Thursday, 4 July 1985

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

ABSENCE OF MINISTERS

The SPEAKER—Order! I am advised that the Premier and the Treasurer will be absent today from the sittings of the House.

QUESTIONS WITHOUT NOTICE

PORTLAND ALUMINIUM SMELTER

Mr KENNETT (Leader of the Opposition)—In the absence of the Premier and Treasurer, I direct my question to the Acting Premier. I refer to the Treasurer’s statement last Friday, 28 June, that no third partner had been found for the Portland aluminium smelter project. Can the Acting Premier now confirm that that statement was at best misleading and that in fact an arrangement was reached with a company establishing a trust which will both admit trust participants as the third partner and allow them to benefit retrospectively from the Commonwealth investment allowance?

Mr FORDHAM (Acting Premier)—I am delighted that the Leader of the Opposition has a continuing interest in this magnificent development at Portland and that it now appears he is willing to assist and support the Government as it endeavours to negotiate with some potential third and other partners.

The Premier has consistently stated—and the view has been supported by Alcoa of Australia Ltd—that discussions on possible further partners are of a confidential nature; they are obviously of a commercial nature and I stand by the comments made by both the Treasurer last week and the Premier yesterday. The Government looks forward to those discussions continuing in the near future.

Mr ROSS-EDWARDS (Leader of the National Party)—I refer the Acting Premier to the Alcoa of Australia Ltd operation at Portland and I refer to the industrial dispute involving the Builders Labourers Federation. Can the Acting Premier inform the House what steps the Government is taking to resolve this very serious dispute which is delaying the construction of the smelter?

Mr FORDHAM (Acting Premier)—I can assure the House that the Government is doing all within its power to try to have the matter resolved. There are some difficulties with a number of unions on the Portland site at present. The Industrial Relations Task Force, as and when required, will be involved. The prime focus for those discussions is with Bechtel Pacific Corporation Ltd as the body directly involved. If the Leader of the National Party wishes to be kept informed of progress in the Government’s endeavours, in conjunction with others concerned, to have the matter resolved, I shall ensure that he is kept so informed.

ACCIDENT AT CHILTERN ON HUME HIGHWAY

Mrs WILSON (Dandenong North)—Can the Minister for Employment and Industrial Affairs inform the House on departmental investigations into the fatal collision on the Hume Highway on 1 May this year between a semi-trailer carrying rolls of paper and an LPG tanker?
Mr CRABB (Minister for Employment and Industrial Affairs)—The accident referred to was a dramatic one which caused a considerable degree of alarm around the area of Chiltern and in the area represented by the honourable member for Murray Valley. Since the accident, extensive investigations have been carried out by both the accident investigation officers, the Road Traffic Authority and by officers from my Ministry. The conclusions of those investigations are as follows: The LPG tanker was on the correct side of the road travelling south but the semi-trailer was on the wrong side of the road travelling north and they met head on. Although the drivers of both vehicles had seen one another and both vehicles left large skid marks, it appears that the LPG tanker driver probably tried to swerve to the right.

Both drivers were killed. One feature of the accident was that there was habitable space in the driver’s position on the tanker. However, the tanker driver was not wearing his seat belt at the time. The door of the cab opened during the accident and he was killed.

Both vehicles had all their lights working and there was no evidence of any pre-existing vehicle defects or insecure loading of any kind.

The SPEAKER—I am reminded by the Clerk to ask the Minister whether legal proceedings are pending in relation to this matter. If not, the Minister may continue.

Mr CRABB—There are no legal proceedings. The brake on one of the rear wheels of the Kenworth prime mover was inoperative. However, that would have only marginally affected the accident and was not the cause. The log of the driver of the LPG tanker complied with the number of hours allowed, but the log book of the other driver was not found.

The performance of the gas tank did not indicate that any changes were necessary or that there was any design problem. A thorough investigation of the boiler indicated that it was extensively damaged at the front end by the cabin of the LPG tanker being forced into the front of the pressure vessel at high velocity. An object or some metal then caused a small rupture in the hemispherical tank. Despite that occurring, it is encouraging that the rupture did not expand in any way or further rupture.

It is important that honourable members should be aware that this accident has probably proved beyond doubt that the standards of design and construction of these vessels are entirely adequate, as shown by the fact that the hole did not broaden or further rupture the tank in a hazardous manner.

TRUSTS

Mr BROWN (Gippsland West)—In the absence of the Premier and the Treasurer, I address my question to the Acting Premier and refer him to the Treasurer’s statement at the tax summit setting out the Government’s attitude towards trusts. I ask the Acting Premier: On what basis does the Government believe that trusts established by individuals should be acted against but that trusts in which the Victorian Government participates are desirable?

Mr FORDHAM (Acting Premier)—If the honourable member wishes to pursue this matter in detail, I suggest that he should take it up with the Treasurer on his return from Canberra next week or, alternatively, when Parliament resumes in a fortnight.

In his contribution to the tax summit, the Treasurer has attempted to play a constructive role. It has been made evident to Victorians, Australians and honourable members on both sides of the House that the present tax arrangements are clearly unsatisfactory. Almost universal agreement has been reached on that point.

Speech after speech has been made in Canberra and honourable members have spoken in this House from time to time about why certain options have weaknesses, but few constructive suggestions have been made by these erstwhile critics about what can and
should be addressed in a positive manner. It is of some concern that the Liberal Party chose not to participate in that tax summit.

Honourable members interject.

Mr FORDHAM—It was undoubtedly a coward's way out because of the deep divisions in the Liberal Party on what should happen with taxation in this country. I shall pass on to the Treasurer the comments made by the honourable member and ensure that he is aware of the honourable member's interest in this issue.

COMMUNITY EMPLOYMENT PROGRAM

Mr HANN (Rodney)—Is the Minister for Education aware of the widespread concern in many parts of Victoria about the likely reduction of funding under the Participation and Equity Program in the Community Employment Program in country areas and, if he is aware, can he inform the House what action the State Government is taking to ensure that there is no reduction in that part of the Community Employment Program in Victoria?

Mr CATHIE (Minister for Education)—As the Deputy Leader of the National Party would be well aware, the Commonwealth Government has in fact effectively halved funding under the Participation and Equity Program by extending the amount of the funding for twelve months over two years. That is having an effect on some of the programs in the schools. Many of the Community Employment Programs were funded on a twelve-monthly basis and obviously we will take into account the difficulties that are being faced in schools in finding sufficient ancillary staff and clerical resources.

That part of the country education program is certainly one of the aspects of the Karmel report concerned with improving the competencies of education, especially basic literacy and numeracy, and we are prepared to enter into resource agreements with the Commonwealth Government.

The ultimate effect of the funds available for the country education program will depend on current Budget discussions.

ROYAL AUSTRALASIAN COLLEGE OF SURGEONS

Mrs RAY (Box Hill)—Is the Minister for Education aware of the widespread claims that the Education Department is leasing a prime city block to the Royal Australasian College of Surgeons at a peppercorn rental? If so, what action has been taken to establish a fair rental?

Mr CATHIE (Minister for Education)—I am aware that the lease to the Royal Australasian College of Surgeons has in the past been set at a peppercorn rental. However, the lease expired some time ago and, in renegotiating it, I sought the advice of the Valuer-General and the Treasurer in setting the lease on a more reasonable basis. As a result, I have offered a yearly rental of $65 500 on a long-term basis with a provision that we should be able to review the rental every five years.

UNIONS

Mr COLEMAN (Syndal)—I direct a question to the Acting Premier which concerns the statement made in the House yesterday by the Government Whip, the honourable member for Richmond, that every Australian who is a non-unionist is a scab. Is that statement accurate in relation to the Government policy?

The SPEAKER—Order! The way in which the question is framed makes it out of order and I ask the honourable member to rephrase the question deleting the part about an opinion.

Mr COLEMAN—Has the Government a policy which advocates that non-unionists are scabs, and is the Government prepared to support that policy?
Mr FORDHAM (Acting Premier)—The Government has a policy towards the trade union movement. The Government sees the trade union movement as one of the most important ingredients within industry in this country and is strongly supportive of the role trade unions can and should play within the State and the country.

That recognition, I might say, ought to be shared by all Governments in this country and it is a great pity that the Opposition has asked the question in this way. The Government’s attitude towards trade unions has been demonstrated in a number of ways: Firstly, by legislation that has been presented; and, secondly, and more fundamentally, the Government has successfully endeavoured to weld together a genuine partnership between industry, trade unions and employees. We have been enormously successful because of the willingness of the Government to assist in that way. We look forward to more employees in the work force joining trade unions of their own volition. We will encourage them to do so and that will continue to be the Government’s policy.

SUBMARINE TENDERS

Mr ERNST (Bellarine)—Will the Minister for Industry, Technology and Resources inform the House whether there has been any further discussion with tenderers for the submarine project and, if so, what are results of those discussions?

Mr FORDHAM (Minister for Industry, Technology and Resources)—I was pleased to have an opportunity in Canberra earlier this week of meeting with representatives of the two final tenderers, Kockum from Sweden and HDW from Germany. They were there for the final preparation of papers prior to the signing of PDS contracts with those tenderers. It was evident from the discussions that I had with the chairmen and senior officers of those companies the high regard in which Victorian industry is held by both those final tenderers. As a result of initiatives taken by the Government over recent months by explaining what the capacity of the Victorian industry is and the initiatives of organizations such as the Metal Trades Industry Association, the Victorian Chamber of Manufactures and the number of companies that have approached those tenderers there is much greater awareness of what Victoria has to offer, not only in Melbourne but also in the provincial centres. Particular reference was made to the Bendigo Ordnance Factory and the key role that that establishment will play with the $2.6 billion contract in the years ahead.

The other aspect that came through from those discussions was the great significance of industrial relations and the need for a signed agreement and an understanding between unions and the successful tenderer in association with the Government. Again the Victorian record over recent years in industrial relations was acknowledged and is held in high regard by those tenderers, together with Government’s willingness to work in conjunction with the trade union movement in bringing about an appropriate site agreement for the proposed preferred site, which is at Geelong on Corio Bay.

Recently I had the opportunity to visit that site and to meet with representatives from Geelong industry, trade unions, the Geelong City Council and the Geelong Regional Commission. I understand and support the enthusiasm of those bodies and their support for the Government as it endeavours to ensure that Victoria receives as much of the tender as is possible.

I am confident there is a greater recognition of what Victoria has to offer and I look forward, as the Minister responsible, to the further taking of Victoria’s case to those two final tenderers in the interests not only of creating hundreds of jobs in Victorian industry but also of the enormous potential for technology transfer that will be possible over the next decade.

QUEEN VICTORIA MEDICAL CENTRE

Mr WEIDEMAN (Frankston South)—Has the Minister for Employment and Industrial Affairs visited the Queen Victoria Medical Centre to see for himself the problems that the Hospital Employees Federation (No. 1 Branch) has created with the patients of that
hospital? Will he take steps to ensure that adequate care is provided and to take away the enormous power that the union appears to have to bring stability back to the medical services within the State?

**Mr CRABB** (Minister for Employment and Industrial Affairs)—The present dispute at the Queen Victoria Medical Centre is under active hour-by-hour consideration by officers of my department and the Health Commission and indeed has had involvement of myself, the Minister for Health and the Minister for Public Works. It is sad indeed that the dispute has gone on for so long at the centre and the Government is hopeful that a resolution will be reached in the very near future.

**ELECTORATE VISITS BY MINISTERS**

**Mr B. J. EVANS** (Gippsland East)—Will the Acting Premier inform the House whether the Government has abandoned the long-standing convention that local members should be notified when Ministers are visiting the electorates they represent? If the answer to that question is, "No", will the Minister take steps to ensure that his Cabinet colleagues do notify honourable members when they undertake official visits?

**Mr FORDHAM** (Acting Premier)—There certainly has not been any change in attitude. I am confident that in the majority of cases, where appropriate, local members have been notified when Ministers will visit their electorates. The Ministry is extremely active, of which I am aware through my experience and through discussions with fellow Ministers who have spent an enormous amount of time visiting all parts of Victoria. Maybe from time to time arrangements have not facilitated contacting the local members concerned. I shall ensure that the views of the honourable member for Gippsland East are relayed to the Premier and other Ministers.

**OIL POLLUTION**

**Mr ANDRIANOPOULOS** (St Albans)—Can the Minister for Transport inform the House of the steps being taken in Australia to combat oil pollution?

**Mr ROPER** (Minister for Transport)—Honourable members on the Opposition benches may not have been listening, but I shall explain to them what is being done at present to combat the ever-present threat of oil pollution in Victorian waters. The Commonwealth and the States have a joint program of providing funds for oil pollution equipment and training.

At the last Australian Transport Advisory Council meeting, which was held in Perth on Friday, it was agreed that there needed to be a $1.1 million expenditure on equipment and training in this area this financial year. Those funds are to come from a 1.7 cents levy on tonnes a quarter from the shipping industry. The cut from 2 cents to 1.7 cents has been confirmed by Federal and State Ministers. One of the key aspects of oil pollution in Australia is that Victoria is placed at risk from oil pollution and, therefore, this financial year will receive $328 000 for oil pollution equipment, including a large self-propelled skimmer, in case Victoria does have a major oil spill.

**Mr Cooper**—From what documents are you reading?

**Mr ROPER**—The honourable member for Mornington probably could not give a damn if our Victorian beaches were spoilt by oil pollution, but the honourable member for Portland, I am sure, would be interested to know that a contingency planning conference is being held in Portland early next year to continue Victoria's state of readiness in dealing with oil pollution. Victoria has not had the same difficulties that have been experienced in Europe and North America. It is hoped that with the work being done through this program of equipment and training, and through legislation that has been introduced by all States, we can ensure that our beaches are kept in their present clean state.
YOUTH GUARANTEE SCHEME

Mr HEFFERNAN (Ivanhoe)—I refer the Minister for Employment and Industrial Affairs to the establishment of 450 work-study jobs this year under the Youth Guarantee Scheme. Is the Minister aware that 32,000 young people under the age of nineteen years are out of work, including 10,000 children who left school last year and who are still unemployed in the State? If so, does the Minister still stand by the Government's guarantee for jobs for all in this age group?

Mr Cooper interjected.

The SPEAKER—Order! I ask the honourable member for Mornington to cease interjecting.

Mr CRABB (Minister for Employment and Industrial Affairs)—The Government's progress towards fulfilling its guarantee by the end of its term of office to provide a place for every young person under nineteen years of age in either full-time education, full-time work or training, or a combination of all three, is well on target. There has been a 30 per cent reduction in the unemployed among that category of persons in the past twelve months.

Victoria has not only the lowest unemployment rate of young people in Australia, being one-third below the rates of the other States—the highest rate of unemployment was in Queensland where the acolytes of the mob on the Opposition benches are in control—but also the apprenticeship intake this year is the highest it has ever been in this State. It is no less than 27 per cent higher than it was last year.

One of the key recommendations of the Kirby report was the development of work study positions. That project is well in train. In the near future the Government will be announcing hundreds of work study positions to act as pilots, being the first of their kind in Australia. The other States are behind Victoria in this area. Negotiations with the private sector for the establishment of traineeship positions in a number of areas within private enterprise are well under way. We expect those positions to be available in the near future.

Moves towards introducing voluntary early retirement in the public sector are well advanced. They have already been introduced in the Gas and Fuel Corporation, thereby opening up job opportunities for young people. Moves towards voluntary permanent part-time work in the Public Service are already proceeding. There will be extensive use of that option by a number of employees in the Public Service, thus providing opportunities for other people.

Victoria has not only the lowest unemployment rate of young people in Australia, but also the lowest unemployment rate for all people in Australia. Members of the Government are proud of the achievements that we have made in Australia and we are confident that we will meet the commitments that we made to the electorate.

SAFETY WITH GAS

Miss CALLISTER (Morwell)—Will the Minister for Industry, Technology and Resources inform the House of steps being taken to improve consumer awareness of the importance of safety in the use of gas and gas appliances?

Mr FORDHAM (Minister for Industry, Technology and Resources)—I thank the honourable member for the question and for her continuing interest in this important area. The Government has taken the issue of safety in the community seriously, not only in legislation, but also through Government agencies and departments that have initiated steps in an endeavour to assist in this regard. I am pleased to direct the attention of the House to the endeavours of the Gas and Fuel Corporation. It is desirable that the many people who use gas and gas appliances should be aware of the need to use those appliances safely at all times.
The Gas and Fuel Corporation has prepared a brochure that is being circulated across Victoria to more than 1 million households. The leaflet has been printed in English and six other languages. The brochure contains advice on installation precautions, operation and servicing of appliances, action to take when gas leaks are detected and common-sense safety measures, such as the danger of storing combustibles near and around gas hot water services. This is part of the Government's outreach on safety. We should be proud of the record of the Gas and Fuel Corporation in assisting its customers across Victoria, both industrial and domestic. I commend the corporation for the initiative. I am sure it will prove to be of considerable benefit to the more than 1 million households in Victoria that are now part of Victoria's gas network.

PROPOSED PARLIAMENT OF YOUTH

Ms SIBREE (Kew)—Why did the Minister for Education cancel the proposed Parliament of Youth two weeks after he announced that it was to take place in August?

Mr CATHIE (Minister for Education)—I had discussions with a large number of people on the practical difficulties of setting up a Parliament of Youth. The cost of meeting those difficulties was too great and I, therefore, took the decision to cancel the arrangement.

NATIONAL AIRCRAFT MUSEUM

Mr JASPER (Murray Valley)—Is the Minister for the Arts aware of the continuing development of facilities in the aircraft museum at the new Wangaratta airport, particularly the addition of the Queensland Malcolm Long collection of eighteen planes, together with the Drage aeroplane collection that is already there with the silver city plane?

Can the Minister indicate what progress the working party in Victoria has made in recommending the development of a national aircraft museum in Victoria, particularly with the high position which is now held by Wangaratta in claiming that site?

Mr MATHEWS (Minister for the Arts)—The Wangaratta council is to be congratulated on the magnificent success of its initiative in obtaining not only the Drage collection of aircraft which was previously located at Wodonga but also an option on a further extensive collection of historic aircraft from Queensland.

There is no doubt that had it not been for the initiative taken by the council in this matter—for the council putting not merely its mouth behind the venture but its money as well—those historic aircraft would have gone to Queensland, and a very important tourist asset for Victoria would have been irrevocably lost.

Instead, the council has been able to develop facilities at Wangaratta for the exhibition of these aircraft, which are without parallel anywhere else in Australia.

It is very welcome indeed to see that the council has been successful in negotiating arrangements with the tourist bus industry which ensure that a steady flow of a minimum of 250 people a day are making use of those facilities on the basis of tourist buses alone.

The initiative taken by the Wangaratta council in this matter complements very well the initiative of the Commonwealth Government in indicating its interest in a national aviation museum being established in Victoria.

I was delighted to note the comments made recently in Sydney by the Federal Minister, Mr Barry Cohen, to the effect that he was hopeful of the national aviation museum being established in Victoria as a special bicentenary project.

The work which has been done by Wangaratta, the investment which has been undertaken by Wangaratta, and the very high order of planning which has been implemented by Wangaratta, all ensure that the Wangaratta project must figure prominently in the future of the exhibition of historic aircraft in Victoria, irrespective of whether the final decision...
on the location of the national aviation museum is Wangaratta or one of several other sites which are currently applicants for that facility.

The working party established under my Ministry has done a great deal of preliminary work, but more work remains to be done before we are in a position to back up the advice which we have already given to Canberra, that Victoria would welcome the establishment of the national aviation museum here.

**PAPERS**

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

Parliamentary Officers Act 1975:
- Statement of Appointments and Alterations of Classifications—Department of the Legislative Assembly.
- Statement of Persons Temporarily Employed—Department of the Legislative Assembly.

Statutory Rules under the following Acts:

**ADJOURNMENT**

Mr FORDHAM (Acting Premier)—I move:
That the House, at its rising, adjourn until Tuesday, July 16.

Mr KENNETT (Leader of the Opposition)—The Liberal Party has no objection to the House adjourning until 16 July. However, I seek an assurance from the Acting Premier that this House and the other Chamber will be given adequate time to consider the important Bills that are currently before Parliament and that, between now and the conclusion of the matters that are yet to be debated, the Government will not use its numbers or try to force those matters through when obviously weeks of sitting time are available for discussion and debate of what the Government correctly terms the most important Bills so far introduced.

The motion was agreed to.

**PROMPT PAYMENT OF STATE ACCOUNTS BILL**

Mr GUDGE (Hawthorn) moved for leave to bring in a Bill relating to the payment of commercial accounts payable by the State or by an authority of the State.

The motion was agreed to.

The Bill was brought in and read a first time.

**TOWN AND COUNTRY PLANNING (BROTHELS) BILL**

Mr KENNETT (Leader of the Opposition)—I move:
That I have leave to bring in a Bill to amend the Town and Country Planning Act 1961 in relation to the prohibition of brothels and for other purposes.

Mr RAMSAY (Balwyn)—Could the Leader of the Opposition briefly explain to the House the purpose and contents of the proposed Bill?
Mr KENNETT (Leader of the Opposition)—The purpose of the Bill is to put into effect a commitment given by the Minister in another place that the views of those councils which changed their planning ordinances to ban brothels would be respected in terms of decisions being made.

This Bill endeavours to ensure that, if a municipality changes its planning procedures to ban brothels in the public interest, the Government does not have power to override the council’s right to take that action on behalf of its ratepayers.

The motion was agreed to.

The Bill was brought in and read a first time.

Mr KENNETT (Leader of the Opposition)—I move:
That the Bill be printed and, by leave, the second reading be made forthwith.

Mr FORDHAM (Acting Premier)—Leave is refused.

It was ordered that the Bill be printed and the second reading be made an Order of the Day for next day.

APPRECIATION OF SERVICES OF FORMER MEMBERS

Mr MACLELLAN (Berwick)—I move:
That this House records its appreciation of the valuable services rendered to the Parliament and the people of Victoria as members of this House in the last and previous Parliaments by John Thomas Wilton, Cecil William Burgin, William Thomas Ebery, David James Frederick Gray, David Lindsay Hassett, Graham Richard Ihlein, the Honourable Walter Jona, Adam Kidman Kempton, Donald Kelso McKellar, Robert Henry Miller, Douglas Richard Newton, Jeanette Tweeddale Patrick, Donald Neville Saltmarsh, Anthony John Sheehan and Thomas William Templeton, JP.

Earlier this week the House adjourned as a mark of respect to former members for 1 hour and 45 minutes; the Parliament came to a standstill to express its appreciation and regret at the death of two former members.

The procedures of the Parliament need to be reviewed and modernized. My desire in moving the motion is to seek support from members of the Parliament in expressing appreciation of the work of honourable members who have retired or ceased to be members of the Parliament following the recent election.

I do it without regard to party affiliation. Parliament ought to examine the procedure by which it expresses appreciation of the work of Parliamentarians who have left the Parliament, while alive, rather than waiting to express appreciation when they die many years afterwards.

I say to the Leader of the House that representatives of the parties should get together with the Clerks of the Parliament and other Government officials to see whether this procedure might be of advantage in the future.

I accept that honourable members will have known some of these members more closely than others. Some will have fonder memories of them and some may wish to support the motion; it is not important that they do, but it is important that the motion is supported on both sides of the House, which can be done on the voices.

John Thomas Wilton was a member of the Parliament for many years. He was elected to the seat of Broadmeadows when Broadmeadows was not of an easy political character. He survived many years in the Parliament representing a district that had enormous problems and challenges and I respect the man for the way he did that. Parliament should express its respect for him as a member of the Parliament, the way in which he represented his constituents and the way he went about his business in this place.

The fact that John Wilton was honoured by being elected Deputy Speaker was a triumph for him and his family. He came into the Parliament at a by-election and retired from
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Parliament after doing a tremendous job. Jack Wilton was one of the fine members of the Parliament.

Cec Burgin was elected to Parliament in 1970 and one could not get a finer local member. He entered Parliament under difficult circumstances because his seat was closely contested by a National Party representative. After Cec entered Parliament there was no question about his being re-elected; he was a superb local member and he made many representations on behalf of the people whom he represented. I do not suppose there was a Liberal or Labor Minister safe from Cec Burgin's representations.

Cec Burgin served on the Road Safety Committee, the State Development Committee and the Natural Resources and Environment Committee. Many back-bench members of the Parliament have done outstanding work on Parliamentary committees, which work has not always been recognized.

I mention now Bill Ebery, as we would know him. Bill entered Parliament in 1973. Again, he effectively served on the Company Takeovers Committee, the Printing Committee, the Statute Law Revision Committee and the Legal and Constitutional Committee. Bill was a very good member of Parliament and a person in whom one could place one's entire trust. We should express our appreciation of his work.

David Gray was an ardent member of the Labor Party. I do not think a backbencher has ever arrived with stronger or more firmly held views. He expressed them from his very opening debate in Parliament with his maiden speech and there was not a moment after that when he did not give, and give hard, in defence of those beliefs he so sincerely held. He was elected in 1982 as the honourable member for Syndal. I suppose he understood the difficulties he would have in continuing to represent that seat but I believe David brought to the Parliament through his Public Service and legal background a great wealth of knowledge, and I express appreciation of the work he did here.

David Hassett, another member of the Government party, was elected in 1982. He came to Parliament, previously having been a bank officer and student teacher. He was a quiet member of Parliament; none the less, a sincere one. Those who knew him would inevitably have become friendly with him, regardless of political allegiance. Again, he must have known of the difficulty that he would have in retaining the seat but that did not stop him speaking out on behalf of his electors and carrying out the work he did on their behalf while representing them in Parliament.

Graham Ihlein was a stronger character; in some ways he seemed to be a reincarnation of the former honourable member for Sandringham. To some of us, despite the party differences, there was a great character similarity between the former member, Mr Crellin, and Graham Ihlein. I am sure that Graham would not appreciate my saying that but, none the less, while he is alive and well and able to defend himself he can make whatever response he wants to me. He was elected in 1982 and served one term. Again, he was a person with firm views. He spoke out clearly and made his views apparent. Honourable members did not get to know him very well, but all admired the way in which he spoke in Parliament.

Walter Jona had a long period in Parliament. He was elected as the honourable member for Hawthorn in 1964. Walter's service to Parliament was outstanding. He was one of the few members, in my view, who was entirely honest. If he gave his commitment to something, Walter's word was his bond.

He was Minister of Immigration and Ethnic Affairs, Assistant Minister of Health and Minister for Community Services—and an outstanding Minister in that portfolio. He also served on the Standing Orders Committee, the Road Safety Committee, the Privileges Committee and the Social Development Committee. He will be sorely missed in Parliament by all honourable members.

He had very firm views, again, and had very high standards which he set for himself and others. He will be one of the success stories of the Ministry of the Liberal Government.
in historical records. He initiated many proposals and developments, particularly in the area of community welfare services, which will be of lasting benefit to the people of Victoria.

Adam Kempton was elected and represented his electors in Parliament for a brief time; he entered Parliament in 1983 after a by-election. Again, Adam is somebody who would stand up and make a speech and make an impression on the House. All of us who knew Adam grew to respect his ability to work for his electors and the enthusiasm that he showed in that job. Again, the political turn of events meant that he was not re-elected to the House.

Don McKellar had a chequered history—he was in and out of this place. He was a member of Parliament, he was defeated and he later came back. Don McKellar was able to stop Parliament dead with a few rough country expressions, which we all deeply appreciated. He did not speak often, but when he did, his speeches had tremendous impact and importance. Don was a member of the Meat Industry Committee, the State Development Committee and the Natural Resources and Environment Committee. Not all honourable members would appreciate, unless they served on the committees with him, the contribution Don McKellar made to those committees away from the scenes and perhaps not at the front edge of Parliament, on behalf of the electors and on behalf of those committees and the work they did. I am sure all honourable members would wish Don and his family a happy and long retirement.

