr Hayward  
Mr Hefferman  
Mr Jasper  
Mr John  
Mr Kennett  
Mr Lea  
Mr Lieberman  
Mr McGrath  
Mr Macelian

Mr Perrin  
Mr Pescott  
Mr Plowman  
Mr Ramsay  
Mr Reynolds  
Mr Richardson  
Mr Smith  
Mr Smith  
Mr Steggall  
Mr Stockdale

Mr Wallace  
Mr Weideman  
Dr Wells  
Mr Whiting  
Mr Williams

Tellers:

(Glen Waverley)

Mr Steggall (Lowan)

Mr Gude  
Mr Hill  
Dr Vaughan

Mr Macelian  
Mr McNamara  
Mr Spyker

Mr Tanner

PAIRS

The clause was agreed to.

Clause 5

Mr STEGGALL (Swan Hill)—As I said earlier, it is the intention of the National Party not to move the further amendments circulated in my name. It considers that the principle has been established and it hopes the Minister will give consideration to the amendments when the Bill goes into the Upper House, where the National Party will test the operation a little more thoroughly.

The clause was agreed to, as were the remaining clauses.

The Bill was reported to the House without amendment, and passed through its remaining stages.
INTERPRETATION OF LEGISLATION (AMENDMENT) BILL

This Bill was received from the Council and, on the motion of Mr MATHEWS (Minister for Police and Emergency Services), was read a first time.

GOVERNOR'S SPEECH
Address-in-Reply

The debate (adjourned from April 4) on the motion of Mr Fordham (Minister for Industry, Technology and Resources) for the adoption of an Address-in-Reply to the Governor's Speech was resumed.

Mr E. R. SMITH (Glen Waverley)—I first pay tribute to you, Mr Speaker, for your courtesy since my election to this House and to my Parliamentary friends on both sides for their hospitality and guidance.

I thank members of my electorate committee, chaired by Sandra Francis, and also my campaign manager, Brian Dumps, for their wonderful team effort in helping me to communicate with all the constituents of the Glen Waverley electorate.

During the campaign, I gave special emphasis to a number of key directions in which I hope to be able to help, in different ways, all 30 000 electors of Glen Waverley. They are a challenging group to represent as they share the complex range of problems that all families and small businesses have to face.

Glen Waverley is a newly created electorate located in the outer eastern suburbs and based mainly on the former division of Wantirna where Mr Don Saltmarsh, the previous member, did so much for community groups. These groups have already been enormously helpful in sharing with me more and more detailed information about areas where they feel I can assist.

Now is an important and exciting time to be involved in the politics of this country. The floating of the dollar has dramatically revealed the weaknesses of our economy compared with more productive overseas economies.

It is vital that the political leaders understand and admit these weaknesses, and do something positive to correct them. The problem is urgent and there is much the State can do to help. For a start, Victorians must send a tough message to Canberra. The Federal Government should be told that it is no use holding a tax summit that talks about the distribution of wealth if it does not also emphasize the creation of wealth.

Australian families know the difference between a tax system that rewards hard work and one that penalizes it. They know the difference between a tax system that pushes productivity and one that holds it back. What is true and best for families is also best for the country as a whole. Productivity is not only a financial question; it is also a matter of attitude.

There is a lot wrong with productivity in this country. However, a most encouraging cause for optimism is the recent survey conducted by the Federal Department of Education and Youth Affairs. It showed quite clearly that young Australians are anxious to return to the kinds of traditional values that would do much to help Australia in its current national crisis.

The survey revealed that young Australians want regular jobs; they are patriotic; they value parental advice and will strive for security and discipline of the family; and they are opposed to drugs. The survey results were interpreted as indicative of the new traditionalism. What one needs to do as a politician is to harness this new traditionalism for productive purposes. To do this one needs to concentrate on the education system. Politicians need to make it intellectually more disciplined and far more relevant to real job opportunities.
As a former teacher and as a Liberal, I have always believed education is the single most important element in redressing the unfair start many people get in life. Education should be about the prevention of waste and the promotion of talent and productivity. The best education system is flexible and creative enough to develop the potential of all children, whatever their individual capacities and preferences may be.