Bob Miller brought a distinguished legal and academic edge to Parliament. He was somebody who had, as an academic lawyer and as a practising lawyer, a great background, and his professional colleagues had a great admiration for him. He was a director of the Victoria State Opera and, again, I believe that contribution, outside the immediate Parliamentary area, was of great importance to all honourable members, because the Victoria State Opera is something of which all honourable members can be proud. He and other honourable members have served on that opera by way of committee membership in maintaining the high artistic standard that that opera has produced.

Bob was also a member of the Constitutional Convention, and he did much work on that convention using his considerable legal skills in making sure that the Victorian delegation had a co-operative framework within which to put views as to possible amendments to the national Constitution. He was a member of the Company Take-overs Committee, the Privileges Committee and the Public Bodies Review Committee. Since leaving Parliament, he has continued those works in some ways in his new position.

Doug Newton was someone I did not know very well. I have to say that because there were others in Parliament who knew him very well. He was elected to this place in 1982 along with the Labor Government. He was a research scientist and schoolteacher prior to coming to Parliament. Again, he was someone who worked on Parliamentary committees, represented his electors here and who, with the political turn of events, was not re-elected. However, honourable members should express their appreciation for his work in this place.

I am sure all honourable members realize that Jeannette Patrick was quite capable of giving a very solid punch if she had to, and I do not mean physically, but verbally and intellectually. She was probably the only person who could really stop the Premier in his tracks, and that is because they went to the University of Melbourne together and because of the great respect the Premier had for Jeannette and the respect that she had for the Premier.

Jeannette Patrick could be asked by the Opposition to ask the Government the most awkward and challenging question, and she would do so in a way which would put a number of the male members of Parliament to shame. Jeannette was articulate and participated in debates on subjects for which she had responsibility, and she was given the responsibility of expressing the views of the Opposition on local government matters.
Jeannette followed the Honourable John Rossiter, who was not an easy man to follow in any electoral sense; he was a hard act to follow. However, I believe that Jeannette followed him very well. Of course, all honourable members know that she came from a family other members of which had been members of other Parliaments. Jeannette Patrick was an outstanding lady member of this Parliament and a great model for those who wish to see a more even balance between the representation of lady members and gentleman members in this place. Jeannette was also a back-bench member who did outstanding work on Parliamentary committees.

I shall now refer to Don Saltmarsh. He brought an insight into Parliament through his background as a Minister of the Uniting Church of Australia. He never lost his sensitivity in dealing with matters involving drug programs and the challenges that drugs pose to the community. He served on the committee of Odyssey House and never wavered in his commitment to attempt to rehabilitate those in the community suffering from drug addiction.

Prior to joining the Liberal Party, Don had been a member of the Labor Party. He never hid that fact; nor did he apologize for it. Members of the Liberal Party respected Don for his commitment to his strong views. He believed in the need for justice for those members of the community without income and those who had drug problems and community welfare type problems, and in the need to improve services in those directions. Don was the spokesman for the Liberal Party on community welfare services and performed outstandingly.

Don was a member of both Houses of Parliament. He had a chequered political career, but he did an outstanding job. Members of the Liberal Party were saddened by his resignation.

Tony Sheehan was a schoolteacher before coming to Parliament, but he never appeared so. No one looked less like a teacher than Tony Sheehan. He never lectured and was never condescending in his views, although they were extremely strong. He rivalled the Minister for Local Government in the strength of his socialist principles.

Tony Sheehan held a swinging seat and was aware of the possibility that he would not continue to represent that electorate. He took special responsibility on behalf of the Government for unemployed youth and other youth matters. He made a tremendous effort in that area to straighten out Government policy so that Victoria would have policies that addressed the problems of youth. He was the honourable member for Ivanhoe from 1982, and I express appreciation of his work.

Before coming to Parliament, Bill Templeton was a pharmacist. He had been a councillor and mayor in the municipality in which he lived, and he was a member of Parliament from 1967. He was the only member of the Liberal Party who could have confidently held the seat of Mentone. In ordinary terms, that electorate was naturally a Labor seat, but it was Bill Templeton's seat. The loyalty of the electors to Bill and the results he achieved were outstanding. He had a long commitment to politics as he had been a member of the Young Liberals since 1946. He served as a back-bencher and during the Liberal Party's term of office was the Government Whip for a number of years. He also served on Parliamentary committees, and I express appreciation of his services.

By supporting the motion, honourable members will be supporting the creation of a new procedure by which members of Parliament can briefly express their appreciation of the work of former members. That will be able to be done without the House adjourning for one and three-quarter hours after a former member has died. This approach will allow honourable members the opportunity of thanking former members—while they are still alive—their families and friends, for the work they have done within Parliament and the services they provided to the people of Victoria.

Mr HARROWFIELD (Mitcham)—I welcome the opportunity of speaking in support of the motion moved by the honourable member for Berwick. I assure the House that it is
preferable to be speaking in support of the motion than to be the subject of it, as are so many of our former colleagues. The honourable member for Berwick should be congratulated on taking the opportunity of placing on record the Parliament's appreciation of the work performed by many former members of this House who, for various reasons, left Parliament at the last election.

No matter what political differences arise in this Parliament and, I suppose, most other Parliaments in Australia, it is important that the people understand that all politicians work well together on most occasions.

Often, honourable members are working hard and co-operating with each other on Parliamentary committees and other such organizations. All honourable members are involved in a process that requires us to work extremely hard and long hours, and the contribution made by these various members should be recognized.

A variety of reasons exist as to why members leave the Parliament. Some of them leave voluntarily and a number of the members named in the motion left Parliament of their own volition.

Honourable members should recognize the tremendous contribution made by people such as John Wilton, who served in this House as the member for Broadmeadows for many years with great distinction; also, Cecil Burgin, as honourable member for Polwarth; the Honourable Walter Jona, who was a member of the previous Government, serving the district of Hawthorn; Donald McKellar, who served the constituents of the Western District; Jeannette Patrick, from Brighton; and Donald Saltmarsh, who was the member for Wantirna in this Chamber and also served in the Legislative Council with great distinction.

Each of these former members left the House of their own volition and made the decision to retire from politics and to move on to some other venture. Of course, the other reason why people depart from Parliament is because of our electoral process, and that is a factor that is always in the mind of every member during their time in Parliament.

I particularly wish to mention some of my colleagues from this side of the Chamber who left Parliament at the last State election because of the electoral process, and to place on record their contributions both to the Parliament and also to the Government of Victoria. Foremost amongst those is Robert Miller, who was the honourable member for Prahran. He was one of the most distinguished members of this Parliament, serving Victoria and the people of Prahran with great distinction.

Robert Miller was elected to the Victorian Parliament as the member for Prahran in 1979, and he came to the House having served in the legal area with great distinction over a number of years prior to that; for example, Robert was an Associate Professor of Law at the University of Western Ontario, Canada. He served in that position for a year. He was a human rights officer with the United Nations in New York for a three-year period. He was called to the bar in 1971, and was a senior law lecturer at Monash University for eight years.

Robert Miller's distinguished background was highlighted in the contributions he made to this Chamber and in his work in Parliamentary Committees and the work within the Government. Robert was the Chairman of the Public Bodies Review Committee in the previous Parliament. It was one of the major committees of this Parliament and Robert chaired it with great distinction, conducting inquiries into issues such as irrigation, and more recently, the Victorian ambulance system. The product of his work and the work of his colleagues resulted in some major reports on some important issues in today's society.

Robert also served his electorate with great distinction. He won his seat in 1979 when Prahran was a marginal seat, and Robert nurtured that seat very carefully for a period of six years.

He would still be the member for Prahran today but for the fact there was a redistribution of electoral boundaries. Robert chose to stand for what was considered to be the marginal
electoral province of Monash in the Upper House and was narrowly defeated at the last State election. It is a great loss to the Parliament that Robert Miller is no longer a member. However, as my colleague, the honourable member for Greensborough said, I have no doubt that Robert Miller will again serve the Parliament and the Government with high distribution.

A number of former members referred to in the motion were elected to the Parliament in the 1982 State elections and all forged a deep bond as members of a new Labor Government. I should like to pay tribute to the work of my former colleagues who were part of the class of 1982 and who joined the Parliament as members of that Government.

David Gray was the youngest member of the previous Government. David served as the member for Syndal and did so with integrity and vigour. He came to the Parliament with a legal and academic background, having been a student at Monash University, after which he was called to the bar in 1982. David’s contribution to the Parliament will be well recalled in respect of the many legal and law reform issues that were debated in the House. He was especially concerned with constitutional matters and always played a major role in debates in both the House and in the party room on such matters.

It should also be recorded that, as the member for Syndal, David Gray had a tremendous track record. He worked vigorously for three years in the area that he represented and brought to fruition many projects in that area that had only been talked about by previous Liberal Governments. There is no better example of that than the construction of the Queen Victoria Medical Centre that is nearing completion in the old electorate of Syndal. That centre stands as an enormous tribute not only to the Government but also to the work that David Gray did as the Labor member for Syndal.

I am sure it is with deep embarrassment to the present honourable member for Syndal that David Gray was a prime mover in ensuring that construction of the Queen Victoria Medical Centre was commenced by a Labor Government. I am sure that David Gray has a continuing contribution to make to the public sector in Victoria and, it is to be hoped, to the Parliament in the years to come.

David Hassett was also a member of the class of 1982 and achieved the impossible in the State elections of that year by winning the seat of Dromana. It was not a seat that the Labor Party expected to win. It is a credit to David that he not only won that seat in 1982 but also served that area with enormous distinction and went close to being returned to the Parliament in the 1985 State elections despite the fact that that area had become more difficult for the Labor Party to win due to the redistribution of electoral boundaries.

David was someone who always applied himself conscientiously to the needs of the area he represented. He took particular pride in the issues of health and mental retardation. Since losing his seat, David has devoted more of his attention to the areas of mental retardation and mental health, which were of major importance to him.

Graham Ihlein was elected to Parliament in 1982 as the member for Sandringham. Graham was a further indication of the depth of talent that entered Parliament not only in the State elections of 1979 but also in 1982. Graham made a tremendous contribution to the Cain Government during the three years that he served as the member for Sandringham. Graham brought to the Parliament a most impressive background in industrial law and economics.

Graham was qualified in both areas and in three years did a significant amount of work in respect of the economic policies of the Cain Government. He was also a member of the Natural Resources and Environment Committee and contributed valuable work to that committee, particularly in respect of issues such as container deposit legislation.

Unfortunately, the redistribution was not kind to Graham. The seat of Sandringham became a marginally safe Liberal seat and he decided to contest the seat of Evelyn. This meant a significant amount of personal upheaval for him. He not only had to service the electorate of Sandringham as its elected member but also had to campaign on behalf of

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the Government in the seat of Evelyn. He did both of those tasks with enormous vigour and distinction, and it is pleasing that his services have been retained by the Government in his role as Ministerial adviser to the Minister for Agriculture and Rural Affairs.

Graham, with his background and keen interest in planning, conservation and agricultural matters, will prove to be of significant benefit to the Minister.

Doug Newton is a person I have known for many years, and through my own campaigning in the Mitcham electorate over the past decade I came to know him very well. He stood for the seat of Bennettswood in 1979; it was then an impossible seat for the Labor Party to win. Doug required a 15 per cent to 16 per cent swing to win that seat, and he approached his task as the candidate for the Labor Party with tremendous vigour, as if he were campaigning for a marginal seat.

Doug achieved a tremendous result in that election and the margin was reduced to 7 per cent or 8 per cent, although it was still by no means a winnable seat for the Labor Party. However, Doug set himself the task of winning the seat for the Labor Party in 1982, and he achieved a remarkable result by being elected, after preferences were distributed, by 200 votes. Of all the honourable members who entered Parliament in 1982, no one worked harder than Doug Newton in attempting to consolidate the seat of Bennettswood and in serving his constituents in that electorate. If it were not for a specific fringe group in the community losing sight of its principles, Doug Newton would still be serving Parliament as the honourable member for Bennettswood. It reflects no credit on the Council for the Defence of Government Schools that it singled him out for an unjustified and vindictive attack.

Doug was a schoolteacher before he came to Parliament and he brought to this House and to the Government the skills that he had acquired as a technical schoolteacher in the public system. He was an active participant on issues of conservation and youth affairs in the first Cain Government. Doug is continuing to serve the Victorian public sector in pursuit of those interests. Doug Newton did a tremendous job for his constituents and I am sure the electorate of Bennettswood will return him as its member at the next election, and justifiably so.

Tony Sheehan was elected to Parliament as the honourable member for Ivanhoe in 1982. He had an economic background, as I do, and made a contribution to the Government on economic and related issues. He was also interested in issues involving youth, sport and recreation, and was of considerable assistance to the Minister for Youth, Sport and Recreation in the first Cain Government. Tony Sheehan was extremely active in pursuing his interests in those areas.

I also served with Tony on the Economic and Budget Review Committee and found him to be a capable and incisive contributor to the work of the committee. As with the other colleagues I have mentioned, Tony Sheehan's departure from this place—albeit temporary—is a great loss to the Victorian Parliament.

I conclude by reiterating my appreciation to the honourable member for Berwick for moving the motion, which gave the House the opportunity of placing on record its appreciation of the work that so many members did for the Parliament of Victoria and the Victorian community.

I guess there are probably a couple of hundred years in total of service to the community from those members combined. Irrespective of party allegiances, all those members made a contribution and the motion represents an opportunity for members to place on record their thanks for the work performed by those members. I look forward to my colleagues of 1982 returning to this place and this Government in the near future.

Mr WHITING (Mildura)—The honourable member for Berwick moved a novel motion. As he mentioned during his speech, it leads one to contemplate what might happen next. I suggest that the Minister for Housing, the honourable members for Ballarat North, Gippsland East, and perhaps the honourable member for Pascoe Vale and I might be
inclined to record in a motion our services to this Parliament whilst we are still here! That would probably be an interesting project, given that the Minister for Housing has been a member of this Parliament already for 25 years and looks as though he could go on for quite some time yet. It is an interesting project to contemplate. I commend the honourable member for Berwick for moving the motion and every honourable member should appreciate, respect and support it.

When I first became a member of Parliament one of my mentors said, "Never discredit a member who has been elected to this Parliament". The reason he gave was twofold: Firstly, they had to win ballots within their own party machines to have the opportunity of being elected to Parliament; and, secondly, they had to convince sufficient numbers of electors that they were worthy of their votes. Therefore, they must have had something going for them. Some have a lot more going for them than others, and one sometimes wonders what actual contributions some members make. I shall not go into that at this stage.

I am sure all honourable members would like to speak on the motion. I am sorry the Premier is not here today, but I expect it is necessary that he should be summiteering with the other Victorian representatives in Canberra. I have some criticism of him which I shall take up shortly. It is unfortunate that the honourable member for Mitcham politicized the motion. The honourable member for Berwick made a statesman-like contribution which should have set the example for the rest of the debate. All the honourable member for Mitcham referred to were the members who were elected in 1982 and for some unknown reason had left the place. He could not quite fathom that out, but he was sure they would come back after the next election. We have news for him; some of them will not be back.

Perhaps this is part of the system and we must all learn to live with it. There will be some benefit to those back-bench members of the Government party who will miss out at the next election; if they contemplate it beforehand, it will not be such a shock when it happens.

I mentioned earlier that I was critical of the Premier and the motion has given me a vehicle through which to move an amendment, which is not a reflection on any of the honourable members named in the amendment because they must have had some qualities to have been elected to Parliament in the first place. I move:

That the following words be added to the motion "but deplores the blatant nepotism displayed by the Premier by condoning the appointments of Graham Richard Ihlein and Anthony John Sheehan as unskilled advisers to the Minister for Agriculture and Rural Affairs and the Minister for Conservation, Forests and Lands respectively".

The former Minister of Agriculture appointed an extension officer of the department as his Ministerial adviser and, although some members of my party were concerned because of the junior status of that person, he had had a lot of experience in the Department of Agriculture, he had done a lot of extension work for the department and he proved to be an excellent adviser to the Minister.

However, the appointment of Graham Ihlein to that position is quite different. He has had no experience in rural affairs and it will take him six months or more to learn about the problems of agriculture in the State. Meanwhile he will be required to advise the Minister. Of course, the Minister has had no experience in the agricultural field.

The DEPUTY SPEAKER (Mr Fogarty)—Order! I understood the motion was moved in praise of former honourable members.

Mr WHITING—I am condemning the Premier for his nepotism in condoning the appointment of two former members of Parliament to positions for which they are at present unqualified and unskilled. The Premier must carry the odium for these appointments. He should have, at least, accepted the appointment of persons within the departments who are skilled in these areas, especially in light of the fact that the two Ministers concerned do not have any background knowledge of the portfolios to which I have referred.
All honourable members are aware that the Minister for Conservation, Forests and Lands has a very good background in education and that was her forte. She would have been an excellent Minister in that area.

If Ministers are to be given responsibility for portfolios in which they are unskilled, they should have the best advisers. The Premier has not provided for that in the two cases I have cited in the amendment. I wonder at the future of democratic Governments if all Ministers are to have advisers who are former members of Parliament and who may not have the necessary skills.

I support the motion moved by the honourable member for Berwick and seek the support of all honourable members for the amendment I have moved.

Mr POPE (Monbulk)—It is my pleasure to speak to the motion and the amendment. I agree with my colleague, the honourable member for Mitcham, that it is a pleasure to see that one's name has not been included on the honourable member for Berwick's list. I do not wish to see my name on that sort of list in future.

It is a shame that this worthy motion, proposed by the honourable member for Berwick, has been taken up by members of the National Party in such a negative way. That is indicative of the National Party; it has brought politics into the motion proposed. The honourable member for Mildura conveniently forgot a number of appointments of former members of Parliament made by this Government and the former Liberal Government. The honourable member referred to the expertise of the former member for Sandringham and questioned his appointment as adviser to the Minister for Agriculture and Rural Affairs in another place. It was convenient for the honourable member for Mildura to forget that the Government also appointed the former Liberal member for Boronia Province, the Honourable Dr Kevin Foley, early in the 49th Parliament. The honourable member also conveniently forgot the appointment of the former National Party member for the Northern Province, Stuart McDonald.

Honourable members interjecting.

The DEPUTY SPEAKER (Mr Fogarty)—Order! Honourable members are treating the motion a little too lightheartedly. The honourable member for Benalla is too persistent in his interjections.

Mr POPE—Thank you, Mr Deputy Speaker. The honourable member for Benalla and his colleagues in the National Party have conveniently forgotten the appointment of Mr Stuart McDonald to a Parliamentary Committee during the 49th Parliament. He chaired the committee which supported the actions of the Government in rural areas. The National Party also conveniently forgot about the appointment of the former Liberal member for Mitcham, Mr George Cox, who was also appointed to the staff of the former Liberal Government after the elections for the 49th Parliament.

Mr McNAMARA (Benalla)—On a point of order, Mr Deputy Speaker, the honourable member for Monbulk referred to an appointment of a former honourable member of another place. The National Party is aware of the appointment of Mr Stuart McDonald but it is also aware that he holds a degree in agricultural science and would amply qualify for the position. Therefore, I suggest that the honourable member for Monbulk is not speaking to the motion or the amendment, which are clearly stated. The amendment proposed by the honourable member for Mildura refers specifically to appointments of unqualified people.

It is bringing qualified attitudes into the realm of the debate. I ask you, Mr Deputy Speaker, to rule him out of order.

The DEPUTY SPEAKER (Mr Fogarty)—Order! I do not uphold the point of order. The motion is specified and is directed towards praise for former members of Parliament. I believe it is now being used, through the amendment and comments made, including those of Government members, as a means of castigating people. That is not right. Those
people served Parliament well over a long period and should be given praise for doing so. I sincerely hope the honourable member for Monbulk will now dwell on the issues and the amendment.

Mr POPE (Monbulk)—Obviously, I have struck a raw nerve on the National Party benches. I conclude my remarks on the amendment by saying it is a disgrace that a motion moved by the honourable member for Berwick has been treated in such a negative way by the National Party.

As the honourable member for Mitcham has already mentioned, as he and I entered this place in 1982 we did not develop significant rapport or have much communication with the members of the Liberal Party who have now left this Chamber. I shall briefly mention the Labor Party members, without taking anything away from the motion. If I do so, it is simply because I did not know those Liberal Party members nearly as well as I knew my colleagues on the Government side of the House.

From my limited experience since 1982, I found three of the former Liberal Party members to be extremely helpful, which is probably difficult for people outside the political sphere to understand. They may not realize that honourable members can actually be assisted by members of another party. That is what I found with Cec Burgin, Bill Ebery and Don McKellar. They were true gentlemen and I enjoyed many discussions with them about various aspects of political life. They have gone on to other areas, and I wish them well.

I did not know the other Liberal Party members well. In fact, I doubt whether I even had a discussion with Bill Templeton. However, I know from my discussions with other colleagues that Bill was regarded by everyone in Parliament as a true gentleman who rarely said a bad word about anyone. The same can be said about Don Saltmarsh and Walter Jona.

As I mentioned, I had more rapport and communication with Labor Party members and spent many hours with them both in the Chamber and in committees. Jack Wilton entered this House many years before me. He was almost of another era. I must say I was never close to him, but I am well aware of his experience and record in Parliament. He was highly regarded, which was evident by his appointment as Chairman of Committees of the 49th Parliament.

I felt a tremendous amount of camaraderie toward honourable members who came to this place in 1982. I am sorry they are not here today. They were not re-elected for various reasons, including a change in the boundaries and the Australian electoral process. It is a matter of opinion as to why they were not re-elected and if I were to go into the issue now I would be exacerbating the attitude adopted by the National Party of politicizing this debate.

I am sure that honourable members who came to this House in 1985 are aware that one needs some form of camaraderie to exist in this place. It is a different environment, an environment none of us had ever experienced before being elected.

It is with that in mind that I mention my colleagues of 1982, namely, David Gray, Graham Ihlein, Doug Newton, Tony Sheehan and David Hassett. I got to know those five colleagues very well. They were tremendous contributors to this House and, indeed, to the party forum.

The honourable members for Mitcham and Berwick have already mentioned the biographical details of most of those members so I shall not go into them. Suffice to say that David Gray, who was I think the youngest member of this Chamber when he came in 1982, served the Parliament with vigour and was certainly not against mixing it in a debate with honourable members opposite. I am sure there are members in this Chamber at the moment who can recall a number of clashes with David Gray. He was a fairly vigorous type of politician. David and I spent a number of hours discussing various aspects of Parliament and we formed a good friendship, which I hope will continue.
Graham Ihlein had a legal background and, because of changes in the boundaries of his electorate and an attempt to win another seat, Graham was not re-elected. Graham is extremely talented in the political sphere. He is extremely sincere. In fact, he is one of the most sincere speakers I have heard in my short career in politics. I wish Graham well for the future.

Doug Newton has gone on to other things. He came to this House with a great amount of aggression, intelligence and a desire to see reform from the Government and to ensure that his constituents would be well served. I agree with the honourable member for Mitcham that there was probably not a harder worker than Doug Newton.

Tony Sheehan was an extremely aggressive politician within this Chamber, a person of high principles who stuck to those principles. I admire Tony for the way he approached his task and how he stuck to his principles in this Chamber and within the party forum. He will not be lost to the political forums of Victoria; no doubt he will be seen again.

David Hassett was probably the quiet member of that group of five elected in 1982. He did not speak in this Chamber on many occasions, but he worked extremely hard in the back rooms of Parliament and achieved much for the electorate of Dromana and the peninsula in general. He was persistent in his approach to Ministers in the 49th Parliament and achieved much in his three years as a member of that Parliament.

Robert Miller came to Parliament in 1979. He has become one of my best friends, and it is to the disadvantage of this place that he is no longer here. He was a victim of the changes in the boundaries that occurred prior to the last election. The honourable member for Mitcham has outlined Robert's background and experience and the work he did in Canada and for the United Nations Organization in New York. It is fortunate that the Government still has the services of Robert Miller in another way. I am positive he will be back in this Chamber in the future.

It is unfortunate that negative comments have come from the National Party; those comments should not be included in a motion of appreciation for the services of these members. I have spoken for longer than intended, and I know there are others who wish to speak on the motion. I conclude by commending the honourable member for Berwick for raising the motion to express the appreciation of Parliament to those members who departed at the 1985 election, for whatever reason.

I apologize for not speaking at any length about the Liberal members who have left. It is purely because I did not know those members extremely well. As I have already said, I believe all members of this House, if they are genuine and sincere about this motion, will dismiss the amendment moved by the National Party.

Mr WEIDEMAN (Frankston South)—I have pleasure in seconding the motion moved by the honourable member for Berwick. The motion has been moved so that honourable members can show their appreciation for the service and the credibility that a member of Parliament establishes in the House.

I am one of the recycled politicians, a term I do not like, as are two or three other honourable members. I attended a Government function recently and was approached by Mr Val Doube, a person for whom I have the highest regard. He told me that I had joined a unique group of people. He also accomplished that feat by first being the member for Oakleigh and then the member for Albert Park. When he first lost his seat he told me that he knew early on the night of the election, whereas I did not know until some time after the election.

Other honourable members have said that there are three or four groups of former members. Members who elect to retire from Parliament receive the appreciation of their local community and their local shire or town in the form of gifts, generally silverware. This is an expression of appreciation not only to their families, but also for the efforts they have made in representing their constituents.
Some honourable members have found it necessary to talk in the Chamber during the debate on this motion. It is a discourtesy to the people mentioned in the motion and to the honourable member speaking. If honourable members have something to say to each other, they should go outside the Chamber so that others may hear what is being said.

When members of Parliament retire after they have been either defeated by a narrow margin or by many votes at an election, it has an effect on their personality. A member who comes into the House is egotistical enough to believe he can represent the community for a long period, and when he is defeated at an election his ego is dented, and he feels deserted by the community, by comrades and by his party.

Val Doube said that the fight back is a long haul. After I left the House, the Minister for Education, Mr Cathie, attacked me over certain matters when I was the Minister for Tourism, and I could not fight back and defend myself. Some of my colleagues did not find it necessary to defend me, but I do thank those honourable members who did defend me; they knew that those charges were incorrect and that the Minister had misled the House. The Minister’s department at that time informed him of this, but he decided to bluff it through. He was not prepared to make those statements outside the Chamber nor did he have the courage to say in the House that his charges were incorrect. He knew I was facing a re-election at that time and it was an attempt to embarrass me.

On entering the House in 1976 I realized that John Wilton was an extremely important figure in the Parliament. I respected his ability as a Parliamentarian. I remember how he assisted me when I made my maiden speech. I had to wait approximately six weeks before I could make that speech; it was a pressure situation for a new member. Six or seven honourable members also had to make their maiden speeches on this particular evening. I had notes in my hand during my maiden speech and I remember that Mr Wilton was the Deputy Speaker at the time; he congratulated all honourable members who had made their maiden speeches, but he made it very clear what would happen in the future if we read papers from during a speech.

I never forgot that message. Sometimes in this place it is a shame that that message is not reiterated by the Chair. The Minister for Housing related to me a story which illustrates how I felt about Jack Wilton. When he came to the House and made an early speech, he thought he had done a marvellous job. However, a rather ferocious Minister of the time jumped up and said, “Where did the billy boy go? Go and get him!” I regarded Jack Wilton as having that same power. I do not have those same problems now that I have had some experience. Jack Wilton retired of his own volition. I wish him well.

Members of the Labor Party have detailed the abilities of previous Labor Party members who served this place in my absence. I shall refer to Robert Miller. He was an excellent Parliamentarian and a person to whom anyone could speak. He did not push his politics down one’s throat. However, he was not the expert in every field as he thought, and pharmacy was one of those fields. We had to correct him as we had corrected Barry Jones and others who were wanting in certain areas—the Medical Act was one of those areas.

In the same breath as I mention Jack Wilton, my thoughts go to Cec Burgin. He was somewhat of a father figure to me, perhaps because he was of the same build and structure as my own father, who also was a grazier. Cec has spent much of his life in the Colac area. I developed an enormous respect for this man whom I was often asked to drive home after sittings of Parliament to his flat in Elwood. In my earlier days as a member of Parliament it was said that I was very “uptight” in this place and I was very angry under certain circumstances. Cec Burgin gave me much advice on how I should behave in the House.

Since my return to Parliament, I have been amazed at the lack of speeches by Government Party back-benchers. When I entered Parliament Cec Burgin, Don McKellar and others encouraged junior back-benchers to get on their feet and to speak on issues. There was not an issue on which we were not allowed to debate and put a point of view, not always one the Minister wanted to hear. Often we got the Minister to agree to
amendments, not from the Party room but from the back bench because we had the guts and capacity to fight for what we believed and get things changed.

On one interesting night, the Bill having been discussed throughout the party system, we were not able to get our point of view across to the Minister in the party room but afterwards we approached the Minister who could then see the validity of what we were saying because he then proposed to us that we should make our speeches in Parliament and prepare our amendments to the Bill. With great charm he would then accept our arguments and effect the changes to the Bill. My colleague, the honourable member for Sandringham, Max Crellin, was involved and the Minister, Bill Borthwick, duly accepted our arguments delightfully. I have not seen that sort of co-operation or that sort of approach being taken in the House for some time.

I can remember Thomas Ebery best, not so much for his contributions in the House, but for his pleasant disposition and also his famous singing and piano playing which took place mostly at our Parliamentary Christmas parties.

An Honourable Member—His name is “Bill”.

Mr WEIDEMAN—Bill was one of those honourable members who used only one of his two Christian names. My initials are G.G.—and that does not make me a horse—and I know that John Alan Hunt uses the name “Alan”. Although my first Christian name is George, I am called Graeme, which is my second Christian name.

When I was first elected to this place I received thousands of letters and telephone calls from all members of Parliament saying, “Welcome to the House, George. We have known you for so long. We are delighted that you are one of our friends, and, of course, we want your vote in the party room.” I related this story to John Alan Hunt—I am sure many honourable members would be surprised to find that his first Christian name is really John and not Alan—so, if any honourable member wants to get John in the same way, he is the person to talk to. However, I assure honourable members that Bill Ebery is well known to me.

Mr Simpson—Did you receive a letter from John Francis?

Mr WEIDEMAN—Actually, I cannot remember his other Christian name, but I remember Douglas Jennings who is now the member for Southport in Queensland.

When I had the flu last Monday, I sat in bed and read with interest the records of the membership of Parliament since 1900 to find out where all the former members had gone.

The ACTING SPEAKER (Mr Kirkwood)—Order! I ask the honourable member for Frankston South to speak through the Chair.

Mr WEIDEMAN—I apologize to the Chair, who is another member of Parliament for whom I have the greatest respect. Looking through the books, I was amazed to note the number of members of this House, past and present, who came from one of the best parts of Australia, the Wimmera and lower Wimmera area, starting with Ballarat. I was surprised to find that some of Victoria’s most prominent and distinguished members of Parliament were born in that area and have represented with distinction many other areas of Victoria—and, obviously, from that comment, honourable members would know that I was born in Ballarat! I noted with interest that some of those members were born interstate, in Tasmania, South Australia and other areas, and served this Parliament with great credit.

It is easy for the House to express its appreciation for the work done by those who are retiring, and I also know that they then get the appreciation of their audiences outside. However, if a person is defeated, like me, he finds he is not wanted by very many people, except by his true political friends.

As I recall, I received only one letter from the Government stating that I did not serve nine years and, therefore, I could not have a gold pass but that I could have a badge so that I could use public transport free occasionally. The point is that one must make
provision in one's will for the badge to be returned when one dies. I did not receive any further communication from the Government, as it was defeated and I was voted out.

I shall not comment on the amendment because I believe that, if people in this State have the capacity and the ability to serve the State, they should be allowed to do so.

I have the highest regard for Kevin Foley because I was one of the initial members who served on the Public Bodies Review Committee. He has served the State well since he left Parliament. His position was challenged by left-wing elements within the Labor Party. However, other members of the Labor Party could see that Mr Foley had the ability to serve the State, and he was allowed to do so.

One person who did something unusual for me when I was defeated at the 1982 election is a member of this House, but he sits on the other side of the Chamber. I do not wish to relate the details of the story because it may embarrass the person in question. However, a proposal was put to me which enabled me to do something for the State, and I appreciated that action. However, it did not eventuate as the left wing of the Labor Party, to its discredit, threw it out.

Jeannette Patrick came to this House with a family tradition. Her mother, Marie Freda Breen, served as a senator in the Federal Parliament. I knew Jeannette well because I had a drive from this place to the Mornington Peninsula where I live and on some occasions I would drive home the honourable member for Caulfield, Ted Tanner, and Mrs Patrick. The drive home was enjoyable as we let off tension by talking about what had occurred in Parliament.

Jeannette Patrick was a unique politician because she came to this place with a family tradition. I came by chance, as many people do. Many people come by chance and then get kicked out very quickly, and that is difficult to accept. On coming into this brotherhood, one gives up many friendships one has established in the outside world. When one leaves this place, it is difficult to accept the situation. After I was defeated I sat around for three weeks because I was tired, and I then started planning my return to this place. I do not know why I wanted to return; it may be a matter of ego or ability, but I am about to find out during the next four years.

I am delighted to associate myself with the motion. When honourable members leave this place, they must build a life outside.

Those former members have given so much of themselves over various periods that in many cases they have found it difficult to rebuild their lives outside the Parliament. I say to all honourable members who have a thought for those former members that they should consider telephoning them, asking them out for lunch or calling by for a friendly talk. Honourable members should not consider that expertise is confined to this place because, when I lost my seat, I often wondered what the Parliament was doing and it was only when I returned that I discovered it had not been doing very much.

I wish to refer to Don Saltmarsh. Don and I shared an office in the Parliament and I found Don to be an earnest member; he sacrificed his health to serve the Parliament. I was surprised today to learn that at one stage Don was a member of the Australian Labor Party. As the honourable member for Berwick said, that information never went against Don and it was never used to his detriment. I have an enormous respect for Don's ability and understanding. He made himself available night and day for anybody, irrespective of whether they lived in the area he represented. That is the mark of a genuine politician and I wish him well in whatever career he has pursued now that he has left Parliament.

As the honourable member for Berwick suggested, condolence motions are correct and sincere. However, when I go, I hope the condolence motion is conducted somewhat differently. Rather than the House adjourn for a long time, I should like honourable members to celebrate in some other part of the Parliament. If necessary, I shall leave in my will the appropriate sum of money for that celebration to occur.
I value the friendships I have made in this place and I am sure I shall value the friendships I will make in the future as I get older. Indeed, the motion is about appreciation and what one is thought of by people in terms of what one has done for society.

I suggest to the Premier, who is absent, that he may care to examine my comments. I have not been impressed by the Premier because I do not believe I have heard a word or received a letter from him in the past three years.

It would have been nice if I had received an invitation to the 150th anniversary celebrations in Swanston Street but I did not. One of my colleagues invited me to the opening of the Victorian Arts Centre. Although I attended as a guest, I am a previous Minister for Tourism and, when I was a Minister, I was often invited to attend various organizations connected with the Arts Centre. However, I did not receive an official invitation to its opening.

All of those issues aside, there is one person I have left to last and that is Bill Templeton. Being a pharmacist and having served on the Pharmacy Board of Victoria, I was delighted that Bill represented the pharmacy profession for many years in this House. I remember him relating the fact that 100 years prior to my becoming a member of Parliament, there were eight pharmacists in the House, one of whom was a prominent citizen at the time.

Bill Templeton was the only other pharmacist in this House when the former Liberal Government was in office. Now, the honourable member for Narracan and I are the only pharmacists, and we will keep the tradition going because it would be better for Parliament and Victoria if more pharmacists were members of Parliament instead of it being comprised of approximately 60 per cent of schoolteachers.

I support the motion and hope the Premier and officers of the House will examine this situation concerning the recognition of services of retiring members. Anyone who becomes a member of Parliament earns recognition, and public life obviously gives him or her many opportunities for advancement, but there is also a balance. Some honourable members may have a friend whose health has declined while virtually giving his life for his country in serving as a member of Parliament. That person may have become seriously ill so that he or she is not able to enjoy his or her retirement. I suggest that the matter be examined in a different light.

Mrs TONER (Greensborough)—I commend the honourable member for Berwick for moving the motion. He has always been interested in the forms and procedures of the House, and on this occasion he has been rewarded by an excellent debate. I have enjoyed the discussion concerning those honourable members who have served the people of Victoria, but whose service may not have been acknowledged. It is important to honour the living, and that has been done by honourable members on this occasion.

Unfortunately, the National Party made an error in drafting the amendment to the motion. The amendment spoke about nepotism, but it appears that members of the National Party have difficulty when they use big words. “Nepotism” means favouritism to relatives, but there is no suggestion in the motion that this has occurred in respect of any blood relations of the people concerned. Members of the National Party should first refer to a dictionary before they draft motions. However, I shall continue speaking to the motion and ignore the ill-considered amendment.

I was interested in the contribution of the honourable member for Frankston South who has had the experience of being in and out of Parliament and back in the Parliament once again. His statements demonstrate that, if one is looking for any certainty or continuity in one’s career path, this is not the place to choose. There are many benefits in political life, but certainty and continuity are not among them. However, if one is looking for the excitement of contributing to debate and being involved in decision-making, Parliament is the place to come. One’s future in politics or in Government has a level of uncertainty, and that is illustrated by the people whose contributions are being celebrated today by the motion.
John Wilton was admired because he knew the forms of the House extremely well, but for many years in this place he did not have the opportunity of becoming Speaker or Chairman of Committees or of playing a leading part in government.

Cec Burgin was appreciated by honourable members because of the contribution that he made in the electorate he represented. Bill Ebery was a loved and warm man. The contribution he made to the social life of Parliament and his own constituents through his musical skills was appreciated by everyone.

David Gray was one of the talented new members who came in for a period of three years and went out. I believe we will see more of him. I remember David Hassett's contribution on the Adoption Bill (No. 2). He has an adopted child and generally he spoke only on matters of deep interest to him. He did not speak on every single issue. He made a moving contribution to that debate as a family man who understood the issue and appreciated the social reform. Graham Ihlein had a short experience of three years and then went out again. He made a most significant contribution in many areas during that time.

I honour Walter Jona for the initiatives which he was keen to get under way and for which he never found the resources. As regards policies, he was a progressive man, and I was able to take up many projects with the greater resources and commitment that the Cain Government has provided in the welfare field.

Adam Kempton was another once, although the result in the electorate he represented depends very much on what the Labor Party decides to do with its preferences. We shall miss Don McKellar. We shall miss Robert Miller for his brilliance, and I am sure he will be back to make a contribution in a later Parliament. We heard of Doug Newton's battle with a 15 per cent margin over two elections in the seat of Bennettswood to win the seat in 1982 and to be narrowly beaten in 1985.

I make special mention of Jeannette Patrick. When I was elected in 1977 she was the only other woman member in this place. At that stage there were only two women members of Parliament, but now there are fifteen women members and unfortunately only one woman is represented on the opposition benches. Jeannette Patrick is a talented person and became a close friend of mine. I admired her a great deal and I always regretted that when the Liberal Party was in government she was not elevated to the Ministry. She joined the front bench of the Opposition when the Labor Party won government and the Liberals went to the Opposition benches.

Jeannette Patrick's talents are such that she would have served Victoria very well if she had had the opportunity of serving as a Minister. I have spoken to her since she left Parliament, and the comments of the honourable member for Frankston South on how one feels about being out of this place after having developed a love for this life are very real for her.

One reaches the stage where, when one goes to a party or a function, people apologize for speaking politics. I always say, "Don't apologize because I cannot speak about anything else". I know Jeannette Patrick feels the same way. She still has an enormous interest in politics and regrets very much the loss of the excitement and the rough and tumble of politics. I see her as a person who is a real contributor and I regret that she had to leave when she did.

I commend Don Saltmarsh for the work he did with me on the adoption legislation and for helping to make sure that after the Bill had passed through the House it was in a form acceptable to the community as a whole. It was a controversial piece of social legislation, and I commend his contribution in that regard.

Tony Sheehan represented the electorate that adjoined the electorate I represent and I felt a special blow when he lost his seat because it used to be very comfortable to go to civic functions and be surrounded by people of one's own ilk. It is less comfortable if there are people there of a different political persuasion because of the threat to one's own
future. Tony is a talented, dedicated man. As honourable members are aware, the electorate of Ivanhoe has always been marginal, and I am sure Tony will return and make a contribution to the Labor Party in the future.

We all perceived Bill Templeton as a friend. He is a gentleman and he has been a great worker for his community. It is regrettable that we no longer see around Parliament many of these people who served their communities very well indeed.

The honourable member for Mildura pointed out that, in the first place, people who enter Parliament must have something going for them because they have gained preselection and would have the support of the majority of people in the electorate they represent. The fact that half the community may dislike them because of their political persuasions—for National Party members it is even worse, except in the areas they represent, because only a miniscule proportion of the community approves of their politics—means that individuals who take on this job must be tough, must be survivors and must cope with difficulties in their families and day-to-day existence without diminishing their role in political life.

The National Party suggests that if one does not like it one should get out, but politicians do not go out willingly. Most of us do not have an opportunity to step down gracefully. It is a short-lived existence for many.

I commend the honourable member for Berwick for moving the motion. It sat on the Notice Paper for some time and I thought it might have continued to sit there and not been proceeded with. I commend members of the Opposition on their contribution to the debate. There was good and thoughtful discussion of the issue. The significant contributions made by former honourable members to the work of Parliamentary committees has been mentioned.

When they read Hansard former members of Parliament will realize that their work was appreciated and those who will return following future elections—as did the honourable member for Frankston South at the most recent election—will be pleased that they have not been forgotten and that their contributions to Parliament and the people of Victoria are very much valued.

Mr LEIGH (Malvern)—All the former members referred to in the motion whose retirements were either forced or voluntary, worked in the interests of the community. Leaving aside friends of mine such as Adam Kempton, who served with me in the Young Liberals Movement, Don McKellar and Don Saltmarsh, whom I knew so well, I should like to thank a former member of the Government, the former honourable member for Syndal, David Gray. It was suggested that he was responsible for the hospital being built in the electorate he represented.

I do not believe that was so. The hospital was on the agenda of the first Cabinet meeting of the Cain Government. However, it had not been for David Gray, I would never have obtained information on the Oakleigh City Council.

In accordance with Sessional Orders, the debate was interrupted.

The SPEAKER—Order! The time allotted under Sessional Orders for Government Business to take precedence has now arrived. When the motion comes before the House again, I shall call the honourable member for Malvern.

The sitting was suspended at 1.1 p.m. until 2.4 p.m.

NATIONAL PARKS (ALPINE NATIONAL PARK) BILL

Mr CATHIE (Minister for Education)—I move:

That this Bill be now read a second time.

Since 1956 there have been nineteen national parks amending Bills passed through the Parliament. None have been more significant than this one.
This Bill seeks to establish Victoria's largest, most spectacular national park—the Alpine National Park.

The creation of an Alpine National Park, contiguous with the Kosciusko National Park in New South Wales, has been a long-standing policy of the Government. Indeed, it was one of the major pre-election commitments on which the Labor Party went to the people in 1982.

This Government takes seriously its obligation to protect Victoria's rich natural and cultural history for the enjoyment of all Victorians, both present and future.

In our first term we have expanded the Victorian parks system by more than 16 per cent. We have created one of Australia's great parks—the Grampians National Park. We have also made provision for five other new parks and expanded fifteen more.

During the last election campaign the Premier pledged that before the end of 1985, a Labor Government would introduce legislation to establish the Alpine National Park. Introduction of this Bill today fulfils that promise.

The effect of the Bill will be to link and expand the existing alpine parks to form a single Alpine National Park. This park will protect Victoria's unique alpine environments for all time.

It will also provide the southern portion of a system of linked national parks that includes New South Wales' Kosciusko National Park and the Namadgi National Park in the ACT. This system of parks covers millions of hectares and encompasses mainland Australia's major alpine areas. Together these parks form a major national asset, in terms of both preservation of our national heritage and of recreational opportunities and tourism potential.

Victoria's alpine park stretches from near Mansfield in the West to the New South Wales border in the east and embraces some of the State's most outstanding mountain scenery and alpine vegetation.

It will link and incorporate the Wonnangatta-Moroka National Park, Bogong National Park, Cobberas-Tingaringy National Park, Snowy River National Park and Wabonga Plateau State Park, and it involves a 75 per cent increase over the existing alpine parks. It takes the alpine parks area in Victoria from 395,000 hectares to 690,000 hectares.

Some of the outstanding features which are to be added to the parks include:

The headwaters of the Howqua River with its spectacular alpine peaks such as the Bluff, the Governors and Eagle Peak;

The headwaters of the Macalister River incorporating the alpine walking track where it crosses Mt McDonald, Mt Clear and the King Billies;

the unique Lake Tali Karng;

the rugged Barry Mountains;

the magnificent and scenic West Kiewa Valley; and

the catchment area to the Dartmouth reservoir.

These and other areas added to the existing alpine parks will create not only Victoria's biggest national park but also its most spectacular and ecologically diverse. It is a park that all Victorians will be able to use and of which we will all be proud.

In creating the Alpine National Park, the Government has accepted the final recommendations of the Land Conservation Council with some minor modifications. For instance, the time available to harvest timber resources in two areas has been extended and harvesting of mature timber resources will be permitted in two additional areas.

Socio-economic studies have shown that the timber industry contributes substantially to the economic well being of many towns fringing the alps. An independent assessment
of the impact of the recommendations on the timber industry has been conducted by Professor Eric Bachelard of the School of Forestry at the Australian National University. The results indicate that over the next ten years the recommendations will have little effect on the availability of mature sawlogs and, consequently, employment opportunities based on the use of this resource will not be significantly affected.

Of course, that is not to say that there are no problems with the timber industry in that area—there are problems, but not as a result of this proposal for the Alpine National Park. I should add that the Labor Government is looking closely at ways of helping the timber industry achieve some certainty and security in its operations. To facilitate this the Government initiated the most comprehensive inquiry into the industry this century. We are currently considering the report of the board of inquiry into the timber industry and my colleague, the Minister for Conservation, Forests and Lands, will be making a statement on this report in the next few weeks.

The Bill provides for the park to be proclaimed under the National Parks Act. The Government plans to do this from 1 December 1985. The Government, however, recognizes the importance to the state of the alpine timber industry and consequently the proclamation of certain areas of park will be delayed to allow mature timber resources to be harvested and these areas will be proclaimed as part of the park completion of logging. This will occur progressively with the last area being proclaimed in 1996.

Proclamation of parts of the park near the Snowy River and near Lake Dartmouth will be delayed until 1988 and 1989 respectively to permit existing mineral exploration to continue. Mining will proceed only if approved by the Government in accordance with its guidelines, which include strict environmental assessment procedures. The Government will require any areas approved for mining to be fully rehabilitated after any mining operations. They would then be proclaimed as part of the national park.

With regard to grazing, the areas currently excluded from grazing will remain so and decisions of the previous Government to phase out grazing from certain areas by 1991 will not be altered. One further area, Howitt Plains, will be added to those from which grazing will be excluded by 1991. It should be understood that this legislation has very little effect on alpine grazing. Indeed, when the 1991 phase-outs come into operation, the mountain cattlemen will have lost just 4.5 per cent of the area that was previously available to them; 95.5 per cent of the high country will continue to be grazed.

Future decisions about grazing will be made in light of Government policies, grazing's economic significance for individual graziers, research results, environmental and recreational issues, and the traditional association of families with the high country.

The Government understands that the creation of this largest of Victoria's parks places an obligation on its agencies for proper and responsive management of the area.

The formation of the Department of Conservation, Forests and Lands has strengthened the Government's capacity to protect the State's natural resources, and to manage the alpine area and the Alpine National Park.

The National Parks Service will no longer be dependent on only those resources of manpower and plant that it provides itself—it now has access to a larger pool of resources formerly controlled by other land management agencies which are now part of this large amalgamated department.

Although the department should be able to supply some of the staffing and funding resources, additional staff and funds will be required if the area is to be planned and managed to the standard expected of a national park under this Government. It is estimated that an additional eleven rangers and eight vehicles will be required for ongoing management. Depots for management of the park and the additional staff will be located at Bright, Mansfield, Heyfield-Licola, Dargo, Mitta-Mitta and Buchan.

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A detailed management plan for the park will be prepared as soon as possible. This will be done in a similar manner to the very successful exercise in planning the Grampians National Park and I am hopeful that the Commonwealth Government, recognizing the national and international importance of this great national park, will assist with funding for preparation of the management plan, as it did with the Grampians National Park management plan. I should also emphasize that preparation of the management plan will be field-based and will involve extensive public participation.

It can be expected that the establishment of an extensive alpine national park extending from south of Mount Buller to beyond the Snowy River will be a significant focal point for the tourist industry, with attendant benefits for regional economies. From experience, it is anticipated that visitor levels will increase significantly and thereby contribute to the regional economies.

Let me assure all honourable members that the Alpine National Park will not be "locked up". It will not become the exclusive preserve of young, fit bushwalkers as some would have us believe. The Government believes all sections of the community should have the opportunity to enjoy the unique features that it offers. With sensitive and responsive planning and management the Government will ensure the park caters for a wide range of public recreation activities without prejudicing its other major functions, namely, long-term conservation and protection of the area's special natural features.

I shall go now to the details of the Bill. The Bill seeks to implement the final recommendations of the Land Conservation Council, published in November 1983, for the alpine area special investigations, subject to some seventeen Government variations and amendments by the council.

The land will be declared in several stages:

1. The Alpine National Park to be declared by the Bill from 1 December 1985 includes:

   Existing and unproclaimed parks in the Land Conservation Council alpine area—Bogong National Park, Wonnangatta National Park, proposed Cobberas–Tingaringy National Park, proposed Snowy River National Park;

   Existing parks outside the Land Conservation Council alpine area Tingaringy National Park, Snowy River National Park and Wabonga Plateau State Park; and

   Additional land recommended for inclusion in the first stage by the Land Conservation Council.

2. Additional areas not included on this date—these are the timber harvesting and mineral exploration areas—will be added to the Alpine National Park by Order in Council. This land will be automatically declared by the date specified for each particular area if there has been no order by the date specified.

It is intended that the Bill should not revoke the existing parks except in consequence of their inclusion in the Alpine National Park.

Provision is required for hunting in relation to certain areas:

   Deer hunting by stalking in Land Conservation Council areas A6, A7, A8, A9, A10, A11, A12, A13, A14, A19, A20, and A21—references to these areas is included in sections 37 (3) and 37 (6) of the National Parks Act. Transfer of Part 33 of Schedule 2 to the Alpine National Park also is provided for.

The declaration of the Alpine National Park will not affect the legal access to freehold land. To ensure that this access continues, a specific provision is made in the Bill.
As regards hydro-electric installations, the Land Conservation Council recommended:

The Kiewa hydroelectric scheme be adequately protected to comply with the provisions of the State Electricity Commission Act 1958 and regulations and to ensure that the quality, quantity and timing of water produced meets the requirements of the State Electricity Commission.

The planning of fire-prevention works, including construction of vehicular tracks to protect the State Electricity Commission's assets will be done by the commission in consultation with the Department of Conservation, Forests and Lands.

The State Electricity Commission continue to occupy and utilize facilities required for the operation and maintenance of works associated with the Kiewa hydroelectric scheme.

These requirements are provided for in the Bill.

Mr Speaker, the Bill is not just the fulfilment of a long-standing Government policy; it is, more importantly, the culmination of many people's dreams for an Alpine National Park.

The need for the protection of our fragile and unique alpine environments was first formally recognized in 1951–52 by the State Development Committee. The committee commended the evidence of representatives of the Town and Country Planning Association which promoted the idea of an Alpine National Park. The Bill, 35 years later, finally gives effect to that vision.

The creation of a large contiguous Alpine National Park has been endorsed by the people of Victoria at two successive State elections. It is one of the most important and significant initiatives of this Labor Government. Copies of the plan, National Park 70, including maps, will be tabled in the Library for the convenience of honourable members.

This historic Bill deserves the support of all honourable members and I am proud to commend it to the House.

On the motion of Mr COLEMAN (Syndal), the debate was adjourned.

It was ordered that the debate be adjourned until Sunday, September 1.

**OCCUPATIONAL HEALTH AND SAFETY BILL**

The Order of the Day for the resumption of the debate on the motion for the second reading of this Bill was read.

Mr FORDHAM (Acting Premier)—I declare this Bill to be an urgent Bill, and I move:

That this Bill be considered an urgent Bill.

Approval of the motion being put was indicated by the required number of members rising in their places, as specified in Standing Order No. 105 (a).

The House divided on Mr Fordham's motion (the Hon. C. T. Edmunds in the chair).

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Majority for the motion ... 6
A Y E S

Mr Andrianopoulos  Mr Harrowfield  Mr Norris  Mr Spyker
Miss Callister  Mrs Hill  Mr Pope  Mrs Toner
Mr Cathie  Mr Hill  Mrs Ray  Dr Vaughan
Dr Coghill  Mrs Hirsh  Mr Remington  Mr Wilkes
Mr Crabb  Mr Hockley  Mr Roper  Mrs Wilson
Mr Culpin  Mr Kennedy  Mr Rowe  Mr Callister  Mrs Hill  Mr Pope  Mr Cuthie  Mr Hill  Mrs Ray  Dr Coghill  Mrs Hirsh  Mr Remington  Mr Crabb  Mr Kennedy  Mr Rowe  Mr Cunningham  Mr Kirkwood  Mr Seitz  Mr Ernst  Mr McCutcheon  Mrs Setches  Mr Fogarty  Mr McDonald  Mr Sidiropoulos  Mr Fordham  Mr Mathews  Mr Simmonds  Mr Gledson  Mr Micallef  Mr Simpson

N O E S

Mr Austin  Mr Heffernan  Mr Maclellan  Mr Wallace
Mr Brown  Mr Jasper  Mr Pescott  Mr Weideman
Mr Coleman  Mr John  Mr Plowman  Dr Wells
Mr Crozier  Mr Kennett  Mr Ramsay  Mr Delzoppo  Mr Leigh  Mr Reynolds  Mr Dickinson  Mr Lieberman  Mr Richardson  Mr Evans  Mr McGrath  Mr Ross-Edwards
(Gippsland East)  (Lowan)
Mr Gude  Mr McGrath  Mr Smith  Tellers:
Mr Hann  (Warndambool)  (Glen Waverley)  Mr Cooper
Mr Hayward  Mr McNamara  Mr Steggall  Mr Perrin

P A I R S

Mr Cain  Mr Tanner  Mr Jolly  Mr Whiting
Mr Stirling  Mr Lea

Mr FORDHAM (Acting Premier)—I move:

That the time allotted in connection with the Bill be as follows:

(a) for the second-reading stage of the Bill until 3.30 p.m. this day;
(b) for the remaining stages of the Bill until 6.15 p.m. this day.

The reality is that 8 hours has already been spent in debating this measure. The motion provides for a further 3 hours, so that more than 12 hours of debate will be held on the Bill. Already 23 contributions have been made and, as one who has listened to some of those contributions, I can say that it was becoming repetitious towards the end of the day.