One needs to view the whole of the education process in terms of horses for courses. One needs to insist upon excellence, no matter who or what is being taught. If one likes, nothing less than excellence is acceptable.

In the past, when one spoke of excellence in education as the goal, the trendies around the place called one "elitist". If the striving for excellence, with the rejection of mediocrity, is being elitist, then I, and I hope all responsible honourable members, will be pleased to be known as elitist.

Excellence should not be mere rhetoric. It is the only way one can hope to give children the best possible chance of making the most of their talents and opportunities in an increasingly competitive climate. Excellence is not only a matter of harnessing talent to the right opportunity; it is also a matter of helping young people to understand the critical importance of application and personal discipline.

These qualities are often dismissed by the trendies as obsolescent. However, amongst many parents they are recognized as tried and proven virtues. Education for jobs involves not only learning up-to-date techniques but also developing the right attitude to work. In dismissing the necessary emphasis on personal discipline, the so-called trendies in the education system are in fact retarding children. They are certainly not helping them get ahead.

Naturally, the trendies are against the proven dual system of Government and independent schools. Only the extreme minority oppose the majority view that all children are entitled to Government funding for their schools and to education at the schools of their choice, whether the schools are in the private or Government sector.

When one talks about a dual system of education, one is talking not only about Government or non-Government schools; one is also talking about two kinds of education streams, the technical and the academic. The best kind of education system ensures that whatever stream children enter to achieve their potential, they are given the best possible intellectual training in conceptual clarity and practical problem solving.

Obviously, children in the technical stream would benefit greatly from practical work experience as part and parcel of the secondary school curriculum. In the context of the curriculum I state my firm opposition to replacing the higher school certificate examination with internal school assessment. I question whether the trendies who have thought up this absurdity have considered all the implications. Did they consider the social divisiveness that could arise from dropping the present external assessment where the required standard is able to be taught by educators and understood by employers throughout the State?

The present higher school certificate is now accepted as the entrance required to university. However, what about the gross inequality that could occur if the abolition of the higher school certificate led to the introduction of university entrance examinations with a new kind of curriculum that only some Government high schools would be able or prepared to teach? This would give even fewer high school students the opportunity of attending university. I went to a State high school and hate to think what would have happened if the examination system had been interfered with in the way in which people are threatening to do today. If this latest proposal occurs, children in the independent school system will have an unfair advantage, as their parents—the paying clients—will insist that their children are prepared for the university entrance examinations. In the case of Government schools where parents do not pay fees, the power of teachers over the curriculum is correspondingly greater in the event of a conflict with the wishes of parents.
The main responsibility of Parliament in education is administering the State schools and ensuring equal opportunity for the children attending them with those attending independent schools. State school children must not be disadvantaged by being denied entry to university just because Parliament sanctions ill-conceived policies with socially discriminatory effects. Another major problem in the education system is the need for closer co-ordination with business. There is an urgent need to design courses that are more carefully targeted to the requirements of the business sector. It is this sector that has enormous potential for rapid expansion in this State. If only we could more effectively draw together, in the form of efficient commercial packages, our great pool of know-how, technology, managerial skills and capital.

Small business is the kind of enterprise that most attracts Australians with their desire to have a go for themselves. In addition, employers in small businesses are far less likely to find their employees making economically destructive demands. I have given much thought to this proposal since my experience as a member of the large and highly bureaucratized Australian Teachers Federation. Employees in small business have a much better chance of appreciating the real problems their employers face in keeping afloat. Instead of the "them" and "us" syndrome that has done so much to wreck Australia's productivity, the scale of small business makes it easier for employers and employees to work towards what is obviously a common cause. This is not news to some of the most successful and profitable big businesses. They understand that the major reason why they are doing as well as they are is that they think of themselves and operate as a multitude of small businesses, each knowing its area well and each being able to respond to the market with maximum speed and effectiveness.