Honourable Members—Hear! Hear!

Mr FORDHAM—I understand that spontaneous gesture. A reasonable amount of time is being allowed for debating the proposed legislation and I commend the motion to the House.

The SPEAKER—Order! Before calling the Leader of the Opposition, I should advise the House that the question before the Chair can be debated for 1 hour and that each honourable member is entitled to speak for 10 minutes.

Mr KENNETT (Leader of the Opposition)—At this stage, the application of the guillotine as such to restrict debate has to be a total sham. Both the Premier and the Treasurer have touted about this legislative package, which they call their workcare package and on which they are continually spending time and money, and have announced it to be the most important legislative reform measure the Labor Government has initiated since it was first elected in 1981. It is so important, as the Premier and Treasurer view it, that Parliament was convened for this extraordinary sessional period. That having been done, the Government now wants to cut short debate on this most important legislative package.

In July 1985 Parliament has no time limits on it that would necessitate cutting short debate on important proposed legislation. As it is most important, the debate could easily
take place over the next week, also. There is no justification for the Government to deny members of the Opposition and back-bench members of the Government party the right to speak further to the Bill and to its provisions. There are no Parliamentary programs for the next week or after the week commencing 15 July. I reiterate that there is no time limit that would necessitate this debate being cut short.

It is not the fault of the Opposition that back-bench members of the Government party have not exercised their rights to debate the measure, apart from six members of the Labor Party. The Liberal Party still has eight honourable members who wish to speak on the second-reading debate.

Earlier today, the Acting Premier gave notice that the House will be required to sit on 16 July, and said that the Opposition would be given time to debate all proposed legislation initiated this sessional period. In the light of those remarks, I consider this action by the Government to be an absolute affront. The Government's action proves categorically to the community that this special sessional period of Parliament has been convened not to debate important reforms but simply to stampede through both Houses of Parliament proposed legislation which the Government knows it could not get through later in the spring sessional period. Obviously, the Government intends to utilize a short-term majority to pass its proposed legislation. It should have the courage then to hear the words offered in debate by members of the Opposition and by Government party back-benchers.

I reiterate that there is no restraint on Parliamentary time next week. If the Government has nothing to fear, if Parliamentary processes mean anything to the Government, and given that the Government assesses this measure as the most important Bill it has introduced, all honourable members should be given the opportunity of debating the measure. It would not matter if debate took 24 hours. It has taken the Government and Ministers months and years—three and a half years—to put this package together. The Government is now saying that, although it has taken the Government and bureaucrats three and a half years to develop the package, the Opposition, representing 49 per cent of the electorate, will be given only 12 hours for debate.

The Acting Premier has not moved an idle motion and I do not respond to it in that manner. This is an extremely important issue. As I have already said, this legislative measure is really the Trojan Horse of socialism in this State. It will have wide-spread ramifications for the community. Surely the Opposition should be given the time that full debate will take, especially when no other matters on the political agenda require urgent attention.

I am prepared to admit that the Acting Premier has had long experience in the forms of this House. I ask him to recognize that probably in his fifteen years in this place never before has Parliament had a July sessional period. It is a record.

First of all, there is an extraordinary sitting of the House. However, given that it is extraordinary, given that honourable members are here and given that the Parliamentary forms of this House are surely still worth something, the Government should not try to deny the debate on proposed legislation that it describes as the most important package it has yet introduced into Parliament.

If the Government is going to make a mockery of this extraordinary session of Parliament, it should not add insult to injury by saying, when there is nothing else on the political agenda, that the Bill is urgent. The matters contained in the measure have been available for the Government to move at any time during the past three and a half years. However, the Government has chosen not to do so and has introduced it now, in July 1985.

All honourable members want changes to be made in some areas. Of course, the Opposition objects to some clauses, and that is only natural, but if the Bill is so important, if Parliament means anything, and if the Acting Premier continues to believe in the forms of this House and the Parliamentary procedures, for goodness' sake, he should not make
a mockery of this session, which is already being held up to ridicule because of the Government's so-called temporary majority.

The Government should allow the Opposition and the National Party more time to debate this issue on behalf of the remaining 49 per cent of the population, particularly as the Minister and his advisers have had three and a half years to introduce the measure.

Parliament deserves the right to have sufficient time to debate fully the proposed legislation and any other measure that is introduced in this session, without the Government being so gutless as to run away from what is part of the democratic process.

Mr HANN (Rodney)—Earlier today I put to the Acting Premier a proposition that the National Party was prepared to sit into the evening tonight to allow the Bill to be adequately debated because it believes this is an extremely important measure. It is interesting to note that the Government, which believes the Bill is so urgent and so important, had only three members present in the Chamber yesterday when this Bill was being debated.

Honourable members interjecting.

Mr HANN—There may have been more members overall, but there were only three members of the Government party present in the House at any one time, and yet this is supposed to be such an important measure to the Government.

The National Party believes adequate time should be made available for honourable members to debate the Bill, particularly during the Committee stage, because this is very much a Committee Bill. A number of amendments will be moved during the Committee stage and a number of important issues will be raised. Therefore, more time should be made available for honourable members to debate the measure.

The Government is being unreasonable by moving the guillotine motion at this stage. The Government should allow the debate to continue in the normal fashion because this is an important Bill that is vital to the future safety of the people of this State.

Mr RAMSAY (Balwyn)—The Government is being quite shameless in imposing the guillotine motion and restricting the time for debate on occupational health and safety. That action will go down in history to the eternal disgrace of the Acting Premier and his colleagues.

The extent of debate on the Bill yesterday was an indication of the concern that exists among many members of this House about the contents of the Bill. I have been advised by the honourable members for Kew, Syndal, Mornington, Malvern, Evelyn, Bennettswood, Berwick and Forest Hill that they also wish to contribute to the debate to try to persuade the Government to recognize the error it is committing in proceeding with it in this way.

There is no urgency about the Bill. There are only four remaining items on the Notice Paper. There is absolutely no reason why the House could not meet this evening, or even next Tuesday, except that this morning the Acting Premier moved a motion which indicated that he was not prepared to come back to the House until 16 July. The Government should withdraw that motion immediately and agree that this House should meet next Tuesday and spend all of next week debating the Bill, if that is necessary.

There are many matters of critical importance that have been and will be raised, particularly during the Committee stage of the Bill. The Minister has foreshadowed some eleven amendments that he wishes to make to this "marvellous" Bill, and yet he is not prepared to allow sufficient time for honourable members to debate them. I should like to move fourteen amendments during the Committee stage, and I should like adequate time to be allowed for those amendments to be debated. It is incorrect and improper for the Government to proceed in this manner.

Mr CRABB (Minister for Employment and Industrial Affairs)—Once again honourable members have witnessed a manifestation of the utter, callous disregard that the opposition parties have for the maimed and injured workers of this State. During the 8 hours of
debate that have already taken place on the Bill, almost 200 Victorian workers have been injured. Not once did the Leader of the Opposition show one grain of compassion for those people. He did not even show concern for them. Instead, he tried to score cheap political points.

When the Leader of the Opposition and the baying hyenas of his back bench spoke during the debate, honourable members heard the usual rerun of mindless abuse of the trade union movement. One has only to mention trade unions and members of the Opposition will not sleep at night! Except for the honourable member for Balwyn, no member of the Opposition has shown one grain of compassion or concern for the people injured in the workplace in Victoria. Their only concern is about scoring cheap political points.

Members of the Opposition do not care about ordinary human beings who are being maimed and injured because of the years of neglect of the former Liberal Party Government. Over the past three years this issue has been debated perhaps more than any other. The Opposition has remained consistent in its callous disregard for the workers of this State and in its mindless desire to score cheap political points. The sooner the Bill is passed so that the Government can get on with the job of reducing the incidence of accidents and injuries in the workplace, the better it will be for Victoria.

Mr McNAMARA (Benalla)—The National Party views the proposed legislation with concern. Because the Government is placing so much emphasis on the Bill, the National Party believes it should be given the widest possible opportunity of canvassing the issues. Many matters must be considered.

From the list of proposed amendments that the Minister for Employment and Industrial Affairs has produced, it is obvious that he is having second thoughts about the proposals contained in the Bill. Members of the National Party are content to stay here tonight to debate the proposed legislation. I give a guarantee that every member of the National Party who is currently present in the Chamber has already made accommodation arrangements for tonight on the expectation that Parliament will be sitting.

Members of the National Party view the proposed legislation with such concern that we intend to stay in the city tonight in order to debate it. It is an absolute disgrace that the Government is not allowing honourable members the opportunity of airing all the points of concern contained in the Bill. This is supposed to be a democracy, but it is hypocrisy! It is an absolute disgrace!

The Bill could have been introduced in May, and Parliament would have had ample time to debate it during the earlier part of the autumn sessional period. However, the Government withheld it with the expectation of gaining political advantage. It is disgraceful! The Bill should be held over at least until certain political matters are properly resolved. However, like a thief in the night, the Government aims to pass the proposed legislation by stealth.

It is an absolute disgrace! It is indicative of what one would expect from such a devious and cunning Minister. He is not a man to be trusted.

Parliament should be given ample opportunity of discussing the Bill in full detail rather than being directed in a dictatorial fashion. Let this Führer return to his bunker so that Parliament can properly debate the Bill and consider all of its clauses. Parliament should be given time to seriously consider those amendments foreshadowed by the honourable member for Balwyn.

The Bill should not be dealt with in its present form because it panders to a minority in the community, only 40 per cent of whom are unionists—the other 60 per cent do not belong to the union movement.

The Bill is so narrow in its definition and so discriminatory in its clauses that Parliament should be given more time to consider it. The National Party would take great pleasure in
supporting a move for the House to sit tonight. I repeat: Every colleague of mine in the National Party is more than willing to remain here until all hours tonight to ensure that every clause is examined in detail and that due time is given to every matter contained in the Bill.

The House divided on the motion (the Hon. C. T. Edmunds in the chair).

Ayes ................. 41
Noes ................. 36

Majority for the motion ............ 5

AYES

Miss Callister Mr Hill Mr Remington Mrs Toner
Mr Cathie Mrs Hirsh Mr Roper Mr Trezise
Dr Coghill Mr Hockley Mr Rowe Dr Vaughan
Mr Crabb Mr Kennedy Mr Seitz Mr Walsh
Mr Culpin Mr Kirkwood Mrs Sitches Mr Wilkes
Mr Cunningham Mr McCutcheon Mr Sheehan Mrs Wilson
Mr Ernst Mr McDonald Mr Shell
Mr Fogarty Mr Micallef Mr Sidiropoulos
Mr Fordham Mr Norris Mr Simmonds
Mr Harrowfield Mr Pope Mr Simpson Mr Andrianopoulos
Mrs Hill Mrs Ray Mr Spyker Mrs Gleeson

NOES

Mr Austin Mr Jasper Mr Pescott Mr Steggall
Mr Brown Mr Kennett Mr Plowman Mr Stockdale
Mr Coleman Mr Leigh Mr Ramsay Mr Wallace
Mr Cooper Mr Lieberman Mr Reynolds Mr Weideman
Mr Delzoppo Mr McGrath Mr Richardson Dr Wells
Mr Dickinson (Lowan)
Mr Evans Mr McGrath Ms Sibree
(Gippsland East) (Warnambool)
Mr Gude Mr McNamara (Glen Waverley) Tellers:
Mr Hann Mr Maclellan Mr Smith Mr Heffernan
Mr Hayward Mr Perrin (Polwarth) Mr John

PAIRS

Mr Cain Mr Tanner Mr Gavin Mr Crozier
Mr Jolly Mr Whiting Mr Stirling Mr Lea

The debate (interrupted on the previous day) on the motion of Mr Crabb (Minister for Employment and Industrial Affairs) for the second reading of this Bill was resumed.

The SPEAKER—Order! The honourable member for Kew has 24 minutes remaining.

Ms SIBREE (Kew)—Last night before the interruption of the debate I stated that the Bill should be called the “Occupational Stealth and Hasty Bill”. This afternoon’s proceedings have reinforced my opinion of the Bill because of the haste with which the Government is proceeding with this major and important Bill.

Last night, when commenting on the stealth of the Bill, I was concerned that the Bill effectively disfranchises a large section of the work force from taking part in health procedures. I am not convinced by anything I have heard from members of the Government in the second-reading debate that the provisions in respect of safety representatives will improve, in any shape or form, safety requirements and measures in the work force.

The Government insists that the unions involved must have power over who will or will not be safety representatives in the workplaces. I am not in any way questioning the provision because of an anti-union mentality; I am questioning it because I have not yet been convinced that the Government’s insistence on unions having a say about who will or will not be the safety representatives will make the workplace any more safe. There is
nothing to assure one that the situation will be improved. The contrary may be true and it will lead to a breaking down of the situation because unions can virtually blacklist employees from being safety representatives because they are not card-carrying unionists. This will effectively disfranchise 60 per cent of the work force who should be and are interested in their own safety.

The statistics provided by the Government do not prove that having unionists as safety representatives will improve safety conditions one iota. The Opposition wants proof, and I want proof. In the argument the Government has mounted, no proof has been forthcoming. By a quick movement of the pen and a few words, the Government is stealthily disfranchising 60 per cent of the work force from being involved in the election of safety representatives.

One of the crucial factors in developing safety in any workplace is the involvement of all parties—the employers, the unionists, and non-unionists, the people delivering goods to the workplace and the people who design the workplace in which people are to work. There is a combination of factors and the Government has not convinced me that its proposals about the way in which safety representatives are to be elected will improve the situation.

I note that the honourable member for Ringwood commented on the Bill, as she did on the debate on an earlier Bill, and I respect her interest. I am not convinced that many women will be elected as safety representatives, and I do not think this point has been touched on at all in the debate. As all honourable members know, the union movement is dominated and will continue to be dominated by the males in the work force. I bet that nine times out of ten it will be pretty damn hard for women to be elected as safety representatives. I do not want to be sexist, but some women in the work force are probably more practical, sensible, able people, capable of suggesting and implementing good safety measures in a practical sensible way. One of my concerns is that the type of provisions upon which the Government is insisting with the unions agreeing to the elections of the safety representatives will not encourage women to take up those positions. I consider that women would make extremely good safety representatives.

I counsel the Government to take that matter into account as it has not been prepared to debate these sorts of detailed issues. If the Government can give assurances that it will make the workplace more safe and that it will allow equal representation of men and women as safety representatives, it should do so, but I doubt very much that the Government will.

This is a Bill of stealth; it will disfranchise large numbers of fair dinkum workers in the workplace from having a proper and rightful say. Honourable members on this side of the Chamber have indicated a whole range of other concerns about compulsory unionism, about the strike pay provisions and other issues. During the debate the Labor Party has shown its true colours through spokesmen such as the honourable member for Richmond, who said that every non-unionist is a scab. The Minister for Public Works seems hell-bent on installing a banana republic in this State. It will be a pretty unsafe banana because, although it might look good, its skin will be slippery and the Government will be skating on thin ice.

The Government has not made sensible suggestions, nor has it come to terms with where some of the provisions of the Bill will lead. I am concerned about the effect on small business. It is all very well to have a wide range of complicated and important provisions for safety in the workplace, but they do not always work as easily in the small business areas as they do in the larger ones. Some workplaces are more dangerous than others and these nuances have not been addressed by the Government.

When one considers the table of premiums referred to in the new workcare program, which the House will be debating later on, there are many industries where the safety measures have been successfully addressed and the accident rate has been lowered. They have good safety records but they are going to be subjected to exactly the same treatment
regardless of their safety record as will others in the more dangerous work areas. The Government has not thought the matter through.

The debate has been shamefully curtailed. The Occupational Health and Safety Bill has been pushed through hastily as it will be forced hastily through another place. It is a disgrace and a blight that a Bill of such importance cannot be debated properly. It is poor that honourable members have been given so little time to discuss, to listen and to understand the genuine concern expressed by the community. There is no reason why more time cannot be taken to debate the matter more fully, or why the Government cannot give logical answers to some of the provisions in the Bill, which defy logic.

I am gravely concerned about the matter. We probably will not get answers to the questions I raised and I believe the Bill should be condemned, not because it is endeavouring to achieve safety in the workplace, which I thoroughly endorse and support, but because by stealth it is endeavouring to achieve many other aims of the socialist left Government which are not in the best interests of the wider community, and people are being disfranchised by the measure.

The Bill demonstrates the contract that the Government has between its ideologies and the trade union movement and, apparently, everyone else can get lost!

Mr COOPER (Mornington)—The Occupational Health and Safety Bill has been seriously misrepresented in this House by a number of Government speakers. The Bill purports to promote occupational health and safety but, in actual fact its key clauses are a sell out to the trade unions. That point has been made and should be repeated so that people in Victoria who are aware of the proposed legislation and who are taking an interest in it are totally aware of the facts.

The facts are that the Opposition has been seriously misrepresented by members of the Government who have stated that the Opposition does not care about occupational health and safety. In a most disgraceful contribution to the debate yesterday, the Minister for Consumer Affairs accused the Opposition of being in favour of sending children down coal mines. I assure all Victorians that nothing could be further from the truth.

The truth of the matter is that a number of select clauses in the Bill should be of grave concern to most people in the community. Those are the clauses on which the Opposition is honing in; those are the clauses of which the people of Victoria should be made aware; and those are the clauses about which so many representations have been made to individual members of the Opposition by people in business throughout Victoria, particularly those in small business. The concern which has been expressed to members of the Opposition, including me, has been generally on the clauses that have been addressed by members of the Opposition.

Basically the Bill, as I said, is a total sell out to the trade unions. The Bill is a wolf in sheep's clothing. I wonder how often the Minister who is responsible for introducing the Bill and responsible for its passage through this House receives his instructions. Does the honourable gentleman receive telephone calls in the morning, in the evening or during both times? Clearly the Minister is not under his own control; he is under the control of the trade union movement. The honourable gentleman takes his orders from that movement, therefore, he is pushing through the House this proposed legislation which is in direct contrast to the legislation which is to the benefit of business and employees of the State. The Bill typifies a Government that never does what it says it will do and is never what it makes itself out to be.

The measure is not what the Government has purported it to be; it sells out industry, employers and, more importantly, employees to the trade union movement. A number of honourable members have stated that 57 per cent of the State's work force does not belong to the trade unions, and chooses not to belong to the trade unions, but that 57 per cent of the work force is being sold out by the proposed legislation in a most disgraceful and undemocratic way.
The Government Whip, the honourable member for Richmond, stated that in his opinion—therefore, obviously the Government’s opinion—57 per cent of the work force who did not belong to unions were scabs. That was not denied by the Acting Premier during question time this morning. What a disgraceful statement, yet that is typical of the approach by the Government to this so-called vital legislation.

I shall be interested and delighted to hear the contribution of the honourable member for Springvale. Maybe the honourable member will deny that that is the policy of the Government, that 57 per cent of the work force is not regarded as scabs. Perhaps he will be the only member of the Government who will have the guts to say that. Somehow I doubt that the honourable member for Springvale is anything other than a sniper on the back bench of the Government who chooses to snipe at members of the Opposition rather than to contribute to the debate that is significant.

It is a sneak attempt to hand over the enormous power of private business and private enterprise to the vested interests of the trade union movement. Nothing can be clearer from a reading of the relevant clauses. Those clauses are clearly designed for the election of safety representatives and outline the powers of safety representatives. It is apparent that every person owning a business will now face the threat of unwarranted stoppages. Stoppages can be proclaimed by safety representatives or safety committees at whim. They do not have to do anything to justify the stoppages. They have only to say that they regard some part of the business as dangerous, and all business stops until an inspector inspects the area or agreement is reached between the employer and the safety committee.

This part of the proposed legislation was properly described in the debate yesterday as a “them and us” attitude. Clause 21 outlines the duties of employers. This must be compared with clause 25, which outlines the duties of employees. That comparison demonstrates the “them and us” situation. Clause 21 must also be coupled with clauses 22, 23 and 24, all of which are contained in two and a half pages of the Bill. However, the duties of employees provided in clause 25 cover only about eight lines. They assume no responsibility for their own safety, welfare or anything else. It is up to the employer to do everything possible.

Encapsulated in that provision is the proposition that a safety committee can call for work to stop. Work can stop without any regard for the relevance of the situation in the workplace. It may be only on a whim. It will probably happen that work will stop and the stoppage will continue until somebody does something about the matter, and while this stoppage continues employees will be on full pay. If it is found by the inspector after some days that there was no justification for a cease-work, no investigation will be held into the real reasons why work stopped. It is work as usual, pay as usual and pay during the stoppage. It is a gross act of non-democracy.

The Government should seriously address this issue in the Committee stage to ensure that employees and members of the safety committee have a direct and definite responsibility to justify their actions. If they cannot justify their actions, or if it is found that the actions they have taken were a blatant misuse of the powers that have been given to them under the Bill, the people of this State will cry out for retribution and claim that punitive provisions are in order to ensure that abuse of this type will not continue or take place ever again.

The Opposition has stated that it wishes to make changes to the proposed legislation and will move amendments during the Committee stage. I urge every honourable member to pay due regard to the fact that any measure that tries to improve occupational health and safety should be examined seriously. The Government and Parliament have a responsibility to ensure that proposed legislation is directed towards better occupational health and safety. It should not be a wolf in sheep’s clothing. It should not hand over power to the unions, and it should be directed purely and simply at what it purports to be directed at.
The Bill does not do that. I urge the Government to consider, in the short time before the Committee stage, the enormous powers that are being handed over to the trade union movement and to pull away from a course that will create significant divisions within the workplace and will not be to the benefit of employees in the long term.

Mr KENNEDY (Bendigo West)—I strongly support the proposed legislation and congratulate the Government and all those associated with its introduction, including the Minister and his officers, unions and employer organizations and a wide range of other people, who have given an enormous amount of time to produce this significant Bill.

It is indeed significant because, taken in the context of the three items of proposed legislation that deal with accidents and disease in the workplace—the Dangerous Goods Bill, the Accident Compensation Bill and this Bill—it is certainly the most significant attempt ever made by a Government in Victoria to tackle the real and fundamental problems that have been ignored for too long.

The comments made by the Opposition are typically negative, typically destructive and typically irrelevant. I find it almost incomprehensible that an issue of such significance can be trivialized in the way that it has by the Opposition. No concern has been shown in comments made by the Opposition spokesman for the fundamental issue of the well-being of employees in Victoria. There is no concern for the long-term economic future of Victoria as it is affected by the cost of compensation, industrial accidents and disease. The Opposition, in a most mischievous way, has chosen to pick on certain small aspects of the Bill in an attempt to undermine confidence in the proposed legislation.

Honourable members have heard the ratbag comments made by the Leader of the Opposition, who has described the legislation as the Trojan Horse of socialism. It is probably more accurate to describe the policies of the Liberal Party as representing the rocking horse of toryism because they are being handled in an infantile and immature way. The opposition parties are attacking workers' rights and opposing overdue improvements.

Mr LEIGH (Malvern)—On a point of order, Mr Speaker, the honourable member for Bendigo West is reading his speech.

The SPEAKER—Order! I ask the honourable member for Bendigo West whether he is reading his speech or referring to his notes.

Mr KENNEDY (Bendigo West)—I am using my notes as I go along. I have some basic points here, and I am delighted to see that it is having some effect on the Opposition.

The SPEAKER—Order! The honourable member is in order.

Mr KENNEDY—As I was indicating, the Opposition is attacking the rights of workers and assailing long overdue improvements in the area of occupational health and safety. Right from the beginning, the Opposition has opposed the Bill. This is the third year running in which the Opposition has opposed it. Finally, it has chosen to focus not upon the real issues but upon political aspects that it believes can be sought for the purpose of political gain.

The proposed legislation has a long history. Members of the Government have worked solidly and soundly on it since coming to office and at last the proposed legislation, with some amendments, is ready. It is one of the Government's most important pieces of legislation for the community.

If one examines the speeches of some Liberal and National Party members, one can see just how irrelevant the policies of these parties are to the real needs of Victoria today.

Comments have been made by Opposition members in relation to the Victorian Economic Development Corporation Bill. Essentially, they are saying that the State has no obligation and no right to assist in the economic development of Victoria. The same
sort of argument is being used again today. The Leader of the Opposition said that the legislation was bad for the economic development of Victoria.

He claimed it would drive business out of Victoria. The reality is that the record of the Cain Labor Government is sound. The Government has achieved increased prosperity in Victoria.

Only one member opposite actively expressed a doubt about the effectiveness of the proposed legislation. Until the honourable member for Kew spoke, not one member of the opposition parties questioned the fact that the proposed legislation would be more effective than the legislation that is in place at present. Their basic argument boils down to an attack on the unions and on the working people.

Claims of grabs for power and that the unions are out to wreck the economy of Victoria were made. These are the usual malignant and malicious comments of parties which fail to tackle the real needs of the State.

It has been claimed that unions are a minority representing a minority. The statistics on unionism do not verify that claim. In December 1984, 55 per cent of employees in Australia were members of unions; and in Victoria 54 per cent of employees were members of unions.

Mr WEIDEMAN (Frankston South)—On a point of order, the honourable member for Bendigo West is now quoting from a document. Can he inform the House where that document comes from and what it is? Is he prepared to table it at the conclusion of his speech and could he read it more slowly?

The SPEAKER—Order! I advise the honourable member for Frankston South that that is not a point of order. Will the honourable member for Bendigo West make the document available to the House?

Mr KENNEDY (Bendigo West)—I have no hesitation about doing that. It is a statement by the Australian Bureau of Statistics described as Social Indicator for Victoria, No. 1. Unfortunately for the Opposition, this document does not support its claim that unions and people in unions are a minority. There is also a well documented case for improvement of health and safety provisions in this State.

I shall quote a report produced last year by the Victorian Chamber of Manufactures which was reported in the *Age* on 7 March. Basically, it found a very serious and alarming area in which appropriate action was not being taken to ensure the most effective measures for health and safety at the workplace.

The article which appeared in the Melbourne *Age* states:

A survey of Victorian manufacturing companies has found that three-quarters of the businesses had workers’ compensation claims in 1982–83.

Less than half of the 133 companies surveyed—

Mr LEIGH (Malvern)—On a point of order, Mr Speaker, it is obvious to me, as I am sure it is to every member of the Opposition, that the honourable member for Bendigo West is reading his speech. I noticed him turning a page.

The SPEAKER—Order! I must congratulate the honourable member for Malvern on his observation. I had not noticed that a page had been turned. I do not uphold the point of order. I have been advised by the honourable member for Bendigo West that he is not reading his speech but is referring to notes.

Mr KENNEDY (Bendigo West)—The comments by the honourable member for Malvern are typical of the flippancy with which his party treats the whole issue.

The SPEAKER—Order! I advise the honourable member that he has 5 minutes left to complete his speech.
Mr KENNEDY—I conclude by quoting further from the report in the *Age*, which states:

Less than half of the 133 companies surveyed kept records of minor injuries and less than one-third had industrial safety officers.

The survey, by the Victorian Chamber of Manufactures and paid for by a State government grant, also found that three-quarters of the companies had no written safety policy and that nine out of 10 provided no organized training for safety officers.

The survey found that less than one-sixth of the companies questioned conducted medical checks on workers before they began their employment. Also, less than one-third of the companies analysed statistics on injuries which had occurred in their establishments.

More than 60 companies did not have an employee who had been given clear responsibility for safety; only one-fifth had a safety committee; and those committees that did exist had been working for less than a year.

In conclusion, this Bill is already in operation. Agreement has been reached in many firms between employers and employees on the procedures to be taken, for example, where hazards are to be expected and on how those hazards are to be handled.