The way to invigorate the Victorian economy is to do far more than has been done so far to develop the enormous potential of this significant job-giving sector. With 110 000 small businesses operating in Victoria, already employing more than 500 000 people, there is a vast scope for providing thousands more jobs. Many glib solutions have been suggested for solving our economic ills through the expansion of small business. It should be understood that there cannot be expansion until a whole range of obstacles is removed.

Unless that occurs, small business cannot have any real confidence in the future. The biggest obstacles are the unnecessary rigid patterns of work and pay and compulsory unionism, but there is also the need to rationalize regulations. For example, small business should have to pay only one renewal a year for registration and one fee which covers all regulations. At present there are more than twenty separate fees and 50 statistical forms and returns to complete, which require many unproductive hours of work each week.

Finally, Mr Speaker, as a recent regular Army officer, I should like to share my views on the implications for national security of the direction of Government in this State. I sympathize with the Premier, who is obviously conscious of the responsibility he shares here in Victoria for the long-term security of Australia as a whole. The Premier is fully aware of the threat that exists within his own party. What happened recently in New Zealand could soon happen in Victoria.

In the New Zealand Labor Party, dominance of a Soviet-aligned point of view has caused the destruction of the ANZUS treaty. What happened in New Zealand fitted perfectly with the Soviet Union's long-term strategy for lessening the global power of the United States of America in our region. The Premier has reason to be concerned that the same influences are probably operating here.

All honourable members know that the Premier did not want any increase in the representation of the socialist left in his Cabinet; otherwise he and the moderate faction in the Victorian Branch of the Australian Labor Party would not have gone to such pains to avoid the increase in socialist left numbers that recently occurred.

The Premier knows only too well the danger of the socialist left to his Government and, ultimately, the threat it represents to the security of Australia. I believe the Premier and
the moderates will be comforted to learn that honourable members on this side of the House share their fears.

Mr CUNNINGHAM (Derrimut)—Firstly, I take this opportunity of congratulating you, Mr Speaker, on your re-election to the esteemed role of Speaker of the House. Secondly, I should like to say that I am honoured by the privilege of representing the people of Derrimut in this new seat in this 50th Parliament of Victoria, and I thank all the supporters and voters who made it possible. I also pay tribute to the honourable member for Werribee, Dr Ken Coghill, for the solid foundations he has laid in this new Derrimut electorate which was once part of the Werribee electorate.

In his opening address to this 50th and historic Parliament of Victoria, His Excellency the Governor touched upon a number of programs that will be implemented during the life of this Parliament. One of the programs that has special significance to Derrimut electorate is the youth guarantee program. That program is composed of full-time work, full-time education, full-time training or an acceptable and structured arrangement for education, training and work for all those Victorians aged between fifteen and nineteen years. Its significance for Derrimut is that the eastern end of the electorate takes in Albanvale, Deer Park and Ardeer, with parts of those suburbs coming under the municipality of Sunshine, which is one of a number of municipalities that has been selected as a pilot program area.

The 1981 census figures show that 19.9 per cent of the population of Sunshine is represented by persons aged between ten and nineteen years. Therefore, it can be seen that the youth guarantee program will have great significance in that area over the next four years.

The western end of the electorate takes in the Shire of Melton which consists of an extremely young population. The 1981 census figures show that 43.5 per cent of the population of the Melton Shire is represented by persons under the age of nineteen years. Here again, the youth guarantee program will have a vital role to play in that municipality during this term of Parliament.

As a councillor of the Melton Shire, I have witnessed a massive expansion of population over the past few years. The Cain Labor Government's economic strategy, which was initiated in 1982, and in which inflation and unemployment were to be fought at the same time, is very much in evidence in Melton today. Last year the number of dwellings commenced was in excess of 900, which is the highest ever total, and the same tempo is being maintained this year. When one considers the pessimism that existed in the community in 1981 and that Victoria now has the lowest inflation rate and the highest employment rate, it is a creditable achievement.

In 1960, the population of Melton was 250; in 1974, along with Sunbury, it was declared a satellite city; today, its population is more than 25,000, and I should add growth and confidence in Melton had slowed considerably in the years 1980 and 1981. This has presented a formidable challenge and has placed extreme demands on ratepayers, councillors, shire officers, engineers and staff, and I pay tribute to their splendid efforts. This challenge has required significant co-operation between all sectors of government and, particularly, a partnership between State and local government.

The eastern side of the electorate that I represent includes the areas of Albanvale, Deer Park and Ardeer, whose increases in population are starting to have an impact upon the poor planning decisions of previous Administrations. Notably, there is a lack of provision for new school accommodation and for passive recreation reserves, and a lack of facilities and services expected in suburbs of these sizes.

The Labor Government is attempting to remedy mistakes of the past. I pay tribute to the Minister for Planning and Environment and to his constructive and positive approach to these problems. His involvement with the planning and environment issues of the region is much appreciated by the residents. I take this opportunity of thanking all Ministers who have assisted in the development of the western suburbs which, Mr Speaker, as you will be aware, have a larger population than Tasmania and half the population of Adelaide.
Before becoming the Parliamentary representative for the electorate of Derrimut, I was employed as an industrial officer with the Australian Workers Union. It is pleasing to note that next year the Australian Workers Union will celebrate its 100th anniversary. The union's ability to grow through 100 years of change is testimony to the way in which it conducts its affairs, and I am proud to have been associated with the organization.

Although the union has advanced 100 years, the present Queensland Government appears to want to turn the clock back 100 years by initiating oppressive and unprecedented legislation which represents a denial of human rights and which amounts to a refusal to discuss the present mammoth industrial dispute in any forum. The Victorian Government's approach is one not of confrontation but one of consultation in regard to industrial relations. Its three year history is well recorded. There were more disputes in one year under the former Liberal Government than there has been in the past three years of Labor Government in Victoria.

His Excellency, the Governor, referred to the proposed workers compensation scheme and said that it would require extensive legislation and that workers compensation was a high priority of the Government. I was encouraged by those remarks because, prior to the election, I was an employee representative on the Industrial Training Commission Farming Trades Committee. The Industrial Training Commission was previously known as the Apprenticeship Commission. On numerous occasions the high cost of workers compensation premiums for a fourth year farming apprentice was raised by employers and the figure mentioned was approximately $1500 to $2000 a year. I assume that this prohibitive cost arises from accident statistics assessed historically from that industry.

Figures supplied by the then Department of Labour and Industry reveal that the fatality and injury rates of persons connected with tractor usage is incredibly high. I mention this because it is relevant to workers compensation reform, to occupational health and safety and to making work places safe for all.

In 1972, 30 people were killed in Victoria in tractor accidents. The statistics for subsequent years are: In 1973, 14 deaths; in 1974, 17 deaths; in 1975, 13 deaths; in 1976, 16 deaths; in 1977, 15 deaths; in 1978, 12 deaths; in 1979, 15 deaths; and in 1980, 10 deaths.

For each fatality there are, on average, five accidents involving serious injury. It was only with the introduction of tractor legislation in 1981 that the deaths and the maiming were somewhat reduced. The average for the next five years was just under ten fatalities a year. I use those figures to demonstrate that, although confronted by horrendous statistics year after year, without the teeth of some form of legislation, matters drifted and there was no turning around of those terrible trends. The 1981 legislation went only part of the way; much more needs to be done. To simply say that industry alone can be relied upon to act in the best interests of workers and their families and that there is no need for excessive Government interference has not worked; nor will it work until we have effective participation by unions, workers and employers.

His Excellency also referred to the underpinning of workers compensation by occupational health and safety requirements. The need for these reforms is compelling, because they will bring about a reduction not only in the pain and suffering of workers and their families but also in the massive cost to the community generally. On a conservative basis, industrial accidents cost the Australian community more than $6 billion a year. A concerted attempt to reduce this figure must surely be a worth-while objective.