This is a significant development because it proves that the Opposition has been talking claptrap when it states that this proposed legislation is anti-business, is not acceptable to business and will supposedly endanger business. The reality is that seventeen health and safety agreements are already in operation in Victorian in both the public and the private sectors. Those agreements cover more than 60,000 employees. That is a significant achievement and it gives the lie to the propaganda that has been peddled by the opposition parties.

The names of some of the firms involved in these agreements are worthy of mention: Ansett, Bowater-Scott Ltd, Philip Morris Ltd, Qantas Airways, the State Transport Authority, the Gas and Fuel Corporation of Victoria, the State Electricity Commission of Victoria, APM’s Maryvale Mill at Morwell, the Commonwealth Ordnance Factory, Maribyrnong, the Government Aircraft Factory and the Naval Dockyard, Williamstown. The Government is already in the position of appreciating that this measure is not merely necessary but is acceptable and will be effective. This indicates that the scheme foreshadowed by the Bill is accepted by the parties for whom it is designed.

More than 2000 health and safety representatives have already been elected. Many of those have already been trained in health and safety. That training has been carried out by the Trade Union Training Authority, the Victorian Trades Hall Council and individual unions.

The proposed legislation is working already and the indications are that it will have a marked effect on the community. The Government is strongly committed to working in co-operation with all parties involved to bring about results that are necessary and desirable for the community as a whole. I have no hesitation in indicating my strong support for the Bill.

Mr LEIGH (Malvern)—I did not intend to speak in this debate. However, a few minutes ago the Minister for Employment and Industrial Affairs gave his diatribe and “blood in the streets” speech. I felt it was disgraceful for a Minister of the Crown to behave in such a manner. Yesterday the honourable member for Richmond accused people in the community who were not members of unions of being scabs. That is a terrible thing to say!

Mr MICALLEF (Springvale)—On a point of order, Mr Speaker, the contribution being made by the honourable member for Malvern is not related to the Bill. It is related to alleged remarks made by members of this House.

The SPEAKER—Order! I will rule on the point of order. There is no point of order. In the toing and froing and cut and thrust of debate the remarks of the honourable member for Malvern are in order.
The time appointed for the closing of the second-reading stage of the Bill has now arrived.

The House divided on the motion (the Hon. C. T. Edmunds in the chair).

Ayes 41
Noes 36
Majority for the motion 5

AYES
Mr Andrianopoulos  Mr Harrowfield  Mr Remington  Mrs Toner
Miss Callister      Mrs Hill       Mr Roper       Mr Trezise
Mr Cathie          Mr Hill        Mr Rowe        Dr Vaughan
Dr Coghill          Mr Hockley     Mr Setz        Mr Walsh
Mr Crabb           Mr Kennedy     Mrs Setches     Mr Wilkes
Mr Culpin          Mr Kirkwood    Mr Sheehan     Mrs Wilson
Mr Cunningham      Mr McCutcheon  Mr Shell       Mr Sidiropoulos
Mr Ernst           Mr Micallef    Mr Simmonds    Mr Smith (Gippsland East)
Mr Fogarty         Mr Norris      Mr Spyker      Mrs Hirsh
Mr Fordham         Mr Pope        Mrs Stockdale  Mr McDonald
Mrs Gleeson        Mrs Ray        Mr Stockdale   Mr Tannan

NOES
Mr Austin          Mr Hayward     Mr McNamara    Mr Smith (Polwarth)
Mr Brown           Mr Heffernan   Mr Macellan    Mr Tang
Mr Coleman         Mr Jasper      Mr Perrin     Mr Wallace
Mr Cooper          Mr John       Mr Pescott     Dr Wells
Mr Crozier         Mr Kennett    Mr Plowman     Mr Williams
Mr Delzoppo        Mr Leigh      Mr Ramsay     Teller: Mr Smith
Mr Dickinson       Mr Lieberman  Mr Ross-Edwards Teller: Mr Stockdale
Mr Evans           Mr McGrath    Ms Sibree
(Gippsland East)   (Lowan)       (Polwarth)     (Glen Waverley)
Mr Gude            Mr McGrath   Mr Steggall    Mr Weideman
Mr Hann            (Warrnambool) Mr Whiting

PAIRS
Mr Cain            Mr Lea        Mr Jolly       Mr Reynolds
Mr Gavin           Mr Whiting    Mr Stirling    Mr Richardson

The Bill was read a second time and committed.

Clauses 1 to 3 were agreed to.

Clause 4

Mr CRABB (Minister for Employment and Industrial Affairs)—I move:

Clause 4, page 3, line 28, after "time" (where secondly occurring) insert "or which is approved by the Governor in Council for the purposes of this Act".

The purpose of the amendment is to amend the definition in the Bill which states that
"trade union" means an association of employees which is a recognized association under
the Federal Conciliation and Arbitration Act or the equivalent State Industrial Relations
Act. Through discussion in recent weeks, it was found that there are one or two trade
unions that are not recognized under their own Acts, such as the Victoria Police Association
and the teacher unions, which have their own tribunals. The simplest way of solving this
problem is to add the words proposed in the amendment.

The amendment was agreed to, and the clause, as amended, was adopted, as was clause
5.

Clause 6

Mr RAMSAY (Balwyn)—In considering clause 6, the Committee should pay attention
to the objects of the measure. I rise to speak on the clause largely because the Minister was
denied the right, during the second-reading debate, of replying to many of the points raised by members of the Opposition and other honourable members—points which relate directly to the objects of the Bill. Those objects are quite specific; they all relate to the health, safety and welfare of persons at work.

However, there are many features of the Bill which do not relate to the health, safety and welfare of persons at work, and these are the points that the Opposition has raised as matters of grave concern. Members of the Opposition are concerned that many features of the Bill do not tie in with the objects as stated in clause 6. It would be helpful if the Minister could advise the Committee whether he regards the objects as stated in the clause as adequate and explain why he has introduced proposed legislation when many features of it do not tie in with the objects stated.

Mr AUSTIN (Ripon)—It is an extraordinary situation that, during debate on this important measure, through the actions of his own Government, the Minister has not had the opportunity of summing up and responding to the various concerns expressed by members of the Opposition and the National Party. During a debate on a Bill of this nature, to deny the Minister that right through the Government's actions is an insult to the workings of Parliament.

The objects of the Bill are very commendable. The Opposition has said all along that it supports the main thrust of the proposed legislation where it relates to any improvement in health and safety in industry throughout Victoria. The Opposition hesitates to confirm its belief that those objectives can be carried out by the Government through the Bill. I am sure many people in business and industry also share that concern.

I hope the Minister will able to convince the Committee that, under the Bill and through whatever regulations may be introduced, it will be possible to implement and carry out the objects of the Bill as spelt out in clause 6.

Mr TANNER (Caulfield)—I am extremely disappointed that the Minister did not take the opportunity of answering the queries put to him by the honourable member for Balwyn and the Deputy Leader of the Opposition. The objects of the Bill are stated in clause 6, and all of those objects are admirable. However, as numerous members of the Opposition have pointed out, the Bill is primarily concerned with expansion of trade union power in the workplace.

It is a pity that the Government does not have the courage to state exactly what the Bill is about. The Government is pandering to the whims of the Trades Hall Council. It is a pity that the Government is prostituting such an important subject as occupational health and safety in the workplace. It is incumbent upon the Minister to explain to Parliament and the public why the Government is not prepared to state that the Industrial Safety Health and Welfare Act 1981 is good legislation and that this Bill uses large elements of that Act.

The Bill also includes provisions that will lead to the expansion of trade union powers. If the Government is proud of that expansion, it should be courageous enough to inform Parliament of the reasons why.

Mr CRABB (Minister for Employment and Industrial Affairs)—I have made known my views on the second-reading debate, and my views about the contribution from the honourable member for Caulfield are the same as the views I had regarding the speech given yesterday by the Leader of the Opposition—it is a pathetic use of the Parliamentary process. I am glad the honourable member for Caulfield is now a back-bencher rather than the Opposition spokesman on this important issue. If he continues to be a failure at everything else, he will probably finish up as Leader of the Opposition.

There is almost furious consensus from all parties on most aspects of the proposed legislation. There remain two salient points on which there is a lack of consensus between employers and employees. Those points concern the process of how health and safety representatives are elected and the criterion on which unsafe work can be stopped. All
other provisions of the Bill are acceptable to most parties. One may discuss nuances of the clauses, but the bulk of the Bill is agreed to by everyone.

Over the past year, there has been increasing enthusiasm on the part of employers to introduce occupational health and safety measures. The honourable member for Bendigo West mentioned the number of health and safety agreements that have already been entered into in both the public and private sectors. They are working well and mirror some of the provisions of the Bill. Health and safety representatives have been elected by unions and are empowered to stop work, and have done so on occasions. However, it has not been suggested that work should not have been stopped on any of those occasions.

No examples exist of abuse of the system. No abuse has occurred in Canada, the United Kingdom or California, and there has been no abuse of the system in Australia; nor will there be. I am not suggesting that people will not go on strike; I am certain they will, as they do in every other country. No doubt people will strike about safety matters, but I shall not stop that and neither will the Opposition. That has been going on since the dawn of time, and I have no doubt that it will continue.

There are people in the workforce who are being injured minute by minute. It averages out at twenty an hour, which is one person every 3 minutes being injured. However, apart from that, the human suffering and cost to the community are enormous.

It is estimated that the cost of industrial injury is $2.5 billion a year, which works out at $1 million for each working hour of each working day. So in the time honourable members have spent debating the Bill, which is approximately 9 or 10 hours, injuries in the workplace have cost the community $9 million or $10 million. That fact ought to be of deep and abiding concern to everyone in the Chamber.

The way to address that problem is to effect a system that minimizes the number of industrial accidents. Approximately ten or fifteen years ago, when people in the State started to get concerned about road safety, the authorities worked along three principles, which were the three E's—enforcement, engineering and education.

Mr Weideman—And legislation.

Mr CRABB—That is enforcement. A former Premier, Dick Hamer—now Sir Rupert Hamer—took a number of initiatives to lower the road toll. Those initiatives helped put Victorians to the forefront of the world in road safety. I hope honourable members would agree that the Government has kept Victoria in that position with regard to road safety because the community accepts that various steps have to be taken to combat the road toll. The same attitudes need to be adopted with occupational health and safety. One cannot sweep it under the carpet.

There are more injuries in the workplace than there are on the roads and those injuries represent appalling statistics, yet there have been no major campaigns and funds allocated to help lower those statistics. There have been no saturation television campaigns, such as the ones on booze buses, telling people what they ought to do about industrial accidents. There have not even been any statistics released to enable one to hone in on where those accidents are happening and why.

Mr Ramsay—that is your problem.

Mr CRABB—There have been no statistics collected since Adam was a boy and it is partly due to the workers compensation system. It is not the fault of any particular Government; it is because the system did not allow it, as the system was not directed towards that end.

In recent years groups of inspectors have visited factories on an almost random basis after accidents have occurred. That is not what should happen. They should be sent to the factories before accidents occur in order to prevent them from happening. That cannot be done solely by inspectors, otherwise one would need an army of them.

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If one had an inspector in every workplace all day every day, one would still have industrial accidents because safety needs to be organized in the workplace itself. That is the whole core of the Bill and to make it work one needs health and safety representatives in the workplace—people who are part and parcel of the workplace and who have responsibilities for what is done.

This week my Ministry published a series of case studies which I had picked at random from the files of the department. I recommend to members of the Opposition that they contact me after the debate for a copy to find out what really happens in the workplace. If members of the Opposition are concerned about the right to stop work, they should note that work is being done that ought to be stopped.

I cite the case of a seventeen-year-old apprentice who was burned to death in a tragic accident where the job he was given to do was to clean out the inside of a refrigerated container with acetone while there was a welder cutting metal at the rear of the container. The thing exploded and the kid was killed. That work should have been stopped, and I hope in similar circumstances a health and safety representative would stop such work.

Another example I cite is the case of another seventeen-year-old kid working for an excavation firm and who was directed to clean out the tray on a dragline. The trouble is that nobody told him not to clean it while the thing was working and when he went in to clean it out while the thing was operating; the spiked rope on the drum caught in his clothes, he was dragged in and crushed to death.

On average, one person a week is killed in the workplace. Some of those accidents are unavoidable or are acts of God, but many of them can be avoided. It is necessary for the Government to use its available powers and capacities to try to reduce this ghastly problem. The target the Government has set under the workcare program is a reduction of 10 per cent in ten years. I sincerely hope the Government can do better than that by proper application of safety procedures, but it can be done only by using health and safety representatives in the way that is intended by the Bill.

Attempts to do it by exhortation and inspections, as in the past, will not work. That approach has never worked and will not work.

Mr RAMSA Y (Balwyn)—I shall not take up the time of the Committee other than to respond to the claim of the Minister that proper records of accidents are not kept in Victoria. If that is the case, it is the responsibility of the Minister under section 20 of existing legislation, which imposes a statutory requirement that all accidents be recorded.

Mr Crabb—There has never been a record kept.

Mr RAMSA Y—If that statutory requirement has not been fulfilled over the past three years, there is no one to blame other than the Government and the Minister.

The clause was agreed to.

Clause 7

Mr RAMSA Y (Balwyn)—Clause 7 provides for the appointment of an Occupational Health and Safety Commission with functions that are spelt out in some detail in the Bill and the Opposition supports its creation.

The difference between the commission and the former advisory council is not particularly significant, other than in the general wording of the proposed legislation. The commission will have direct responsibilities and will not function merely in an advisory capacity. The commission will be comprised of three groups: Five nominees from the Victorian Trades Hall Council, five nominees from the Victorian Congress of Employer Associations and three nominees appointed by the Minister after consultation with the other two groups.

One of the differences between this situation and the former advisory council is that there is no specific provision for representation on the commission of the National Safety
Council of Australia, Victorian Division, or the Safety Institute of Australia (Victorian Division). The Safety Institute of Australia is concerned with the education of people involved in occupational safety. I ask the Minister to give serious consideration to including on the commission representatives from those two bodies, because they would make significant contributions.

The clause was agreed to.

Clause 8

Mr COLEMAN (Syndal)—I raise a matter concerning clause 8 (1) (e), which involves the promotion of education and training and the approving of courses in occupational health and safety. Yesterday the honourable member for Springvale stated that the Trade Union Training Authority had conducted courses for many years and had trained approximately 600 people.

I ask the Minister by what mechanism those people who have completed the trade union course will receive recognition by the commission; whether there will be a registration of those who have already undertaken the training; and whether there will be recognition of the courses that have been conducted.

The clause was agreed to, as were clauses 9 to 20.

Clause 21

Mr AUSTRIN (Ripon)—In the second-reading debate I referred to the repealing of the Shearers Accommodation Act. The clause before the Committee provides the means whereby the concerns I expressed at that time could be put into practice.

I stated that, although the schedule of the Bill proposes to repeal the Shearers Accommodation Act, no mention has been made either in the second-reading speech or elsewhere in the debate about what will replace it. It appears to me that after the passage of the Bill the provisions that apply in the Shearers Accommodation Act will be dealt with under this clause. Sub-clause (1) states:

An employer shall provide and maintain so far as is practicable for employees a working environment that is safe and without risks to health.

No one could possibly argue with that. Sub-clause (2) (d) states that an employer contravenes the proposed sub-section if the employer fails:

to provide adequate facilities for the welfare of employees at any workplace under the control and management of the employer;

One cannot complain about that either. However, if one examines that paragraph, one finds that it could apply to shearing quarters. One could have a situation where, in a contract team of shearers, there was only one union member and he might be the most undesirable or junior member of the team. The rest of the team might have no complaints or concerns and yet one team member might choose to abuse the system and make trouble. The means of doing so would be available in clause 21.

In this day and age the standard of most shearing accommodation is very different from that which pertained many years ago. The shearing accommodation is not expected to be as good as one's own dwelling place. It would not be difficult for someone who wanted to cause trouble to find something with which to disagree about the standard of accommodation, and make unrealistic demands.

I ask the Minister to indicate that protection will be available to landowners in those circumstances. I am certain that contractors and shearers would not want to see the situation abused and unrealistic demands made. However, it could be taken out of their hands. The majority of shearers would not have a say if one particular safety representative, who might not be in a position to carry out his duties responsibly, abused his responsibility. This would be to the detriment and great expense not only of the landowner, but also of
the rest of the shearing team which might have an honest desire to get on with the job that it is there to perform.

Mr LEIGH (Malvern)—I am concerned about sub-clause (3) (a) which provides:

"Employee" includes an independent contractor engaged by an employer and any employees of the independent contractor;

With my background in the building industry I foresee many difficult bureaucratic problems and much red tape. It will probably be next to impossible for the proposed legislation to work in this regard. This applies especially to the large building sites where, under this provision, a sub-contractor will be an employee and may have working with him on the same site a number of contractors who will be working for different companies.

That will make it enormously difficult—the Minister is having difficulty understanding—as one independent contractor who employs labour on a building site may be working for two or three different companies. What happens then? Does the Minister then say that a person is working for a specific company? I find it difficult to comprehend.

Most building companies have a minimum bureaucracy because they wish to operate as effectively as possible. The honourable member for Bentleigh says that I do not know what I am talking about. He has been sitting in his chair for so long he has forgotten what it is like out there working in the community trying to make a living. Most people in the building industry, especially those who deal with different contractors, will have great difficulty in following the operation of this section. I do not believe the Minister appreciates that.

Another clause states that an employer should so far as practicable monitor the health of employees. Does that mean that all small businesses must set up medical practices to monitor the health of their employees? Many people in the building industry—admittedly since the Labor Governments have come to power they have just about destroyed sub-contractors, who are using their initiative, or they have attempted to do so—are finding it difficult to operate.

If I am sick I go to the doctor. Surely it is my responsibility to go to the doctor. Members of the Government party have been speaking about occupational health and safety. I know what it is like to have an industrial accident. I have the scars of 28 stitches in my arm from accidents when working on building sites. As a sub-contractor I must leave that site and go to the doctor. I am working for myself to gain profit and I believe that is fair and reasonable.

Will the Minister explain why he is taking it upon himself, not only through the Bill but also through other Acts, to destroy the independence of sub-contractors? By nature they work for themselves; they are not employees. I resent the fact that in that situation I will be seen as an employee; I employ myself. These matters are insults to all people who are sub-contractors; we work for ourselves. The Government should get off our backs and leave us alone. Will the Minister explain why it is necessary to reduce sub-contractors to the level of mere employees of companies?

Mr CRABB (Minister for Employment and Industrial Affairs)—With regard to the point raised by the honourable member for Ripon regarding shearers' accommodation, it is intended that the provision of the present legislation will be re-enacted as regulations under the Bill.

The health and safety representatives will function only in the workplace; they will not have duties regarding where shearers sleep. The existing provisions or work processes—I am sure the National Party would know more about the practicalities involved than I—have established standards for shearers' accommodation. I believe the inspector will help to ensure that those standards are met. The reason for repealing the Shearers Accommodation Act and bringing it under regulations will be more for bureaucratic neatness than for any other purpose.
Until discussions have been held with the Victorian Farmers and Graziers Association and the Australian Workers Union to ensure everyone is at peace with the regulations, Item No. 62 of Schedule Two, of the Shearers Accommodation Act 1976, will not be proclaimed. Those people have already been contacted by an officer of the department, and I now give the undertaking that that item will not be proclaimed until agreement has been reached with those two organizations.

The honourable member for Malvern discussed independent contractors. There is nothing in the proposed legislation that in any way diminishes the status of independent contractors. I should have thought that the honourable member for Malvern has been in this place long enough to understand what a word like “deem” means. The measure will not change the status of independent contractors and the honourable member must understand that they will be expected to meet the safety provisions just like everyone else and for the good of everyone else.

Mr Plowman (Evelyn)—Following the matter raised by the Deputy Leader of the Opposition regarding clause 21 (2) (d), it states that one of the responsibilities of an employer is:

... to provide adequate facilities for the welfare of employees at any workplace under the control and management of the employer;...

I thank the Minister for Employment and Industrial Affairs for his explanation regarding shearers’ accommodation. Leaving that alone, clause 21 seems to be extremely open-ended regarding “adequate facilities”. The clause does not define “adequate facilities”. I do not know what adequate facilities are and I am sure the Minister does not know what “adequate facilities for the welfare of employees” means. If there is a dispute as to what adequate facilities are, who will arbitrate on such a dispute between the employer and the employee?

The Minister stated that the health and safety representatives would play no part in matters involving adequate accommodation for shearers. I ask the Minister to fully address that point and indicate what he believes adequate facilities are and how disputes over adequate facilities between employers and employees will be determined.

Mr Ramsay (Balwyn)—Clause 21 (4) states that the duty of an employer “so far as is practicable” is to:

(a) monitor the health of the employees of the employer;
(b) keep information and records relating to the health and safety of the employees of the employer...

The clause is extremely broad. When one starts to think about the requirement that will be placed on the employer, one must turn to the definitions at the beginning of the Bill to understand what “practicable” means in the case of hazard or risk. There may or may not be any hazard or risk in the workplace.

Does monitoring the health of employees in any establishment mean that the employer will have an obligation to monitor the health of employees? Will that require the employer to maintain medical records that monitor the health of an employee? Will an employee be required to undergo medical examinations? If so, how frequently? It is unfortunate that a statutory duty which will be placed on a person through the provisions of clause 21 (4) is so broad and general.

I urge the Minister to consider the clause and, if possible, to tighten the provisions while the Bill is between here and another place. An associated problem which the Minister should address concerns those members of the community who, through their religious beliefs, object to being subjected to a medical examination.

Some people sincerely believe that health is a matter between them and their Creator, and that the process of healing is a matter of faith and prayer rather than medical science. Legislation passed in this House should be prepared to respect those beliefs. That group of people would have a strong objection to the possibility that one of the conditions of
employment could be that they subject themselves to a medical examination, which would be against their religious beliefs or their conscience. I ask the Minister for Employment and Industrial Affairs to consider the possibility of including a conscientious objection clause to excuse employees from any particular requirements the employer may feel obliged to place on them in the operation of the proposed legislation.

Mr CRABB (Minister for Employment and Industrial Affairs)—The honourable member for Evelyn asked what was the definition of "adequate facilities". Both in regard to that clause and the process of monitoring the health of employees and whatever information and records must be kept under the clause, the Bill is structured so that the standards must be set by the commission, which is a tripartite body. The standards are established by the commission. If any dispute arises about such a matter, it will be the inspector's job to resolve it. Disputes could potentially be referred back to the commission in some extraordinary event.

The reason it is not possible to be more precise in the Bill is that there is a wide variance of circumstances. Clearly, what is practicable and sensible in a workplace of 1000 employees is not practicable or sensible in workplaces of five employees. The larger establishment may have a full-time nurse, whereas that is not desirable or necessary in the establishment with five employees. We believe it is a system that has worked in other countries with analogous legislation. We will be monitoring the situation and if problems arise the matter will be brought back to Parliament.

Given that the commission will comprise a number of both employer and employee representatives, we do not anticipate any draconian standards being established. In regard to the issue of conscientious objection, I find the argument impossible to accept. In many occupations one must undertake a medical examination. For instance, train drivers in Melbourne must undertake regular medical examinations. In the road transport field people driving vehicles that carry hazardous goods and so forth require a medical examination. It is part and parcel of the employment conditions of many people. I would not want the Bill to provide that medical treatment is compulsory; that would be offensive to many people. The clause relates to health monitoring of employees, which is something that ought to be required, for instance, to eliminate doubts about whether an employee has some disease.

Mr MICALLEF (Springvale)—I shall make a point about medical monitoring. Under the former Government regulations were made containing provisions for medical monitoring, such as regulations requiring that workers exposed to asbestos and lead be subjected to medical examinations. Provisions already exist to provide medical monitoring in other areas as well. All I am saying is that the provision in the Bill is not a precedent.

The clause was agreed to, as were clauses 22 to 24.

Clause 25

Mr RAMSAY (Balwyn)—I move:

1. Clause 25, after line 18, insert the following:

"(2) An employee while at work shall, as regards any duty or requirement imposed by or under this Act or the regulations on the employee's employer or any other person, co-operate with the employer or other person so far as is necessary to enable that duty or requirement to be performed or complied with."

Clause 25, as presented in the Bill provides:

(1) An employee while at work shall take the care of which the employee is capable for the employee's own health and safety and for the health and safety of any other person who may be affected by the employee's acts or omissions at the workplace.

A second requirement of clause 25 provides:

(2) An employee shall not—

(a) wilfully or recklessly interfere with or misuse anything provided in the interests of health, safety or welfare in pursuance of any provision of this Act or the regulations; or
The Opposition has no objection to this statement of duties, but it does see them as inadequate in one particular respect, and I draw the attention of the Committee to the existing legislation under the Industrial Safety, Health and Welfare Act, where there is a further responsibility of an employee to co-operate with an employer in fulfilling any of the obligations placed on the employer under that legislation. That is why the Opposition puts forward its first amendment.

It could be argued that the addition of this clause is unnecessary because the general requirements of care imposed by the clause as presently in the Bill imply that this particular requirement of co-operation would be part of the general duties of any employee. I accept that argument, but at the same time the employer does have the over-all responsibility of maintaining a safe workplace and it would strengthen the responsibility of employees and the position of the employer in encouraging co-operation from employees. This must be forthcoming if an improvement is to be achieved in occupational health and safety in the Victorian workplace.

I have spoken to a number of employers on this subject and they are all of the view that if the specific statutory requirement as contained in the amendment were included in the Bill it would assist them in encouraging their employees to exercise proper care in the use of safety equipment, to always wear safety glasses when circumstances require it, and to refrain from smoking in unsafe areas. These are small but important points in the operation of an establishment where safety precautions must be exercised in a sensible and responsible manner.

It would be helpful to have a statutory requirement on employees to co-operate with the employer. This measure can only strengthen the proposed legislation. I see no objection to the inclusion of the amendment and I hope that at this stage the Minister accepts the point I am making that the addition of this requirement to the general duties of employees is something that will make the Bill, and the eventual Act, a better one.

Mr McNAMARA (Benalla)—The National Party supports the amendment. As the honourable member for Balwyn correctly stated, the present phrasing of clause 25 of the Bill—requiring an employee not to wilfully or recklessly interfere with or wilfully place at risk any person at the workplace—would not be unduly interfered with by including a provision for co-operation from the employee.

The honourable member for Balwyn should be aware, as he was a former Minister in this area, that that provision was enshrined in the previous Act and, I understand, in the New South Wales Act, as the requirement for an employee to co-operate on health and safety matters.

We should all work towards the same goal, to ensure a reduction in the rate of accidents in the workplace. As the previous Act included a formal requirement for an employee to co-operate, it would be an oversight on the part of the Government to leave that out of the Occupational Health and Safety Act.

I am sure we are not debating a philosophical difference. It is purely a requirement that most people think worth enshrining in the legislation as it will assist in the health and safety area.

I am sure the Minister is aware that this matter was raised recently by the Australian Chamber of Manufacturers in its publication *File*, Vol. 30 No. 20, dated 28 June 1985. The chamber stated that one of the major concerns of employers was:

... the proposal to repeal the current legal duty (the same in Victoria as in New South Wales) for employees to co-operate with others on health and safety matters;

I am sure that was not the intention of the Minister when introducing the Bill. I hope the Minister will accept the amendment moved by the honourable member for Balwyn.
Mr CRABB (Minister for Employment and Industrial Affairs)—I do not think anyone wants to do anything other than encourage co-operation. However, I have not seen any legislation that was able to achieve co-operation. Co-operation is not something one can get by legislating for it. We want to see as much co-operation as possible. The proposed legislation is basically about co-operation between employers and employees.

My view is that clause 25 as it stands is adequate for the purpose. I do not believe the term “co-operation” means very much in an Act. It is a fairly vague term legislatively. Concern has been expressed that it may have legal implications down the track.