The current legislation is deficient, firstly, because it does not have a real commitment to effective participation by workers, their unions and employers in the setting of standards; secondly, it is half-hearted in its recognition of the need for worker and union involvement in forcing or adopting realistic standards in the work place; thirdly, the Act makes no commitment to a licensing system to control dangerous work processes and chemicals. In relation to that aspect, I instance the incident that occurred at Footscray over the
week-end and the accident in which two young boys, aged fifteen and sixteen, died as a result of trichlorethylene poisoning in 1981.

In closing, I point out that what appears to be overlooked by the critics, the pundits, the press and the Opposition is that, when the Cain Labor Government took office in 1982, it inherited from its predecessors the legacy of a deficit of $400 million. By demonstrating sound economic leadership, the Government has reached a stage where Victoria's Consolidated Fund is now in surplus, where Victoria has the lowest unemployment rate of any State in Australia and, in the process of reaching that position, has created more than 120,000 new jobs. In addition, this State has the lowest inflation rate, the highest retail sales and the best industrial relations record in Australia; it has gained the confidence of business and has created a good investment climate. The partnership works and will continue to do so as the Government enters its second term of office—the partnership of government, local government, unions and business.

I look forward to serving and representing the constituents of Derrimut in that atmosphere of partnership. I believe this term will be challenging, and the Government will be judged on its record. I look forward to that challenge with optimism and enthusiasm.

Mr LEA (Sandringham)—It is an honour and a privilege to represent the electorate of Sandringham in this historic 50th Victorian Parliament. I congratulate you, Mr Speaker, upon your election to that office and trust that your proven impartiality and wit will see us safely through the course of this four-year Parliament.

I congratulate honourable members on both sides of the House on their successes at the recent State election.

I should like to make respectful comment on the traditions that have made this Victorian and Australian society so great. I refer to our British, European and Australian native traditions and I hope in the years to come that, when the mix of our society is changing so dramatically, the heritage that has been brought to bear in the first 150 years of this Victorian society will not be forgotten.

I thank my wife and family and the hundreds of supporters who have helped to achieve a notable success in the electorate of Sandringham at the recent election. I record with pride that the result would have been quite convincingly the same without the redistribution of boundaries.

I also thank my party for providing the opportunity for me to be here in Parliament to represent the electorate of Sandringham and the State of Victoria as a whole. Before entering Parliament I was a representative of the Education Department for more than 30 years. For 26 years I was the head of a department and an administrator and during the past eleven years I was a principal in technical schools.

I preface my remarks by making those points as the reason I am standing here tonight at 10 o'clock, after waiting all day with my pads on to get to the batting arena, is because of the Federal and State Labor Party education policies of the past three years.

I shall remark briefly on the situation that appalled me when Senator Susan Ryan attacked excellence and standards federally and diminished the worth of genuine striving and effort. Excellence is not elitism. Excellence means doing one's very best. I also point out that from my principal's seat in my school it was very clear what standard of education was being presented in the State and in this nation. Schools were becoming politicized instead of being apolitical. There was no doubt in my mind that I had only two choices to make; either to vacate my chair as principal and seek another job or to seek another venue to make the point of view I am making to the House.

I should like to examine a couple of comments that were made initially by the Minister of Education regarding the review of discipline in this State. I take honourable members back to February 1983 when the disciplinary procedures in this State were altered by the previous Minister of Education. I say quite categorically that the review and alteration of
the disciplinary procedures which the Minister for Education today proclaims so proudly were merely a reversal of the policy alterations made in February 1983, namely the diminution of discipline, the undermining of standards and the undervaluing of the State system.

The present Minister for Education must be extremely concerned about the drift away from the State system of the three years from 1982 to 1985. There has been a 4 per cent increase in enrolments in independent schools. I ask the House why this has occurred. I have made reference to two key points—excellence and standards and discipline—as the reasons the State system has suffered so badly.

I might add that my colleagues, the principals and teachers, have suffered for three long years under that situation and it is about time the current Labor Government and the Minister for Education recognized that instead of strengthening the State system they have diminished it.

I urge caution about the Blackburn report, which is due to be presented to the House shortly. In the draft discussion paper of the Blackburn report there was a note about the retention of students to Year 12. It is hard to retain all students who come into schools at Year 7 to Year 12 without diminishing standards. I suggest the Minister for Education and members of the Government exercise caution, because if the Blackburn report diminishes standards and diminishes the value of university entrance against retention it will lead to a further drift away from Government schools.

I am for State education. I should like to strengthen the State schools. The current Government and previous and present Ministers for Education are not seeking to address the problem and achieve that goal properly. A word of caution about the report should be brought before the House. I am sure that Jean Blackburn would know that the solution is a difficult one to achieve.

I turn to the electorate of Sandringham and to the people I seek to serve.

Sandringham is a bayside electorate and passes through Hampton, Sandringham, Black Rock and Beaumaris, and the suburbs of Highton and Cheltenham are adjacent to a light industrial area. An incredible number of shopping centres exist in the electorate; they are mainly in small groups and no large shopping centre exists.

The major factor of the population is its ageing nature. Constituents living in the electorate have been adversely affected by the Government’s increases in taxes and charges, particularly increases in land tax. The Government has obviously forgotten that most people who settled in Sandringham after the second world war are of modest means. Therefore, increases in land tax have been inequitable and have created much hardship.

Another area of concern in the electorate I represent is the number of unemployed youths aged fifteen to nineteen years. In the Governor’s Speech, the Governor referred to the fact that every young person would either have a job or find a place for further study or training. I sincerely hope the Government can achieve that objective for the young people who leave school. It is a noble aim and I will congratulate the Government in four years’ time if it can be achieved. I hope it can be, because the need in Sandringham is just as great as in any other electorate in Victoria.

I shall mention some areas where the electorate requires assistance. The Sandringham and District Memorial Hospital has given great service over many years to the people of Sandringham. It currently has two great needs; Firstly, a need exists for nursing facilities for the aged and chronically ill; and, secondly, there is a need for a children’s care centre. Those with sick children in the electorate must attend the Royal Children’s Hospital to receive treatment.

The Police Force in the electorate is excellent. Unfortunately, its services have been cut back, rationalization has occurred and mention has been made of intended closures, which has produced concern in the electorate.
I shall refer to the transport problems in the electorate. A need exists for the transport situation at Cheltenham railway station to be rationalized so that buses pass by the station before arriving at Southland shopping centre and therefore the local shopping centres can receive support. A shopping centre in Highett is suffering from a decline in patronage and a need exists for boom gates to be put in place to enable traffic to flow freely along Highett Road.

An urgent need exists in Black Rock for a pedestrian crossing at the shopping centre. It is a wonder that no one has been killed at that site and yet the Road Traffic Authority has ignored the pleas of the people of Black Rock and the Sandringham City Council.

I conclude my comments about the Sandringham electorate by congratulating the teachers at both the independent and State schools for the excellent jobs that they perform. Teachers are currently going through difficult times because of the decline in student enrolments. Therefore, some rationalization must occur. The Minister for Education will need to give attention to that matter so that satisfactory solutions can be found for many small schools.

I was attracted to the Liberal Party because of its philosophy and its belief in the sanctity of the individual. I would suggest that that is something worth preserving. There is also the sanctity of the family, the sanctity of private property and the right to be wealthy. Perhaps the present Government, like many Labor Governments, does not understand that wealth creates the money to pay for welfare and the public sector. If the Government does not allow people to reap the proper rewards for their efforts it will not have the money to pay public servants—I guess I am in that category—and will not be able to look after the people who need welfare. Basically that is what government is about.

I am proud to represent the people of the Sandringham electorate. I hope that, collectively, members on all sides of the House will make a valuable contribution towards the future of Victoria, to achieve a better lifestyle for people throughout the State.