Under the common law of the land employees have an obligation to obey the lawful instructions of an employer. If an employer says an employee must wear a hard hat or goggles while working, he must wear a hard hat and goggles.

I am always nervous about taking things out of common law and putting them on the statutes. It is the view of the Government that the suggested additional sub-clause is not necessary and that to include it may have implications on the legal standing of people.

In the outworkings of this Act I am committed to review the Act at six monthly intervals and to introduce amendments in light of experience. If it is found that there is a widespread lack of co-operation and employers and safety officers want something done, like putting guards on machines, but employers will not put them on, that matter will have to be dealt with. At present it is the intention of the Government to maintain clause 25 as it stands.

Mr RAMSAY (Balwyn)—I am disappointed in the response given by the Minister who says he wants to see the outworkings of the Act over the next twelve months and that it is not possible to legislate to force someone to co-operate. Of course, one cannot do that, but the fact is that the clause is already on the statutes of Victoria and New South Wales.

By refusing our amendment the Minister is now seeking to remove from the Victorian statutes this requirement or obligation to co-operate. It is not a question of maintaining the status quo, to see how something works out. The Minister, deliberately removing this requirement from the statutes; so the message to the general public will be that the statutory requirement to co-operate that exists today will not exist after the proclamation of the proposed legislation.

I urge the Minister to reconsider so that arrangements can be made for this clause to be resubmitted to another place for debate later this month. All the Liberal Party requests is that the status quo on this clause be maintained. It is in line with legislation in New South Wales. No distinction should be made between the law in New South Wales and that in Victoria. In New South Wales the requirement is to co-operate. In Victoria that requirement is to be removed. It is a backward step and is not in the spirit of the thinking about which the Minister spoke in relation to the intent of the proposed legislation. I fully support that intent. On this matter, the Minister is out of step with what would be in the best interests of the community.

Mr LIEBERMAN (Benambra)—I also urge the Minister to reconsider his attitude. As I understood the Minister, he does not consider it wise to express common law principles in statute form. I disagree with that. It is not uncommon for Parliament to give expression in statutory form to common law that has been established and tested by the courts over the years. It is simply codifying experiences that are well tested; the potholes have been filled in and the law is good and sound—unlike some statutes that have not been tested.

The Minister expressed apprehension about the possible legal implications of introducing such a clause. The Minister should indicate the extent of his concern so that honourable members understand him better. Has the Minister received legal or other advice that would enlighten the Committee and enable it to share his concern? In the absence of any enlightening information, it is unreasonable to expect members of the Opposition to walk away from what appears to be an important principle that is being introduced into the Bill.
The clause merely states, as has been expressed in the New South Wales Act, that it is the duty of an employee to co-operate so far as is necessary to enable the employer to achieve the level of statutory duty that the statute dictates, to ensure that the employer is in compliance. Surely there is nothing wrong with that. Why should an employee be apprehensive about it? I do not imagine any employee in this State would walk away from obligations to co-operate to enable his employer to comply with the law.

I urge the Minister to reconsider. For my part, I would be more worried and apprehensive if the Minister did not reconsider and, in particular, did not do so without at least stating the legal worries that he had so that all honourable members could consider them.

If the concern is that the rights of a worker may be taken away without just cause, I point out that the Opposition's concern is equally that the worker should be protected.

Mr McNAMARA (Benalla)—I express the disappointment of the National Party that the Minister has not responded to this amendment. The arguments that he put against the amendment were arguments which relate to something new, untried and innovative. The fact is that an identical clause already exists in legislation both in Victoria and in New South Wales. It has been well and truly tried.

The Minister expressed concern about the legal implications and suggested that things should be left as they are and reviewed in twelve months' time. It would be more appropriate for the Minister to think again and perhaps consider the matter over the next fortnight before the Bill is dealt with in another place. These amendments will probably then come forward again.

Hopefully, the Government will accept this clause. The Opposition is trying to achieve a degree of co-operation from all parties and an improvement in occupational health and safety.

It is not a philosophical matter that the Committee is debating; it is a straight-forward matter. The Minister for Employment and Industrial Affairs should give further consideration to this matter.

Mr CRABB (Minister for Employment and Industrial Affairs)—At the risk of being repetitive, my concern is that I do not see how the human condition is advantaged by adding to what is a common law duty to obey a lawful instruction a statutory requirement to co-operate with a lawful instruction. It makes no sense.

I am concerned with the potential legal implication and with the argument of whose fault it is. I will ensure that between here and another place a more detailed examination of the clause is undertaken.

The amendment was negatived, and the clause was agreed to.

 Clause 26

Mr CRABB (Minister for Employment and Industrial Affairs)—I move:
Clause 26, lines 35 to 38 omit sub-clause (2) and insert the following:
“(2) Where the issue concerns work which involves a threat to the health and safety of any person and—
(a) the threat is immediate; and
(b) given the nature of the threat and degree of risk, it is not appropriate to adopt the processes set out in subsection (1)—

the employer and the health and safety representative for the designated work group in relation to which the issue has arisen may after consultation jointly direct or, if the consultation does not lead to agreement between them, either of them may direct that the work shall cease.”.

This clause has caused considerable contention among honourable members. The issue of the rights of health and safety representatives to stop work proceeding in a workplace has been extensively discussed during the past two years. Any number of permutations of this process has been suggested. The Government believes there needs to be a provision for
occupational health and safety representatives to stop work where that work is an immediate threat to the health and safety of a person.

It is the Government’s expectation, and the wording of this clause as amended indicates, that it will be an extensive procedure. It is expected that employees and employers will discuss all health and safety issues. Notwithstanding that, an immediate threat may arise that needs to be stopped. It is the Government’s view that the occupational health and safety representative or the employer, or the two together, ought to be in a situation to have the capacity to direct that the work cease.

The fact is that the employee has the right under common law to refuse to work in unsafe working conditions. The trouble is that a number of employees are not aware of that right and sometimes are not aware of the danger of the work that they have been asked to do. They are often not in a position of sufficient moral authority to refuse to do that work if so directed.

A number of case studies, as I indicated earlier this afternoon, are prime examples of that situation. I cited the example of a seventeen-year-old apprentice being asked to do something that was very dangerous, but of which danger he was unaware. He went ahead and did that job but lost his life as a result. Those are the sorts of circumstances that would not occur if an occupational health and safety representative were present.

The issues that have been raised by members of the Opposition in the debate over the past two days have focused on this issue and the concern that the powers and responsibilities given to occupational health and safety representatives will be abused.

However, all the experience of analogous legislation as I have been able to determine indicates there never has been any abuse. There never was any abuse of this legislation in the United Kingdom, even during the miners’ strike, which would have to be the most volatile strike in recent trade union history. Health and safety factors were never used as an industrial issue during that strike although health and safety inspections continued at the pits even when the pits were closed, and those inspections were made together with health and safety representatives even in the middle of the strike. The legislation never has been abused in either Canada or the United States of America.

Mr Ramsay—It does not exist there.

Mr CRABB—Of course it exists. It exists in this State now. For example, one honourable member quoted extensively from building industry history. The honourable member for Balwyn, as a former Minister, knows full well that in the building industry if there are unsafe practices at a site, work ceases. It does not cease because the legislation exists but because the workplace is unsafe. The honourable member for Balwyn knows perfectly well also that this right is not abused. The Government has every expectation that it will not be abused in the future.

Debate with both employers and trade unionists has been impossible because employers continue to apply their minds to what they perceive is the irresponsible end of the trade union movement and, for their part, trade unionists tend to focus on the irresponsible end of employer organizations. That makes for spirited debate but not for consensus. It is impossible to obtain agreement across the spectrum of the community on this issue.

The Government has tried hard to meet the concerns of both trade unions and employers. However, the Government is adamant that there needs to be a reserve power in the hands of the health and safety representative where there is an immediate and significant threat to the safety of employees. An amendment circulated in my name clarifies the intention of the drafting of the original clause by requiring that the threat needs to be immediate and the degree of risk involved needs to be such that it is not appropriate to go through the normal procedures. That mechanism with that reserve power will encourage everyone to do everything possible to minimize the risks. The power will be there to be used in emergency cases such as I mentioned earlier.
Mr RAMSAY (Balwyn)—Clause 26 as presently drafted is completely unacceptable to the Opposition. I understand what the Minister is trying to achieve for occupational health and safety but in that achievement he is infringing the rights and responsibilities of employers and he is putting an extraordinarily powerful weapon in the form of a statute in the hands of trade unionists.

Certainly, in many cases it will not be used irresponsibly but the fact remains that the Minister is giving the trade union movement a statutory right in the guise of occupational health and safety, which, so far as I know, exists nowhere else in the world. For the Minister to quote Canada, Britain and other places is simply inappropriate. The type of provision the Committee is debating does not exist in Britain. Certainly there are health and safety representatives with statutory responsibilities but those responsibilities or powers do not extend to giving the health and safety representatives the statutory right unilaterally to direct that work shall cease.

Certainly there is a common law right for any employee to refuse to do a job or to go into a situation where he believes he may be at risk. The Minister expressed his concern that employees may not be aware of that right, may lack knowledge of the danger, or may lack the authority to stand up against a direction from an employer to do something. Even though they may feel doubtful about doing a particular job, they are too uncertain as to their rights, as to the danger involved and as to their authority to exercise those rights.

Certainly this is the area where a health and safety representative could be extremely helpful, making sure that the members of the designated work group for which he is given the responsibility as health and safety representative are aware of their common law rights, that they are aware of the importance of working safely, that they are given knowledge of the dangers of the particular job on which they are working, and encouraged to exercise their authority in particular cases.

The amendment that I would propose to clause 26, given the chance, would be to, in a sense, spell out that common law right in simple language which would encourage the health and safety representative to assist employees in making these decisions. However, to encourage and assist people to understand the dangers and enable them to make a direct decision is very different from giving a health and safety representative the right to direct that work shall cease.

The Minister is obviously uncertain about clause 26, because if he were certain about it, why would he introduce an amendment at this stage? The Government has had months and months to think about the Occupational Health and Safety Bill. It is not as though it is a measure that the Government has conjured up since the last election and is its first go at it.

In fact, at the bottom of the first page of the explanatory memorandum are the words “Revision No. 3”. The words “Revision No. 5” appear on the first page of the table of provisions. Therefore, the Government has clearly been working on the Bill for months and months, as the House well knows, so why is the Minister suddenly coming in now with a last-minute amendment to clause 26? He obviously feels uneasy about the clause and recognizes the problems inherent in it.

The Minister’s amendment will do very little to change the position that appears in clause 26 as drafted. Clause 26 (2) is the major problem area, not only in itself, but also because of the sub-clauses that flow from it. Sub-clause (2) provides that, if there is an immediate threat to the health or safety of any person—which means if it is perceived by the employer or the health and safety representative that a threat exists—the employer or the health and safety representative will direct that work shall cease. That means there will be an immediate stoppage. If there is an immediate threat in that sort of situation, any sensible person would want work to cease.

If the situation arises where there is agreement between the employer and the health and safety representative that there is an immediate threat, of course, there will be no
question that work shall cease. The employer will understand his statutory obligations set out in other parts of the Bill to cease work immediately. However, the clause, as it stands, gives the unilateral right to the health and safety representative to direct the cessation of work against the judgment or the wishes of the employer.

The amendment now proposed by the Minister makes very little difference, other than inserting a provision for an intermediate stage where at least the health and safety representative is obliged to discuss the matter with the employer before directing that work shall cease. That at least gives the employer and the representative the opportunity of agreeing that there is an immediate threat to health and safety. However, in the absence of that agreement, at the end of the process, the fact remains that the health and safety representative can still give that direction against the wishes and without the agreement of the employer.

The clause provides that, during a period in which work has ceased, an employer may assign employees to suitable alternative work.

Clause 26 (4) provides:

If the issue is not resolved within a reasonable time or if there has been a direction that work shall cease, any one of the parties to the attempt at resolution may require an inspector to attend at the workplace.

An inspector shall adjudicate on the matter and give such directions as he considers necessary. He may issue an improvement notice or give instructions to the company, or he may advise the health and safety representative that there is no threat to health and safety.

Clause 26 (6) states that, if an inspector issues a prohibition notice or otherwise determines that there was reasonable cause for employees to be concerned for their health and safety, any employee who ceased work shall be paid for that period.

That is the nub of the problem. Honourable members are legislating to give health and safety representatives the statutory right to unilaterally stop the work process. It requires nothing more than an inspector to say that reasonable cause existed for employees to be concerned for their health and safety for employees to be entitled to be paid for the period of the stoppage.

Mr Crabb—What is wrong with that?

Mr RAMSAY—It sounds nice in the terms in which the clause is couched, but it places in the hands of a person who may be an irresponsible health and safety representative or a militant trade unionist the opportunity of using health and safety issues for the disruption of the manufacturing process. That is what is wrong with it.

I am not suggesting that people should be obliged to work in dangerous situations. The amendment I shall propose will make adequate provision for the protection of every man and woman in the workplace against being obliged to work in an unsafe situation. Surely that is what the Government wants to achieve. However, clause 26 does not do that.

The clause puts in place a mechanism which can work if it is handled responsibly by the trade union movement. However, there is evidence in the industrial records of this State that such powers will not always be used responsibly by trade unions. That is why the provision should not be passed. No such statute exists in any other country, so far as I know. Certainly no such provision exists in the United Kingdom, and the Minister has indicated that the United Kingdom had experience with this matter.

Victoria is setting the pace in introducing proposed legislation of this nature. It is a pace that is fraught with danger for the good conduct of industrial relations in Victoria.

During the second-reading debate I quoted John Halfpenny and I shall do so again. He has identified this clause as representing a statutory provision of strike pay. Once honourable members go down that road, they can kiss goodbye proper industrial development in Victoria.
The proposed amendment does not adequately deal with this issue. The Minister is insisting on the unilateral right of a health and safety representative to decide whether work shall cease. An employer has the over-all statutory responsibility for conducting a safe and healthy workplace, and it is bad government and a dangerous step to take for a health and safety representative to have the right to order work to cease.

Mr McNAMARA (Benalla)—The National Party is strongly opposed to clause 26 which confers upon a health and safety representative the power to direct the cessation of all work.

The National Party strongly supports the right of an employee to withdraw his or her labour if he or she identifies a health and safety problem, and it strongly supports any move to have that right enshrined in occupational health and safety legislation. However, the Government is going too far in seeking to give the power to health and safety representatives elected through union veto to determine whether the entire operation of the factory shall cease.

Clause 26 also provides that if an issue concerning health and safety arises at a workplace, such work shall cease until an inspector arrives to determine whether the call to stop work is justified. The clause also provides for strike pay. All honourable members would be aware of the gloating, by the likes of John Halfpenny and others, who quickly identified this clause as the strike pay clause. Clause 26 (5) states that an inspector "shall attend as soon as possible". The earlier legislation provided for a time limit of 24 hours but that requirement has been removed. What does "as soon as possible" mean? Will there be sufficient numbers of inspectors to cover all these duties so that they can arrive "as soon as possible"? If there are insufficient numbers of inspectors, workplaces in some of the more remote areas of the State, which National Party members represent, could be waiting for the best part of a day before an inspector arrives on the scene. That could involve considerable expense for an employer and ultimately affect the viability of the business and the jobs of the employees.

I should like the Minister to explain how many inspectors will be employed and what "as soon as possible" means. Will that mean an inspector will arrive within 1 hour of a stop-work situation occurring? Will an employer wait one day or longer before an inspector resolves the matter?

The National Party strongly opposes the power of the health and safety representative to direct an immediate cessation of work. However, the National Party does not disagree with an employee exercising his or her common law right to withdraw labour if he or she sees a threat to his or her health and safety. That has been the traditional situation. The Government should conduct a public awareness campaign to alert employees to their right to withdraw their labour if they believe their health and safety is threatened.

The honourable member for Balwyn has amply canvassed the matter. The National Party will support moves to withdraw this clause because it threatens the viability of industry in Victoria.

Mr MICALLEF (Springvale)—The traditional common law right spoken about by members of the Opposition has not worked effectively in the past. Many people have been killed in tragic circumstances. Obviously they were unaware of their common law rights.

I cite one case of two young boys cleaning out a trichlorethylene vat while wearing protective equipment which was of the wrong type or inappropriate for the job they were doing. One was overcome by fumes, and the second attempted to bring him out but was overcome; both died a week later in hospital. When the matter went to court the employer was fined $1200. If that is the common law right to which honourable members have referred, it has certainly failed in the past.

The Government is referring to the right of employers to compel employees to work in unsafe conditions. That is the other end of the spectrum. Some awards already contain a provision allowing workers to stop work in unsafe conditions. The Waterside Workers
Federation of Australia and a coal miners union in New South Wales had clauses inserted in their awards allowing them to stop work in certain circumstances. There is no evidence that those award provisions have been abused. It is rubbish for honourable members to say that abuse of the system will occur. Members of the Government are sick and tired of hearing Opposition spokesmen say that they will provide instances of abuse of safety procedures. When they are asked to supply those examples, they are forced to sit down, red faced. Not one example of abuse has been put forward. If members of the Opposition cannot supply examples, they should shut up.

The Minister for Employment and Industrial Affairs stated that in some organized workplaces, especially in the building industry, a series of procedures has developed where workers have taken action to adjust safety aspects on site and to introduce what is known as a black ban because of safety issues. That is common in the building industry.

Many precedents for this procedure already exist, but black bans in relation to safety matters in the building industry have not been misused. If the Opposition believes the Builders Labourers Federation has been waiting until 1985, when the legislation will be in place, to stop concrete pours because of safety issues it does not understand the industrial situation.

Currently 60,000 workers are covered by agreements involving the right of safety representatives to stop work. After consultative procedures have been followed, the ultimate right to stop work on safety matters rests with the safety representative, and there has not been one example of abuse.

One country where similar provisions exist is Sweden. I refer to a document entitled "The Swedish Alternative" which contains a table which indicates that in 1976 safety delegates in Sweden ordered work stoppages on 135 occasions, but in 1980 only 107 stoppages were ordered. That illustrates that the right to stop work on safety issues has not been abused and that it has been effective in eradicating hazards from industry. The right to stop work on safety matters is a much better approach than the introduction of regulations that may lead to the circumstances in which it is then necessary to speak about their common law rights with workers who are lying on the floor.

Mr LIEBERMAN (Benambra)—The last speaker said the Opposition was referring to problems in the clause without providing details or examples of its concern. I am happy to accommodate the honourable member for Springvale and remind him that currently in this city one of the major hospitals, the Queen Victoria Medical Centre, is being subjected to a serious industrial problem involving the withdrawal of work by members of the Hospital Employees Federation (No. 1) branch which is putting that hospital at risk.

This is so much so that Dr Stoelwinder, who is the chief executive of the hospital, has been forced to go public on radio, television and in the newspapers. I refer to a report in the Sun of 3 July which states:

Dr Stoelwinder last night attacked the HEF over what he said was an unwillingness to talk and its tactics to cloud its manning grievance with a health and safety argument.

"That is symptomatic of what's been going on for the past year," Dr Stoelwinder said. "Basically it's guerilla war with this union where any attempt at consultation breaks down."

On last night's television news—or the news early this morning—I actually saw the leader of the Hospital Employees Federation, Mr Butler, being interviewed about the dispute. From memory the interviewer put to Mr Butler that there was a lot of distress, people were in pain because operations were being cancelled, and that Dr Stoelwinder, in his anguish and concern, was ventilating his remarks publicly. The response of the union leader was to the effect that the reason for all the difficulty was his concern for the safety of his members. Those may not have been his exact words, but I think I am doing him justice, and I think that is a substantially correct version of his remarks.

I note the Minister for Employment and Industrial Affairs is in the Chamber. At question time when he was asked about the dispute at the Queen Victoria Medical Centre,
he assured the House that the dispute is being taken seriously by the Government and is being monitored and discussed on an hourly basis.

It is a position of crisis. That hospital may well close on a safety issue. I ask honourable members to project their minds forward somewhat. If the clause is agreed to, the power of the unions will be entrenched in the legislation proposed by the Government and Mr Butler would first of all direct who the health and safety representative would be and if he was not a union member, he would not get the job. That is what the Bill says. The Bill says that any Australian who is a non-unionist, in the view of the Government, is therefore a scab, and not eligible to be a safety representative.

In the scenario I am painting, one has Dr Stoelwinder, his staff, patients and people who are concerned about the problem, confronted by a person put in place by Mr Butler, who could, on a health and safety issue, withdraw strategic services so that operations and services were cancelled. A man who received his medication prior to his operation, was sent home probably minutes before his operation. That is the type of withdrawal of services and work that could take place in the hands of an irresponsible, militant, guerrilla-type union such as we have witnessed and are witnessing at this time in Victoria.

The honourable member for Springvale cannot say that I am overstating the position; that is a fact and it is there for everybody to see. If the honourable member would like to accompany me to the hospital at the conclusion of my remarks, he will be able to see the situation for himself. I shall apologize if I am wrong, but I know I am not.

The honourable member for Balwyn foreshadowed amendments to the Bill, which the Government probably will not allow the Opposition to discuss in full detail. The amendments provide an appropriate mechanism whereby the workers can withdraw service if they believe they should.

Mr Walsh—They can do it now.

Mr Lieberman—The Minister interjects to say that they can do so now. The Minister for Public Works is one who said that the Opposition believes employers in the State wait until they have got twenty injured workers in a day—they store them in the corner—and then they take them off to hospital on the back of a truck. That is the standard of the Minister's contribution to the debate. Let us treat that with the scorn it deserves.

This is a serious situation. Honourable members have been told that people of the ilk of Mr Butler of the Hospital Employees Federation and of Norm Gallagher shall be able to say who will be the health and safety representative who will be able to summarily withdraw the work force in an institution, a hospital or in private enterprise operation, big or small, because there are no exemptions. The opportunities are there for an unreasonable attack, for guerilla warfare and intimidation whereas the Opposition suggests—the National Party has foreshadowed its support for the principle—that there ought to be enshrined in legislation the right for workers to stop work if they believe it is unsafe—that is what we are saying—and if they are unable to agree after proper consultation an inspector should be called in who will perform his duties fearlessly as required under the Act and make a determination and issue orders if necessary. There is nothing wrong with that. That is not taking sides against the union or taking the side of the employer or employee. It is evenhanded commonsense. It is a reasonable law that sets in place the mechanism for people to work together, consult with each other, having an independent arbitrator trained to be impartial but who will do justice to both sides and to the community to achieve the objectives of the Bill. However, what would happen if characters such as the leader of the Hospital Employers Federation were to be given this power! I know the Minister is agreeing with me because he has had to face these characters. He must keep the facade up but I am sure he agrees with what I am saying.

Are we to give characters such as Butler the opportunity bringing our public hospitals to a standstill? Are we going to allow him to put men like Dr Stoelwinder in a position in which he had to go public. One could see the distress of the man on the television when
he spoke about the plight of his patients, staff and the guerilla warfare. Are we going to allow that to happen? We should not. Reasonable laws are needed so that irresponsible people who wish to take advantage of their power base can be put where they belong, in a position where they cannot dictate their own terms to achieve their own selfish ends but that there is an impartial inspector available to both sides. That is the point put forward by the honourable member for Balwyn and that is how it should be. Heaven help Victoria if that result is not achieved!

We heard yesterday one of the Government's senior representatives, the Government Whip, say that, so far as he was concerned—this was not resiled from by the Acting Premier at question time today when the honourable gentleman had the opportunity of doing so—the view of the Labor Government of Victoria is that those Victorians and Australians who choose not to become a member of a union—about 57 per cent of the work force—are scabs.

That was what was said by the Government Whip. I am proud to be able to speak on behalf of those people whom the Government referred to as scabs. During question time today the honourable member for Syndal asked the Acting Premier—

Mr Fordham interjected.

The ACTING CHAIRMAN (Mr Kirkwood)—Order! The Acting Premier is out of his place and is disorderly.

Mr Lieberman—Thank you, Mr Acting Chairman. The Acting Premier will have the opportunity of explaining why he allowed the Government Whip to continue in office after stating yesterday that it was Government policy that non-unionists are scabs. The Acting Premier had the chance at question time today to resile from those comments; but he simply stated that his Government supported the union movement. The honourable gentleman did not state one word to resile from what the Government Whip had said. I shall expose the Government!

The 57 per cent of the Australian work force who have not joined the unions have used their democratic right. Soon that percentage will be 99 per cent of the work force because most people who belong to a trade union feel repelled by the infiltration of the left wing in the trade union movement. It has now become a place where people like the Government Whip can state that, so far as the Government is concerned, anyone who is a non-unionist is a scab. That is an insult to Australia, democracy and Victoria. Those words will haunt the Government.

The Government is on the way out. It will not be re-elected the next time around; it will not deserve to be re-elected because it has a vile attitude towards the rights of people who choose not to be unionists. The debate is right at the nub of the issue; it is about control and power.

The Minister for Employment and Industrial Affairs must explain why he will not allow an independent inspector from the Public Service to determine in a dispute whether the workplace should be shut down. The honourable member for Springvale should carefully consider the proposal by the honourable member for Balwyn that a worker who feels there is a risk in the workplace is not obliged to continue work pending the arrival of an inspector. That worker can exercise the right which is embodied in the amendment proposed by the honourable member for Balwyn if the worker believes he or she is in danger if he or she continues to work. The proposal is reasonable.

On behalf of the scabs of Victoria, I call on the Minister to explain the situation with Mr Butler; explain what is being done about the dispute between the Hospital Employees Federation and the Queen Victoria Medical Centre to meet the health and safety regulations.

The ACTING CHAIRMAN (Mr Kirkwood)—Order! I have allowed the honourable member for Benambra to relate his comments broadly to the amendment. I ask him now to confine his remarks to the amendment.
Mr LIEBERMAN—In conclusion, the Government has guillotined the debate. It is important that during the next few minutes that are left to debate this enormously important and significant clause that the Government fully explains the implications of the proposed amendment to clause 26 in disputes such as that at the Queen Victoria Medical Centre. That dispute has brought the hospital to a situation of extreme crisis. Dr Stoelwinder is not a political man; he is a fair man and a tremendous arbitrator. He is so distressed that he has had to go to the people through the media—television, radio and the newspaper. That cannot be allowed to continue. Is the Government intending to allow Mr Butler and his ilk to have the power embodied in the proposed amendment? The Minister should be honest and explain to the House his involvement in the dilemma.

I again refer the Minister to the man who had his gallstone operation cancelled because of the hospital dispute. It is the duty of the Minister to ensure that disputes in hospitals which arise over matters of health and safety do not affect those needing hospital care. The clause and the amendment will enable fellows like Mr Butler to run the State; they will be able to turn industrial disputes on and off like a tap whenever it suits the trade union movement and without the assistance of an independent arbitrator, as was proposed by my colleague.

The case in unanswerable. The Government must face up to it. The consequences are on its head. The Government is finished. It will be driven out of power at the next election. It deserves it right between the eyes.

Mr SIMMONDS (Minister for Local Government)—The Committee needs no further evidence of the complete lack of understanding by the Opposition of the proposed legislation than the honourable member for Benambra has provided for it. He sought to reduce the debate on occupational health and safety to an issue that he understands, but which is not related to the proposed legislation. He sought to introduce the matter of trade unions and industrial disputes.

Mr Kennett—On the Bill!

Mr SIMMONDS—I agree we should be talking on the Bill. Honourable members, have listened to an analysis of industrial disputes involving hospitals that has nothing to do with the Bill. The proposed legislation involves a procedure to enable the resolution of matters on occupational health and safety.

Since November 1983 various alternatives that could be adopted as procedures have been put before Parliament. This clause is the key element. The procedures under the clause quite clearly provide for a process which involves the elected safety representative being responsible to the personnel who elect him and, in most cases, the appropriate trade union will be involved. There will be cases when the elected safety representative will not necessarily be a unionist. The provisions introduced in the proposed legislation will enable that to occur.