Mr Speaker, and honourable members, I thank you for your courtesy tonight in listening to my remarks to Parliament. I look forward to working in co-operation with all honourable members to develop better results for government in the years to come.

Mr POPE (Monbulk)—It is a pleasure to speak for the second time in the Address-in-Reply debate. In the 1982–84 49th Parliament I heard on many occasions from members of the Opposition that I was a "oncer". In reality not only did the Australian Labor Party hold the seat of Monbulk but also the majority for the the Labor Party in that electorate increased. I thank the constituents of the Monbulk electorate.

When Parliament met last on 4 April, honourable members heard the honourable member for Hawthorn's dissertation about the policies and commitments of the Government prior to the 1985 election. I dare say that honourable members will hear many more speakers from the Opposition benches with the same diatribe on what this so-called socialist Government will do between 1985 and 1989.

On many occasions in the past, Opposition members have condemned the Government's policies. In 1985, it is a pleasure to be again sitting on the right hand side of the Speaker's chair, while the Opposition members are still sitting on the left hand side of the Speaker's chair. I dare say that so long as the Labor Party is in government and the Liberal Party is in opposition, honourable members will hear more of the same kind of speech that was heard on Thursday, 4 April, from the honourable member for Hawthorn and also from the honourable member for Brighton.

The Leader of the Opposition is still the honourable member for Burwood, and members of his back bench, in the main, are the same people I looked at from 1982 to 1985. The Liberal Party needs a swing in the order of 5·8 per cent to win government in its own right. Before the 1985 State election the Liberal Party needed a swing of 5·7 per cent. What great gains it has made!
The only change, as the honourable member for Caulfield interjected, is that he does not have to wear that blue blazer any more. The Liberal Party has made no gains whatsoever.

What gains has the National Party made in its "supposed" coalition with the Liberal Party? A gain of 2·1 per cent is still needed. Before the election it was about 2·4 per cent. Great gains it has made—rubbish!

Little doubt exists in the minds of the Victorian public on what party should be in Government in Victoria. The Leader of the Opposition has his mouth open seven days a week, as is normal, but it does not matter what he has to say, nor does it matter what the person who lost his Fletcher Jones blue blazer will have to say in the next few years. The reality is that they are still sitting on the left-hand side of the Speaker.

In my maiden speech in 1982, when my winning margin was smaller than it is now, I referred to a number of problems that existed in the electorate I represent. Problems existed in education, housing accommodation and health services and I said at that time that I believed a Labor Government would redress these problems. What has occurred? In the area of education in the years between 1976 and 1982, education expenditure in the electorate of Monbulk was reduced by 51 per cent. Between 1982 and 1985 it increased by 114 per cent. In the same period, teacher-pupil ratios in the 29 State primary schools in the Monbulk electorate and in the post-primary school sector were reduced.

Major gains are being made in the area of education capital works in the Monbulk electorate. Almost $1 million has been spent on the Upwey High School and Upwey Primary School developments and $2 million on the Mt Evelyn Technical School complex. A new primary school has been opened at Ferny Creek and a new community school set up in Sherbrooke in 1985. All schools throughout the Monbulk electorate have received minor and major capital works. Whenever I visit these schools—and I must say they have never been visited by a member of the Government to the same extent as they were between the years 1982 to 1985—to find out exactly what is occurring and what problems exist, I have been complimented on the actions of the Government in improving the education system in those schools, not only in the capital works area but also in the philosophical approach to education itself.

The Monbulk electorate is a young area. The Leader of the Opposition spent time in that electorate during the election campaign because he believed it was a priority area. The reason why this area had one of the largest swings to the Labor Party was the amount of effort the Government put into improving areas such as education. The efforts of people such as the Leader of the Opposition campaigning in that area were of little value.

Great advances have occurred in the area of health. During the election campaign of 1982, I mentioned on a number of occasions that no dental services existed in either the Monbulk or the Evelyn electorates or the outer eastern suburbs electorates in general. At that time only 11 per cent of school children in Victoria received dental services. That was an indictment on the previous Liberal Government.