The situation being dealt with concerns an immediate perceived threat to the health and safety of workers involved in a plant and the responsibilities of the safety representative. It is spelt out in the amendment that the procedures will include the employer in the process, but ultimately the issue must be resolved. What safety representative would turn away from a position in which he or she is confronted with an immediate threat to the work force? What would he or she do, other than to say that the threat must be eliminated? In the process of elimination, work must stop until the situation is resolved. Surely no responsible person would say that the safety representative should be party to a continuation of work in those circumstances. That would occur only in a unique situation.

The thrust of the proposed legislation is to remove from industrial disputation the issues of occupational health and safety. There are numerous examples of employers having access to the process proposed in the Bill. They could have prevented serious
accidents involving many cases of death and injury had those processes been in place. I do not think that is contested.

There are large and small employers in the State of Victoria who have good and bad records. Three deaths occurred during a short period in the workplace of an employer in the western suburbs. They occurred through electrocution, suffocation and from damp paper. In the third case the body was found 8 hours after the event when the wife of the worker went to the front gate of the workplace to determine why he had not returned home. In another case the decapitation of a female employee occurred because the staircase the employees would normally use as an exit was closed so they travelled in the goods lift.

All those accidents would have been avoidable had the procedures provided in the proposed legislation been in place. Nobody is suggesting that all accidents in all circumstances will be prevented. The procedure being put in place will provide for healthier and safer conditions in workplaces. Those who were present in the Chamber when the measure was introduced would recall that the alternative proposition of the utilization of common law rights of individual workers was contained in that Bill.

Because of the attitude of the Opposition and because of the consultation process that has developed, a code of practice has been established in industry, which is adopted by major employers throughout Victoria. Literally thousands of workers are operating in plants today under provisions that are contained in the legislation.

The major employers in Victoria acknowledge the potential for improvement in occupational health and safety as contained in that code. The Bill is based on a model agreement that has been adopted by the Victorian Trades Hall Council and the major employers of Victoria. However, it has been rejected by the Liberal and National parties. It is not because of any genuine opposition to the proposed legislation but because of some perceived political advantage in opposing any legislation that introduces an element of social reform for which the Opposition is not yet ready.

Yesterday, during the debate on the Bill, my mind went back to the introduction of workers compensation legislation in Victoria. It concerns me that nothing ever changes in some areas in this place, because on that occasion the ancestor of the National Party—the Country Party—was then concerned about the introduction of a safety Bill.

The ACTING CHAIRMAN (Mr Kirkwood)—Order! The Minister is referring to workers compensation, which is not related to the amendment.

Mr SIMMONDS—I am grateful for your reminder, Mr Acting Chairman, because the issue of safety in the rural sector is as important as the issue of safety in the metropolitan and more urbanized areas. It is just as relevant today as in 1914, because the number of people who are killed or injured as a result of tractor accidents and accidents associated with rural machinery in Victoria has been reduced largely because of the initiatives of the previous Government, which have been continued by the present Government, and resisted by the rural sector, now represented by the National Party.

Nothing really changes. While today, National Party members say that special circumstances exist in country areas and that the legislation that is available to the rest of Victoria should not be used in small farming sectors, in 1914, when the question of accidents in the rural sector arose, a contribution from a then Country Party member was that the workers compensation legislation should not affect people who slashed bracken fern because, although six or eight persons had been killed by snake bites in that process, they would have died anyway because of the treatment they were receiving by their utilization of whisky and brandy.

The contribution from the honourable member for Benalla this afternoon has indicated that nothing has changed substantially since 1914. I am certain that the Board of Works employees who were involved in incidences of snake bite, will appreciate the availability
of a safety representative to give them some guidance on how to cope with that sort of circumstance.

The appointment of safety representatives with power to act in all types of circumstances—where threats exist or are perceived to exist—to ensure the safety of workers in various workplaces throughout Victoria is an important and innovative step. It reflects the desire of the Government to give workers in the work force a real say on matters involving occupational health and safety. It reflects a determination to enshrine that in legislation in a way that no previous Government in Victoria ever embarked upon.

I acknowledge that there is a philosophical difference involved in the proposition. The Government is using the established organizations in industry as a basis for servicing people in industry who are elected through the election process, as safety representatives to perform a function. The most appropriate organization in respect of workers is the trade union movement of which they are members.

That works exceptionally well in the building industry because of the almost universal coverage of employees in that industry by the appropriate unions. It works most effectively in removing and reducing the risks of industrial accidents in the building industry, which have been the subject of Royal Commissions and inquiries.

Performance in that area has been significantly improved, as a result not only of the activities of the Government but also the activities of the previous Government in bringing together trade unions and employers to solve problems. It is a matter of regret that the performance in that area is not matched in other areas, particularly in the small business area where the resources that are available in an organized, structured manner are not generally available.

That is a matter of concern. The proposed legislation will enable the organized sectors to be developed to cover a broader section of the work force and to achieve a result which will mean that fewer workers will be killed and injured as a result of industrial accidents. Employers will benefit from improved productivity because less time will be lost as a result of industrial accidents and disease.

It is not generally recognized that industrial accidents are a greater burden on the community than the road toll. The proposed legislation will be an important contribution to the resolution of the problem. This clause is fundamental to it and I congratulate the Minister on the amendment and the clause because they reflect a policy that has been developed, and they build on the consultation that has taken place to ensure that the widest possible acceptance of the clause takes place.

Mr CRABB (Minister for Employment and Industrial Affairs)—I wish to respond to a couple of matters that have arisen. The honourable member for Balwyn suggests that I was somewhat uneasy about the clause. I am not uneasy; I am confident that the process will continue to work. An amendment is being made for the purpose of clarification and to achieve the maximum measure of success. I am not uneasy about the proposed legislation. On the contrary, I am confident that not only will it work but that it will also work well, and in a very short time there will be significant improvements in health and safety in the community.

I refer to the matter of the Queen Victoria Medical Centre, which was raised as an example of how this provision would work in practice. The Queen Victoria Medical Centre dispute has nothing to do with health and safety.

Mr MacIellan—That is not what the union says.

Mr CRABB—It has nothing to do with health and safety. The union was purported to claim the dispute was connected with health and safety but when an inspector examined the issue he declared it was not a health and safety issue and, therefore, the people who
stopped work as a result of it would not be paid. Under the circumstances, they will not be paid.

Therefore, the system works. It would be a brave health and safety representative who, having done that once for the people who elected him, come back to do it a second time. That situation would be extremely unlikely. That is why, in the experience of other countries and in the voluntary agreements that are already in place in an extensive section of our work force in Victoria, the measure is working extremely well without any incidence of abuse.

The amendment was agreed to.

The ACTING CHAIRMAN (Mr Kirkwood)—Because of the Committee having taken the amendment to the main body of the clause, I expect that the honourable member for Balwyn will not proceed with his amendments Nos 2 and 3, but will now deal with amendment No. 4.

Mr RAMSAY (Balwyn)—I move:

4. Clause 26, page 14, lines 7 to 16, omit sub-clause (6) and (7) and insert the following:

"(4) An employee may refuse to work or do particular work if the employee has reason to believe that to work or do the particular work would expose the employee or another person to danger to health or safety.

(5) An employee who refuses to work or do particular work shall immediately give notice of that refusal—

(a) to the health and safety representative for the designated work group in which the employee works or, if there is no such representative, another employee; and

(b) to the employer or a representative of the employer.

(6) The persons to whom notice is given shall in the presence of the employee immediately inquire into the circumstances of the employee's refusal.

(7) If after that inquiry the employee continues—

(a) to believe that to work or do the particular work would expose the employee or another person to danger to health or safety; and

(b) to refuse to work or do the particular work—

the employer shall immediately give notice of that refusal to an inspector.

(8) The inspector shall as soon as possible attend at the workplace and shall in the presence of the employee employer and persons to whom notice was given under sub-section (5) inquire into the circumstances of the employee's refusal.

(9) The inspector may take such action under this Act as the inspector considers necessary.

(10) An employer shall not direct an employee to do the work or particular work which another employee has pursuant to this section refused to do until the matter of that refusal has been resolved under sub-section (6) or (9)."

A further amendment to clause 26 has been circulated in my name as amendment No. 4. As an amendment, it would have been preferable for sub-clause (2) to have been deleted rather than amended in the manner in which it has been amended by the Minister. In light of the decision of the Government that sub-clause (2) should remain, clause 26 would be improved by the inclusion of the additional words that have been circulated in my name.

This proposal puts into the legislation the circumstances under which an employer may refuse to work or do specific work. It sets out the procedure whereby an employee who decides that a specific situation is too dangerous for him to continue working must advise the health and safety representative. He is obliged to advise his employer. If the matter cannot be resolved, an inspector can be brought in to make the final decision. Before the inspector resolves the matter the employee is under no obligation to continue with the work.

In a sense, this is spelling out an existing common law right. Its inclusion in the Bill will overcome some of the problems that the Minister mentioned earlier of employees being unaware of their rights, lacking knowledge of specific dangers or feeling concern about
whether they are allowed to stop work. These words would preferably have been substantially for the existing sub-clause (2) but, as they were not, I encourage the Minister to consider their inclusion in clause 26 so as to spell out the issue more clearly for the assistance of both employers and employees. There must surely be an advantage in it and it should be something which, from what the Minister has said, he really wants to do.

The wording of this amendment is not unfamiliar to the Government. They are the words used by the Government last year in drafting legislation which was not proceeded with. The Liberal Party agrees to those words being inserted in the Bill.

Mr CRABB (Minister for Employment and Industrial Affairs)—The amendment is not acceptable to the Government. As the honourable member for Balwyn said in moving the motion, it merely reiterates the rights that employees presently have. It is not wise to take into common law a requirement of the statute law, because all that does is make it more complicated and it circumscribes rights that people already have.

The ACTING CHAIRMAN (Mr Kirkwood)—The question is that sub-clauses (6) and (7) be omitted. To preserve the rights of the Minister for Employment and Industrial Affairs to move his amendment on this part of the clause I will test the amendment of the honourable member for Balwyn in the following way: That the expression “(6) if the inspector—” stand part of the clause.

The amendment was negatived.

Mr CRABB (Minister for Employment and Industrial Affairs)—I move:

Clause 26, page 14, line 14, omit “(4)” and insert “(6)”.

This amendment rectifies a typing error.

The amendment was agreed to.

Mr RAMSAY (Balwyn)—The Opposition is particularly disappointed in the Government’s refusal to recognize the serious arguments that have been put forward by the Opposition in support of a major amendment to clause 26.

Clause 26 in its present form is not acceptable to the Opposition. In spite of the efforts of the Minister for Employment and Industrial Affairs to isolate some of the problems, the basic problems still remain and the Government is enshrining in legislation the right of a health and safety representative—probably a union appointee, under the provisions of this proposed legislation—literally to decide that work shall cease on any particular operation in the workplace, even though the employer may have a different opinion.

The occupational health and safety representative has the power to do this without consulting anyone other than advising the employer. He need not call in a trained inspector from the Department of Employment and Industrial Affairs. It is his right to do this and, as a consequence of exercising that right, the Government has included a provision ensuring that workers who stop work are paid for the period that they have not worked. This is not the way to improve occupational health and safety in the workplace. The Opposition opposes the clause.

Mr TANNER (Caulfield)—The Minister for Employment and Industrial Affairs, in introducing this amendment, is continuing with his premise that the proposed legislation before the Committee is similar to legislation in the United Kingdom. This is not the case.

In the Minister’s second-reading speech he made the claim that the Bill is similar to other premises members of the Government have adopted in relation to the amendment—a claim he reiterated when introducing the first amendment to this clause. It has been stated that those workers who are not members of the trade union movement are scabs and therefore are lesser people; that only members of the Australian Labor Party are concerned with worker’s safety; and that the existing Industrial Safety, Health and Welfare Act 1981 is deficient. Those statements, as well as the statement of the Minister that this
amendment is to enable clause 26 to be the equivalent of similar clauses in United Kingdom legislation are incorrect.

In the United Kingdom it is not possible for an occupational health and safety representative to direct that work cease on a work site and, further, it is not possible in Canada—and the Minister claimed it is—for occupational health and safety representatives to direct that work cease on work sites.

In both those countries it is the right of workers in an unsafe situation to withdraw their labour. It was interesting to hear the comments of the Minister for Local Government, who was in charge of the proposed legislation in the previous Parliament, when he referred to the rights of employees to withdraw their labour in an unsafe working situation. The Minister for Employment and Industrial Affairs has stated that he rejects that notion. However, during the debate on the Bill in the previous Parliament, it was this particular proposal that the Government included in its amendment, namely, that an employee should have the right to withdraw his labour in an unsafe working situation and that a Government inspector could issue provisional or prohibition notices, whatever were required.

The honourable member for Springvale and the Minister for Local Government made further claims that health and safety representatives with this power would improve the workplace. The Government since 1981 has had the means to enable the election of health and safety representatives in the workplace, and also the establishment of safety committees. Hypocritically, the Government has not enacted those provisions, primarily, one suspects, because they do not enable trade unionists domination of workplace affairs.

In the second-reading debate, the Minister indicated that industrial conflict would reduce the potential benefit of the Bill yet, by this provision, the Minister is ensuring that the measure will be used as a tool for industrial conflict. It is a pity that the potential for occupational health and safety in the workplace will be lost by this provision.

Mr JASPER (Murray Valley)—The National Party, like the Liberal Party, will oppose clause 26, as amended. Although I recognize the effect of the amendment to sub-clause (2), I believe the Minister has not gone far enough in breaking down the extreme power that is being placed in the hands of safety representatives. The last few words are the key: either the employer or the safety representative may direct that the work shall cease.

I reiterate that the National Party is not opposed to the highest standards of occupational health and safety within the workplace. The National Party wants a reduction of accidents and better workplaces for employees. Most employers want to provide the highest standards within workplaces for all their staff. This clause, in conjunction with clause 30, which provides that the safety representative must be a unionist, is repugnant. It is open to abuse from any militant unionist who is not happy in the workplace either with his employer or with working, who will use this provision against the employer with devastating effect. The National Party will not accept that provision.

The Committee divided on the clause, as amended (Mr Fogarty in the chair).

| Ayes | 41 |
| Noes | 36 |

Majority for the clause, as amended 5

AYES

| Mr Andrianopoulos | Mr Hill | Mrs Ray |
| Miss Callister | Mrs Hirsh | Mr Remington |
| Mr Cathie | Mr Hockley | Mr Roper |
| Dr Coghill | Mr Kennedy | Mr Rowe |
| Mr Crabb | Mr Kirkwood | Mr Seitz |
| Mr Culpin | Mr McCutcheon | Mrs Setches |
| Mr Ernst | Mr McDonald | Mr Sheehan |
| Mr Fordham | Mr Mathews | Mr Shell |
| Mrs Gleeson | Mr Micallef | Mr Sidiropoulos |
| Mr Harrowfield | Mr Norris | Tellers: |
| Mrs Hill | Mr Pope | Mr Cunningham |
| | | Mrs Wilson |

1222
Clause 27 was agreed to.

Clause 28

Mr RAMSAY (Balwyn)—It has been brought to my attention that the clause raises a number of serious legal questions regarding the rights of the public. I seek an explanation from the Minister as to the impact of the clause and the manner in which it relates to schedules of Acts that will be repealed by the proposed legislation.

It has been suggested to me by considered legal opinion that the Government is putting at risk the civil rights of the general public by proceeding in this manner and repealing a number of major Acts. As an example, I quote the Lifts and Cranes Act and the Boilers and Pressure Vessels Act. Presently, the public has significant legal rights in the case of a major explosion of a pressure vessel or an incident involving machinery at an amusement park.

When that legislation is repealed, members of the public will find themselves subject to clause 28 with its apparent circular argument. The public will be subject to regulations as yet unknown.

Clause 28 (a) provides:

Nothing in this Part shall be construed as conferring a right of action in any civil proceedings in respect of any contravention, whether by act or omission, of any provision of this Part . . .

However, clause 28 (c) provides almost the opposite by stating:

Nothing in this Part shall be construed as affecting the extent (if any) to which a right of action arises or civil proceedings may be taken with respect to breaches of duties imposed by the regulations.

Civil actions in our courts should invariably depend on statutory rights approved by the Parliament, not on regulatory provisions made by the Government, and that is especially so when the regulatory provisions on which these rights will depend have not even been drawn up in draft form.

The Opposition has serious concern about the effect of the Bill and the Government's intention to pass the proposed legislation before determining the regulations at some time in the future. I appeal to the Minister to ensure that the civil rights of the public will not be put at risk.

Mr CRABB (Minister for Employment and Industrial Affairs)—I am advised that the clause is intended to preserve civil rights rather than to jeopardize them. However, I give an undertaking that I will obtain a detailed legal opinion on the clause while the Bill is between here and the other place.

The clause was agreed to.

Clause 29
Mr RAMSAY (Balwyn)—Clause 29 provides for the determination of designated work groups in any workplace; the idea being that where there is a large number of employees in a particular situation, it may be appropriate to have them divided into separate groups for the purposes of occupational health and safety and for the determination of occupational health and safety representatives and safety committees.

The Opposition has no objection to the concept of designated work groups but is concerned at the terminology used in clause 29 which provides the responsibility to determine these work groups to rest in the first instance with the trade union.

There is absolutely no provision in the Bill as it stands for an employer to take an initiative to establish such work groups. An employer can only respond to an approach from a trade union or, in the event of there being no trade union representative in a work group, can respond only to a representation from one of the employees. It is the wrong way round. The responsibility for determining designated work groups should rest with the employer because he is the one responsible in the first instance for the over-all health and safety of the workplace.

Real health and safety requires the highest level of co-operation. Therefore, in determining work groups the employer should consult with the employees and the union representative at the workplace. Therefore, I move:

Clauses 29, lines 27 to 40, and page 15, lines 1 to 4, omit sub-clauses (1) (2) and (3) and insert the following:

"(1) The employer at a workplace or the employer’s representative shall in consultation with the employees and each trade union, a member or members of which work as employees at the workplace, determine the groups of employees which shall be the designated work groups at the workplace.

(2) Any employee at a workplace and any trade union, a member or members of which work as employees at the workplace, may request the employer to comply with sub-section (1) and the employer shall personally or by a representative do so within 14 days after that request is made.”.

The proposed amendment does not remove the ability of employees or trade unions to take the initiative, but it does place the main responsibility where it should belong, namely, with the employer whose statutory duty it is to ensure that he has a safe and healthy workplace. I commend the amendment to the Committee.

Mr McNAMARA (Benalla)—The National Party supports the amendment moved by the honourable member for Balwyn. The emphasis in the proposed legislation should give equal weight to both parties. The Minister’s much vaulted tripartite and bipartite consultation appears to have been overruled in this clause where so much of the initiative and decision making is left in the hands of the union.

The honourable member for Balwyn is attempting to even the ledger. It is the employer who pays the salaries which are used to pay the mortgages and rates. Surely the employer should have some role to play in the designation of workplaces.

The argument has been well canvassed by the honourable member for Balwyn. I note that the axe is about to fall on the debate in 10 minutes. Therefore, I should like the Minister to respond to the issues raised.

Mr CRABB (Minister for Employment and Industrial Affairs)—The honourable member for Balwyn raised this issue in general with me earlier. I accept the point that the clause, as drafted, does not provide for the employer to take the initiative in those circumstances where it may be necessary.

Consequently, amendment No. 7 circulated in my name, will provide for that to occur. It states that, if the trade union has not done anything or, alternatively, the employees have not done anything, the employer may do something. I agree with the spirit of what has been proposed by the Opposition and the National Party, but the Government has constructed the amendment accordingly.

Mr RAMSAY (Balwyn)—I thank the Minister for accepting the spirit of the amendment that the Opposition has proposed, but I disagree with the amendment that he will propose.
later. Perhaps I should refer to it in this context because it is an alternative to the amendment proposed by the Opposition.

The Opposition believes the initial responsibility for determination of safety in the workplace must rest with the employer, and that is why the Opposition wants to put it as sub-clause (1) of clause 29. The amendment the Minister proposes to tag on sub-clause (12) involves the employer being dragged in at the end of the action. If the Minister is prepared to accept the spirit of the amendment I have moved, I urge him to recognize that having the employer brought in at the tail end of the proceedings does not fulfil that spirit.

Employers, employees or trade unions should be involved in sub-clause (1) and (2) where the matter should be dealt with appropriately. I urge the Minister to accept the amendment proposed by the Opposition because it will achieve exactly the same result as the one he proposes to put forward and will emphasize the changes far more strongly.

The amendment was negatived.

Mr CRABB (Minister for Employment and Industrial Affairs)—I move:

4. Clause 29, page 15, line 7, omit “Commission” and insert “Minister”.

5. Clause 29, page 15, line 14, omit “Commission” and insert “Minister”.

It was drawn to the attention of the Government that the chairman of the commission will spend half his life chairing meetings, so it is more appropriate that the appointments be made by the Minister or his delegate.

The amendments were agreed to.

Mr CRABB (Minister for Employment and Industrial Affairs)—I move:

6. Clause 29, page 15, lines 17 to 21, omit sub-clause (7) and insert the following:

“(7) A committee for the purposes of sub-section (4) or (6) shall consist of three persons of whom one shall be appointed to be chairperson, one shall be appointed to represent employers generally and one shall be appointed to represent employees generally.”.

The intention of the amendment is to have a committee consisting of three persons, one of whom shall be appointed chairperson. This is to avoid the chairman of the commission becoming involved in every meeting that occurs so that the best available use is made of his time.

The amendment was agreed to.

Mr CRABB (Minister for Employment and Industrial Affairs)—I move:

7. Clause 29, page 15, after line 40, insert the following:

“(12) If at a workplace no action has been taken under sub-section (1) or (5), the employer may initiate discussions with any trade union, a member or members of which work as employees at the workplace, or, if no employee at the workplace is a member of such a union, with any employee in order to commence negotiations under sub-section (1) or to require the attendance of an inspector under sub-section (5).”.

The amendment was discussed a moment ago in the context of an earlier amendment moved by the honourable member for Balwyn. I suggest to the Committee that this amendment meets the spirit suggested by the Opposition in that it gives employers the capacity to initiate various processes.

Mr RAMSAY (Balwyn)—I agree that the amendment meets the spirit the Opposition is trying to achieve, but it has been drafted in haste and it is hardly appropriate or adequate. I have not had time to analyse the amendment, but I notice it commences with the words: “If at a workplace no action has been taken under sub-section (1) or (5) . . . ”.

There is no time limit on the taking of this action. How long does an employer have to wait before action is taken? How quickly can he move?
When the legislation is enacted, the employer may want to take the initiative, but he will have to study this provision and note that "No action has been taken". It is ridiculous that no time frame is outlined in the provision.

It has been put together quickly, but at least it is better than nothing.

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

Clause 30

Mr RAMSAY (Balwyn)—The clause sets out the provision for the election of health and safety representatives under the Act and contains one of the most objectionable features of the whole Bill; that is, the denial of the democratic rights of people at the workplace simply because they do not happen to be members of a trade union.

The headache that we have only a few minutes to discuss rests principally in sub-clause (3) where, in making provision for an election for a health and safety representative, it indicates that employee in the designated work group may be a candidate for election as a health and safety representative but only upon the nomination of a trade union.

That limitation gives the trade union movement the right of decision over people in the workplace where in fact that trade union may be represented only to a small degree. In a workplace where generally the work force is not unionized but the packer on the packing line happens to be a member of the Federated Storemen and Packers Union of Australia, the right is given to that union to determine who will be the health and safety representative in that workplace simply because it will have the power of veto over the appointment of the safety representative.

Amendment No. 11 proposed by the Opposition over-comes the problem by suggesting a far more democratic and fully co-operative way in which health and safety representatives can be nominated and elected. Its aim is to give every employee a sense of belonging, a sense of responsibility and a sense of care for matters of health and safety in the workplace rather than saying to employees, "If you are not unionists, you are second-class citizens, and we will leave it to the Big Brother union to look after safety".

That is not the way to engender co-operation between parties in the workplace on matters of health and safety. I urge the Committee to support amendment No. 11.

Mr CRABB (Minister for Employment and Industrial Affairs)—The Government does not accept this. If the debate during the second-reading stage was about anything, it was about this matter.

The employers were prepared to accept the situation, where a majority of employees in the workplace were members of a union, that it should be a union-organized ballot process. Therefore, we have rearranged the provision so that one has to determine work groups rather than on entire workplace so that in any one of those work groups there are either no employees in the union or they are all in the union.

There is no problem where no employees are in a union and no problem where most of the employees are in a union. The only problem is the hypothetical circumstances where a slight minority of employees in a workplace are in a union and a wildly enthusiastic non-union member wants to become the health and safety representative. The reality is that it will not happen; those circumstances do not occur. In real experience, it is hard to get employees to become health and safety representatives. They do not get paid extra for it, and it places extra onus and responsibility on them. It is unlikely that there will be circumstances where there will be the slightest contention about the matter.

It is fundamental that the trade union movement is deeply involved in the safety process. There is no more sense in saying non-unionists ought to be in a union shop or ought to be health and safety representatives that to suggest that non-unionists ought to be shop stewards or trade union officials. It is a nonsense. If it is a union-organized
workplace, the unionists ought to be the health and safety representatives. The Government stands by the clause.

Mr RAMSAY (Balwyn)—I am very disappointed in the Minister's reply. I recognize that the Government has brought in the guillotine and there will not be any further opportunity to discuss the further clauses in the Bill, but I warn the Government that it is moving down the wrong track on this issue. The Opposition will speak further on the Bill in another place.

The CHAIRMAN (Mr Fogarty)—Order! The time allotted for the remaining stages of the Bill has expired. To conclude the Committee stage of the Bill, the question is:

That the clause, the remaining clauses and schedules of the Bill, together with the printed and circulated amendments of the Government, be agreed to.

The Committee divided on the question (Mr Fogarty in the chair).

Ayes 41
Noes 35
Majority for the question 6

AYES
Miss Callister Mr Hill Mr Remington Mrs Toner
Mr Cathie Mr Hockley Mr Roper Mr Trezise
Dr Coghill Mr Kennedy Mr Rowe Dr Vaughan
Mr Crabb Mr Kirkwood Mr Seitz Mr Walsh
Mr Culpin Mr McCutcheon Mrs Setches Mr Wilkes
Mr Cunningham Mr McDonald Mr Sheehan Mrs Wilson
Mr Ernst Mr Mathews Mr Shell
Mr Fordham Mr Micallef Mr Sidiropoulos
Mrs Gleeson Mr Norris Mr Simmonds
Mr Harrowfield Mr Pope Mr Simpson Mr Andrianopoulos
Mrs Hill Mrs Ray Mr Spyker Mrs Hirsh

NOES
Mr Austin Mr Jasper Mr Pescott Mr Steggall
Mr Brown Mr John Mr Plowman Mr Stockdale
Mr Coleman Mr Kennett Mr Ramsay Mr Tanner
Mr Cooper Mr Leigh Mr Reynolds Mr Weideman
Mr Delzoppo Mr McGrath Mr Richardson Mr Williams
Mr Dickinson (Lowan) Mr Ross-Edwards
Mr Evans (Gippsland East) (Warrnambool)
Mr Gude Mr McNamara (Glen Waverley)
Mr Hann Mr Macellian Mr Smith Mr Hefferman
Mr Hayward Mr Perrin (Polwarth)

Tellers:
Mr Hann Mr Maclellan Mr Smith Mr Hefferman

PAIRS
Mr Cain Mr Lieberman Mr Gavin Mr Crozier
Mr Jolly Mr Whiting Mr Stirling Mr Lea

The printed and circulated amendments of the Government referred to in the question were:

8. Clause 31, page 18, line 9, omit “Part” and insert “Act”.
9. Clause 31, page 18, line 10, after “representative” insert “in the capacity of health and safety representative”.
10. Schedule One, page 37, after paragraph 40 insert the following:
   “41. Regulating the conduct of elections for health and safety representatives.”.
11. Schedule Two, page 41, in item 50, omit “Training” and insert “Industrial Affairs”.