The now Opposition did not take up the cudgels and implement the reforms introduced by the Whitlam Government in 1974 when it established the School Dental Service.

The previous Minister of Health, now the Minister for Transport, acted quickly to address that problem and the School Dental Service has now spread throughout the whole of Victoria. I commend the previous Minister of Health for implementing that service. Not only did he act in that area, which was lacking in the years prior to 1982, but he also was involved in the improvements at the William Angliss Hospital.

The previous member for Monbulk, who was the Minister of Health in the former Liberal Government, spoke on many occasions about the great advances made at the William Angliss Hospital, but the people only heard empty promises. After the Labor Party came to Government it noted a letter saying "Do not go past the planning stage..."
because we have not the money”. However, in the local paper, the previous member for Monbulk had promised major advancements with various aspects of that hospital.

Since 1982 to 1985, under the previous Minister of Health, it has now become a reality. It is a benefit that will be enjoyed not only by the electorate of Monbulk; but by other surrounding electorates.

Maroondah Hospital has seen great advancements with the addition of 15 beds and another 100 promised by 1986. The Government does not make empty promises, so the people of that area can look forward to that promise becoming a reality.

The Government has also made significant advances in the pre-school area. The electorate of Monbulk has special demographic factors. It is a young electorate with 30 per cent above the Melbourne average in the age group from 30 to 39 years, and consequently there is a number of young people, in fact, 15 per cent above the Melbourne average in the pre-school age group. Because of the growth in that area, the constituents of Monbulk were lacking in pre-school establishments prior to the great reforms of 1982 to 1985. In that three-year period the previous Minister of Health increased those facilities considerably and two new pre-schools were established within the electorate of Monbulk. For the first time in that area every four-year-old has the opportunity to attend pre-school, and that situation did not exist until the 49th Parliament.

The current member for Portland, who was the previous Minister for Minerals and Energy in the Liberal Government and the previous member for Monbulk, received many petitions about the extensions of natural gas pipelines in many areas of the Dandenongs. Nice letters were received by many people but no action was followed. Those petitions commenced in approximately 1963 but no action followed. In the period from 1982 to 1985, not only has natural gas been extended to those areas around the Dandenongs, but it is being introduced into other areas as well. I commend the previous Minister for Minerals and Energy, the Honourable David White, for the great work he did in that area. The previous Minister for Minerals and Energy also helped to extend the services of the State Electricity Commission and assisted in the expansion of various water supply systems that existed only to a limited extent prior to 1982. Many communities relied on water tanks or had to draw water from various creeks in their areas but that is not the case today.

In the past three years a number of problems have occurred in the Monbulk electorate. The community has drawn upon funds from the Rural Finance Commission and the natural disaster fund money on four occasions. In late 1982 there was a severe storm. A severe hail storm in late 1983 knocked out many of the crops within the Silvan/Wandin area and intensive agriculture was damaged to a significant extent. The Ash Wednesday bush fires in early 1983 affected a large area of the Dandenong Ranges and made it difficult for the communities in those areas. Late last year flooding and landslides occurred and that combination made conditions extremely difficult for communities in the shires of Lilydale and Sherbrooke.

On each of those occasions the Government has come to the fore with money from the natural disaster fund and that money has been given promptly on each occasion. The Government also assisted individuals, especially primary producers, by loans from the Rural Finance Commission.

The Governor’s Speech addressed a number of issues on the Government’s intentions between 1985 and 1989. Obviously the two greatest reforms mentioned in the Speech, which were commitments by the Labor Party during the election campaign, concern the youth guarantee scheme and workers compensation plan which have been put down by interested parties who have repeatedly claimed they have no commitment to the Liberal and National parties. They have stated they have not given funds, donations or other assistance to the opposition parties. However, it is well documented that the insurance industry was involved with the opposition parties. The Liberal and National parties, because of vested interests and the prostitution of their values, decided it was to their benefit to take what assistance they could from the insurance industry.