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

Proposed certificate of service for Parliamentarians—Country rail depots—Health services in Box Hill—Transport Workers Union black ban—Frankston Neighbourhood Transport Study—Clean-n-shine advertising sample—Inadequate lighting on Eastern Freeway—“No Refund” signs

Mr FORDHAM (Acting Premier)—I move:

That the House do now adjourn.

Mr WEIDEMAN (Frankston South)—During the debate today honourable members expressed appreciation of the service of honourable members who have left Parliament. I raise a matter for the attention of the Acting Premier. After discussion with some Government members and colleagues on the Opposition side of the House, I convey a suggestion to the Minister, who may wish to take it to the Premier and to you, Mr Speaker. The suggestion is that in this year of the 150th anniversary celebrations an appreciation certificate may be presented to honourable members who have left the House and also those who will leave the House four years hence, or after the next election, whenever that may be.

The document could also be presented to Presiding Officers who have already left Parliament or will do so in the future. A number of scrolls and documents are currently being prepared to celebrate the 50th Parliament. This is probably the opportune time to prepare the certificates. They may take the form of the document presented to those who have the honour of having been Ministers, which is an impressive document with a silver monogram. This could be signed by the officials of the House and perhaps the Premier.

The Government, through the Department of the Premier and Cabinet, provides a document of credential that is presented upon application on behalf of constituents who are travelling overseas. I congratulate the Government for presenting that document because I have found, as we all have over the years, that it has been of considerable service to our constituents overseas. The new document is so well presented that many constituents have conveyed to me that it could be framed and kept as a memento of the service provided by the Government. The same type of document could be prepared for politicians serving members of the staff and officers of the House.

I leave the matter with the Acting Premier to take to the Premier, to you, Mr Speaker, and the President to decide whether the 150th anniversary is an event in our history for which a document can be prepared. It may also be used in the future, perhaps for members who are leaving the House, in appreciation of the quality of their service to the State.

Mr W. D. McGRATH (Lowan)—The matter I raise for the attention of the Minister for Transport relates to a matter that has previously been before Parliament. I raised it with the former Minister of Transport and led deputations to him on behalf of the people of Donald. It relates to a situation that arose following a review of country rail depots and operations within the railways system. The particular interest in Donald, in the electorate that I represent, relates to approximately 57 railway workers who are based at Donald and operate the rail service between Donald and the city and as far afield as Mildura in the north.

These rail workers are certainly important to the economic viability of Donald, as a country town, and when the deputation met the Minister, at that time it was the Honourable Steve Crabb, he did give an assurance to that deputation that a working party would be established to carry out a detailed study of all country depots and their operations. I dare say that that study would be made up of representatives from the three unions involved, particularly the Australian Railways Union, the Australian Federated Union of Locomotive Enginemen and the Transport Workers Union of Australia. Anxiety still exists within those railway families in the township of Donald as to what the future holds for them as railway people.
I raise this matter tonight because I wonder whether the Minister can indicate to the House the future of those railway workers, who are very happily situated in their environment of the country township of Donald. Hopefully the Minister will be able to provide a further explanation of the prospects of these people and the proceedings of the working party and whether they have reached any resolution on this matter.

Mrs RAY (Box Hill)—I raise the matter relating to health services in Box Hill. I acknowledge the substantial commitment made over the past three years to the virtual rebuilding of the Box Hill Hospital, which has resulted in a tremendous upgrade of health services in the area. The allocation of something in excess of $10 million has allowed the provision of six 30-bed wards to be upgraded, the two operating theatres to be expanded to a total of four, the kitchen to be rebuilt, the lifts to be replaced and a new coronary care unit to be operative. These improvements should be completed by September, and the implementation of 28 new beds will enable the hospital to operate to its full capacity.

Increasingly, this facility caters well for those who are sick but members of the community feel there is a need to give increasing consideration to the maintenance of health. Members of the Government believe the services necessary to maintain the health and well-being of individuals should be accessible from a local community health agency, wherever possible. Community centre services help people to enjoy the best quality of life by enabling them to reach the highest possible level of health. They provide support services enabling people to live happily in the community and, where necessary, receive the appropriate services.

I should be pleased to learn that the preliminary study on the community health service for Box Hill, announced earlier this year, was making good progress and I look to the Minister for some assurance that this health service will be implemented as soon as possible.

Mr LEIGH (Malvern)—I address my remarks to the Deputy Premier, as the Minister for Employment and Industrial Affairs is not present, even though I did suggest to him that I had a rather important matter to raise with him.

Tonight, the City of Malvern has been totally black banned by the Transport Workers Union. It has banned the City of Malvern because a group of democratically elected councillors of that city took it upon themselves to limit large transport trucks, above 10 tonnes, from using Wattletree Road. I believe that was done in the interests of the general community. The major truck route is less than a quarter of a mile away.

The action taken by the Transport Workers Union of Australia last night is nothing short of outrageous; it is nothing less than simple blackmail. Today, the union told the council that, “Until you remove the signs, we deliver nothing in the City of Malvern.”

Not only does this affect the business people of the community; it also affects the residents who cannot buy milk as from today. The milk shop proprietors have to pick up the milk themselves and I suggest that as this wears on over the week-end many people in Malvern will be disadvantaged. The City of Malvern made a democratic decision. I notice the Minister for Consumer Affairs is laughing. It is not a laughing matter that the people in the electorate I represent are being affected like this.

The SPEAKER—Order! I invite the honourable member for Malvern to address the Chair and to observe the normal decorum.

Mr LEIGH—It is hardly surprising that, as a local member, this situation disturbs me to such a degree. I can hear jokes being made on the other side of the Chamber.

The SPEAKER—Order! I suggest the honourable member should ignore interjections.

Mr LEIGH—I want an undertaking from the Government tonight that it will approach the TWU, in the interests of my constituents, to ensure that the ban is lifted forthwith. If the Government does not do so, obviously it is once again giving in to union pressure.
The community I represent has a right to make a decision on something that affects it. Honourable members on the other side of the Chamber would be the first to complain if it affected them.

The fact is that the union thugs involved in this, who are really the masters of the Government, will allow my community to be affected on that basis. I repeat that it is outrageous and I want an undertaking tonight from the Minister that he will approach the TWU and that tomorrow that ban will be lifted so that the community I represent can go about its business.

Mr Cooper (Mornington)—I raise for the attention of the Minister for Transport a matter concerning an advertisement placed in the newspapers on the Mornington Peninsula earlier this year calling for submissions to be made to a study being conducted under the heading of the Frankston Neighbourhood Transport Study.

That study covered an area extending from Carrum Downs to Crib Point and the complete Shire of Mornington including Mount Martha. The advertisement was placed in local newspapers and submissions were sought by a study review committee.

As a result of those advertisements, many submissions were made to the Ministry of Transport by various organizations and individuals within the area of the study. One submission from the Shire of Mornington contained a large number of individual submissions and one from my office included 219 submissions which comprised 79 individual submissions received by me from constituents in the electorate I represent and in neighbouring electorates, plus a petition containing over 140 signatures.

One could easily and correctly assume that, from the volume of submissions made to the Ministry of Transport on this matter, it is a matter of significance to the people in the Mornington electorate and on the Mornington Peninsula generally.

It came as a surprise to hear last week from members of a transport board on the Peninsula that the Ministry of Transport—I assume on the direction of the Minister—does not intend to proceed with the study.

In the words of one of the members of the board, it had been dropped into the dustbin.

My office contacted the Ministry of Transport and received conflicting reports. One officer admitted that the study would not proceed, saying there had never been any money allocated for the study and it was not anticipated any money would be allocated for it. That officer then made an aside—which I presume was not meant to be overheard—that the whole study was a gimmick.

The constituents of the electorate I represent are concerned, as are the people of the Mornington Peninsula, at the state of the public transport system on the peninsula and the fact that it will be left in that condition without any work being done on the study.

If the Minister cannot give a response tonight, I ask that he examine the matter at a later date so that the many people of the Mornington Peninsula who have made submissions to the Ministry will feel that at least the submissions they made in response to the Government's entreaties will be taken into account.

The transport shambles is an issue of great importance, probably the largest single issue on the Mornington Peninsula. I ask the Minister to respond.

Mrs Hirsh (Wantirna)—I raise with the Minister for Consumer Affairs a matter concerning the distribution of advertising material in the form of free samples into people's letter boxes.

A constituent contacted me recently to complain of a potential danger that is involved in this practice. Her three-year-old child came in from the front garden flourishing with delight an opened free sample of a product called Clean-N-Shine which is purported to be a newer, better floor cleaning product. The child had seen the brightly coloured packet of...
floor cleaner placed in the letter box and had taken it out. The child believed the packet contained cordial similar to that which his mother buys during the summer and freezes into icy poles. He had opened the packet and had spilled the floor cleaner on his clothes. When my constituent took the article from the child, she read on the bottom of the packet, "Dangerous. Keep out of reach of children. If swallowed, seek medical advice." She was quite concerned that the child might have drunk some of the liquid floor cleaner, so she immediately took the child and the packet to the local doctor. Examination of the child revealed that he had not consumed sufficient of this product to sustain any damage. However, the contents of the packet contain caustic—a strong substance—and, had the child consumed a reasonable quantity, he could have been seriously hurt.

My constituent told me that she is a careful person and keeps dangerous cleaning and other products well out of reach of a curious three-year-old boy.

Because this product is part of an advertising campaign, it is attractively packaged, and both its style of packaging and its texture closely resemble the packets of cordial or icy pole mix that are available in supermarkets and are popular. It is extremely easy for a young child to mistake the contents of this packet as drinkable.

Other free samples placed in letter boxes are also potentially dangerous, because if children get hold of them and drink them they could be lethal.

If manufacturers want to distribute free samples of their products to consumers, the place to do it is at the point of sale where the consumers are looking for products and where adults are going to receive the produce.

Another option would be to reduce the price of products in the first place with the money being used to produce the samples. It is a dangerous practice to place dangerous samples in letter boxes where children can get hold of them. I ask the Minister to investigate this aspect of advertising with a view to ensuring that children will not have access to poisonous or dangerous substances that are used for advertising purposes.

Mr PERRIN (Bulleen)—I raise with the Minister for Transport a matter of concern to me relating to the inadequate lighting on the Eastern Freeway. I am concerned about two aspects of that lighting. The first aspect with which I am concerned is the deliberate reduction by 50 per cent of the lighting at certain parts of the freeway.

I have been advised by a professional electrical engineer that the reduction is below the standard required for freeways and is not adequate. The Australian Standards Association lays down certain standards for freeway lighting and my professional adviser has informed me that the standard on the Eastern Freeway is not being met by the present lighting.

This matter was reported in *The Sun Easterly Supplement* on 27 June 1985. A spokesman for the Minister for Transport agreed that the lighting was only about 50 per cent of its original level, but denied that the reduced level was dangerous. That spokesman admitted it was a deliberate policy of the Ministry of Transport to downgrade the lighting and indicated that a saving of $30 000 a year was being made. The reduction in lighting may be false economy. One hopes that no death or serious injury occurs on the freeway which can be attributable to the policy of reducing the lighting.

The lack of maintenance on the freeway is also a serious problem. The professional electrical engineer who advised me showed me three light poles where all the lamps were not working. Another three light poles had only one lamp in place. Wires were hanging loose from the end of a light pole. Light poles had bulbs that had blown and it is my advice that a deliberate attempt had been made to downgrade the capacity of the light globes.

This issue is not going to go away. It will only take one or two road deaths or serious injuries for some of the smart lawyers in this town to place a writ for contributory negligence either on the Minister or his Ministry. The $30 000 a year saving the Ministry is making would then be a false economy and would be dissipated in one claim.
I ask the Minister to do three things. Firstly, to upgrade immediately the maintenance of the lighting over the next few days. That lighting is substandard and is clearly not adequate. Secondly, I ask the Minister to turn on the lights on that part of the freeway where there is only 50 per cent lighting, because that is extremely dangerous.

Thirdly, I request the Minister to make available in the Parliamentary Library the file that has been produced on the assessment made on the downgrading of lights so that Parliament can be fully informed of the bureaucrats' reasons for this downgrading. It is a serious and, perhaps, life-or-death matter.

**Mr ROWE (Essendon)**—I refer to the Minister for Consumer Affairs representations that have been made to me by a local consumer group established in the electorate that I represent, the North West Price Watch, which monitors price markets and engages in other consumer protection activities in the north western area of Melbourne.

These representations concern contravention of the Trade Practices Act by traders and corporations who mislead the public by displaying signs in their shops and in advertising material which indicate that purchasers of those goods may not be able to seek a refund or exchange of items purchased. Perhaps simply there is a sign, "No refunds" or "No refunds on sale items". Those signs contravene section 53 (g) of the Trades Practices Act. I note that this is a Federal Act, but it has application in all States.

It makes it clear that a corporation may make a false or misleading statement concerning the existence, exclusion or effect of any condition, warranty, guarantee, right or remedy. Persons who contravene this section face prosecution and a fine of up to $10,000. It is a significant penalty.

However, despite this, signs appear throughout the metropolitan area claiming "No refunds". I know that those signs are apparent in the electorate of Essendon as a result of the representations made to me by the consumer group. Not one prosecution has been effected or action taken by the Trade Practices Commission against Victorian traders.

It is in this area that I should like the Minister to make representations to the Federal Government to urge the commission to take action. It is a serious matter. Many consumers may not know their rights and when faced with signs of "No refund" in stores may not seek any remedy when it is warranted.

Several courses are open to the State Government. It could initiate action at the Federal level by urging the commission to take action in this State. The only action taken by the commission so far has occurred in Western Australia.

Any action that is taken will deter other traders in Victoria from that practice. Perhaps the Minister's office should be able to respond in cases where representations have been made against these traders by writing on behalf of groups such as the North West Prices Action Group, indicating to traders that they are contravening the Trade Practices Act.

**Mr FORDHAM (Acting Premier)**—The matter directly brought to my attention by the honourable member for Frankston South concerns a proposal he has developed for an appropriate certificate to be made available to honourable members following their demise in one form or another from the Parliament—and I presume it applies to another place as well as to this more august Chamber. It is a suggestion that I believe is worth further consideration. I should be pleased to discuss the proposal with the Premier and inform the honourable member of the outcome.

I did not have an opportunity of contributing to the debate on that very same matter earlier this afternoon, but I add my sentiments to those expressed by honourable members on all sides of the House. I accept that it is appropriate that Parliament and the community give recognition to people who undertake what is really an extremely onerous task.

I believe the matter raised by the honourable member for Malvern could more appropriately be answered by the Minister for Transport.
Mr ROPER (Minister for Transport)—A number of matters relating to both transport and health have been raised this evening. The honourable member for Lowan raised the question of the Donald operation depot and sought advice as to what has occurred since I discussed the matter with him in May.

V/Line is reviewing the number of crews required to man each depot over the next eighteen months to ensure sound and economic utilization of the manpower available. The review will involve the Australian Federated Union of Locomotive Enginemen, and the Mildura line review is expected to commence at an early date. In addition, negotiations are to take place with the union on a needs basis with a view to reaching an agreement on distance limitations more relevant to modern railway operations. Both reviews have a potential effect on Donald, which is a town with a considerable number of both enginemen and assistants.

The working party that has to carry out the work, following that of the steering committee, has not yet commenced it and, when it is established, the working party will comprise management and union nominees. The steering committee's responsibility will be to determine the precise composition of the working party, but this matter is still under deliberation by the steering committee.

I know there has been some concern that the interests of the local people might be ignored, but I have been assured that the union as a whole will not neglect any particular group of its members in this regard. In fact, in recent times there have been appointments in Donald, which demonstrates in a most practical way the Government's sincerity in this matter. Two engine driver trainees have been appointed; also, applications were called for and are now being processed with a view to appointing an assistant and two drivers.

The Government is extremely conscious of the impact that any change like this can have on a country town. That has to be taken into account as well as simply the train-running considerations.

As a result of this review it is hoped that V/Line will be able to improve its operation while at the same time ensuring that the country towns of Victoria get the services they require.

The honourable member for Box Hill raised a matter relating to health services in the electorate she represents. I am informed by the Minister for Health that there has been further progress in health services in Box Hill. I was delighted to hear shouts of, "Hear, hear!" from the Leader of the Opposition when the honourable member for Box Hill was describing the improvements that have occurred in that area.

The hospital at Box Hill has been one part of the Government's program for that area; the expansion of the Maroondah Hospital is another.

As the honourable member for Box Hill correctly pointed out, a significant community health component is being partially met by the creation of a psychiatric community service for the outer eastern suburbs. That has been both extremely busy and extremely successful.

Some $150 000 has been allocated for the development of a community health service for Box Hill. The Minister for Health has written to a cross-section of the Box Hill community asking them to join a committee to examine community health needs in that area. Naturally, the honourable member for Box Hill is prominently involved in that.

The Government hopes the committee will report on how the existing resources can be used to become the basis for a much broader health service. Over the past three and half years, there has been a doubling of community health service activity in areas such as Box Hill. In the past such areas have not received the attention that they need.

The honourable member for Malvern spoke about a ban currently in place in Malvern. If the honourable member is not aware that councils are supposed to follow certain procedures in relation to bans on vehicles in various areas, I shall have someone brief him on the matter.
A working party has twice considered the proposal for a 24-hour ban on heavy commercial vehicles in Wattletree Road, and it has not been agreed to. The working party has been established for the purpose of balancing a variety of community interests. The working party is currently considering a time-of-day ban proposal on heavy commercial vehicles in Wattletree Road. However, despite the fact that the matter is under consideration, the Malvern City Council, for whatever reason, installed signs in Wattletree Road prohibiting heavy commercial vehicles from using the road.

The signs indicate a load limit of 10 tonnes and a length limit of 8 metres, and vehicles exceeding those limits are prohibited from using Wattletree Road. No one community is able to make those determinations by itself. Some years ago, the South Melbourne City Council was going to take unilateral action in this area. However, after consideration, a compromise was reached which assisted that council and many others.

The Malvern council has taken unilateral action without the approval of the Road Traffic Authority. The authority has requested the Local Government Department to initiate the appropriate action to have the signs removed. The Government expects the signs to be removed and for the dispute to be determined in the way in which like disputes have been determined elsewhere.

It is not a matter of one group dictating to another. The interests of one section of the community have to be balanced against another in any use of the roads.

In the area I represent there have been calls for traffic to be shifted from one road to another.

Mr Kennett—Is this a short answer?

Mr ROPER—With one exception these are all matters raised by members of the Opposition. I should hope that that resolves the problem and allows it to be properly treated.

The honourable member for Mornington referred to the Frankston Neighbourhood Transport Study, which is currently under way in the Frankston–Mornington Peninsula area. This initiative, which was taken by the former Minister of Transport, was something which was never even thought of in the 27 years of Liberal Government. The honourable member for Mornington well knows that previous Liberal Governments reduced transport services on the Mornington Peninsula and, in some cases, simply cut them out.

The studies are aimed at examining possibilities and opportunities for improving public and private transport, through bus services, not only in that area but in the other areas throughout the State. The study is proceeding.

I am not sure what mythical officer was invented by the honourable member to suggest that the studies had ceased, but perhaps the honourable member has his own reasons for suggesting that an officer made that suggestion, when no officer of the Metropolitan Transit Authority would have that opinion because he or she would know that the studies are continuing. The Government is endeavouring to ensure the continued development of those services that have been developed in the past three years.

The honourable member for Bulleen referred to lighting on the Eastern Freeway. I will have the matter examined and return to him shortly with advice on it.

Mr SPYKER (Minister for Consumer Affairs)—The honourable member for Wantirna, who is a caring person, raised the matter of free samples, especially the product Clean-n-shine, which has been distributed in letter boxes in various suburbs. At the bottom of the free sample, it clearly states, “Keep out of reach of children. If swallowed seek medical advice”.

Obviously very young children are unable to read such messages and, despite a promotion campaign conducted by the Royal Children’s Hospital and other authorities on the need
to keep dangerous liquids and other products out of the reach of children, one company is distributing free samples which would be attractive to young children.

The package is similar to the packaging used for cordials, icy poles and so on. A young child could well confuse a free sample with such packaging. Indeed, there have been a number of instances where young children have sampled the product.

Although there is an instruction on some packages to seek medical advice if swallowed, it does not indicate what sort of treatment should be given. Doctors may not be able to judge quickly how to treat a child if the product is swallowed.

I will take up the matter with the promotion company on behalf of the honourable member for Wantirna, and will try to convince the company to make sure that no harmful products are left in letter-boxes when free samples are given as part of a promotion. I am not opposed to the promotion of products, but free samples should not be available if they are harmful to young children.

The honourable member for Essendon raised a matter concerning the practices of some stores and traders where signs are put up stating, “No refunds or exchange on specials”. I congratulate the honourable member for assisting in establishing a new consumer group in the electorate that he represents, North West Price Watch, because that group has played an important part in monitoring pricing and products in the market-place. In the past groups of women in the United States of America have been active in this area and have had a marked impact on the packaging and pricing of goods; they have also ensured that any dangerous products were brought to the attention of authorities.

Under the Trade Practices Act it is illegal to have signs stating, “No refunds or exchange”. Some people are under the misconception that, if a trader or storekeeper advertises an item as a special, one cannot ask for a refund. The Act does not differentiate between specials and non-specials. It clearly spells out that it is illegal to do so and if the honourable member provides me with the names and addresses of the offending stores, I shall take up the matter.

Again I congratulate the honourable member for establishing a new consumer group in his electorate and I am sure the two portfolios I represent, consumer affairs and ethnic affairs, will work closely with the community group to protect and look after the interests of Victorian consumers.

The motion was agreed to.

*The House adjourned at 7.13 p.m. until Tuesday, July 16.*
The following answers to questions on notice were circulated—

AIREYS INLET BUS SERVICE
(Question No. 4)

Mr DICKINSON (South Barwon) asked the Minister for Transport:

1. Whether the Minister is aware of local pressure amongst retired people for a regular bus service from Aireys Inlet to Anglesea and Geelong?

2. In view of the fact that private enterprise bus lines see the route as uneconomic, what action is the Government prepared to take to assist the running of a regular service for those residents of Aireys Inlet who need public transport?

Mr ROPER (Minister for Transport)—The answer is:

1. I am aware that there has been interest expressed by residents of Aireys Inlet and Anglesea for a regular bus service to Geelong.

2. Following representations, it was agreed to run a special shoppers’ service to Geelong on a trial basis on Wednesdays for the convenience of Aireys Inlet residents. At first this service operated on a weekly basis, but was then reduced to fortnightly. The patronage has been poor with an average loading of only five per trip. The operator is reluctant to continue and V/line could not justify the service continuing in its present form.

However, as part of its forthcoming study of public transport in the area, V/Line intends to examine public transport along the Great Ocean Road. Any changes, additions and improvements to the service will be dependent on the findings, the results of which should be available by the end of August this year.

FACILITIES AT TAFE COLLEGES
(Question No. 11)

Mr LIEBERMAN (Benambra) asked the Minister for Education:

In respect of the comments contained in the Commonwealth Tertiary Education Commission 1985-87 Triennium Report, Volume 1, on sub-standard facilities at colleges, whether there is any Federal (TAFEC) or State (TAFE Board) policy which would inhibit or prevent the spending of Federal or State moneys to upgrade, replace, or relocate such sub-standard facilities within the inner urban area?

Mr CATHIE (Minister for Education)—The answer is:

I advise that there is no formal policy of which the Government is aware that prevents the spending of Federal or State moneys to upgrade, replace or relocate sub-standard facilities presently located in the inner urban area. Expenditure on such projects has and is taking place and extensive projects are planned to achieve these aims.

However, some letters from Commonwealth Tertiary Education Committee indicate some reluctance by that commission to fund such projects.

All projects, however, have to be viewed in the context of the Statewide demands of the system and the need for facilities in city, suburban and country areas.

The State Government has increased its allocation from some $13.4 million in 1983-84 to $23.3 million in 1984-85 and the Commonwealth from $33.1 million to $45.3 million for the Statewide TAFE program.

AIREYS INLET EMERGENCY ESCAPE ROUTES
(Question No. 12)

Mr DICKINSON (South Barwon) asked the Minister for Education, for the Minister for Conservation, Forests and Lands:

In view of the fact that residents of Aireys Inlet are divided as to the location of a recreation reserve to serve the local community, and also about the opening of access roads in the residential areas which would provide emergency escape routes to residents if the area is ever again threatened by bush fires, what action is being taken in conjunction with the Local Government Department to resolve these local difficulties?
Mr CATHIE (Minister for Education)—The answer supplied by the Minister for Conservation, Forests and Lands is:

The Shire of Barrabool, made representations to my predecessor, the Honourable R. A. Mackenzie MLC seeking a suitable site for the development of a sports oval to meet the needs of the local community.

Officers of the shire and my department have looked at several sites in the Aireys Inlet–Fairhaven area. They concluded that a site near Lialeeta Road, Fairhaven was suitable and could be developed without causing unacceptable impacts on the environment. I intend to proceed to have this site reserved for recreation and placed under the control of the shire.

The development of the oval will be done carefully to make it blend with the environment, and screening native vegetation will be retained; I believe these measures will go some way to meeting the concerns of the people who have opposed the proposal. These people will, of course, have access to the shire, which will be responsible for the planning, construction and operation of the reserve.

Access to the oval will be via a two-lane road, about 150 metres long, from Lialeeta Road. This will provide adequate egress from the site if a bush fire threatened the area. Lialeeta and Yarringa roads are formed gravel roads which lead straight to the Great Ocean Road and the beach, 500 metres away. This is the logical refuge from fire for people in this area.

The issue of opening access roads within residential areas is not within my portfolio, and should be taken up with the Minister for Local Government.

PRIVATE BUSLINES SUBSIDY
(Question No. 19)

Mr DICKINSON (South Barwon) asked the Minister for Transport:

What total subsidy per annum has been granted by the Government to private buslines since April 1982?

Mr ROPER (Minister for Transport)—The answer is:

The honourable member would no doubt be aware that the amounts appropriated by Parliament are contained in each year’s Budget Papers; for instance, 1984–85 pages 224–227.

SEWERAGE OUTLET IN QUEENSCLIFF–CLIFTON SPRINGS AREA
(Question No. 24)

Mr DICKINSON (South Barwon) asked the Minister for Transport:

1. Whether he has given approval to the Geelong Water Board to construct a sewerage line along the Queenscliff–Clifton Springs railway easement?

2. Whether the Government has called for an environmental impact study in connection with the engineering and works planned for such a sewerage outlet; if not, what steps can be taken to meet these requirements?

Mr ROPER (Minister for Transport)—The answer is:

1. In relation to the easement to which the honourable member refers, which is in fact the Queenscliff–Drysdale easement, V/Line has advised the consulting engineers and surveyors acting for the Bellarine Sewerage Authority that it has no objection to a proposed sewer pipeline being laid in the Geelong–Queenscliff railway reserve provided certain conditions are met.

2. Due to the minor nature and extent of the proposed works on V/Line land, no environmental impact statement has been called for. However, V/Line has consulted with both the Ministry for Planning and Environment, and the Department of Conservation, Forests and Lands, and arranged for inspections of the proposed work site prior to final approval of the proposal.

GOVERNMENT EQUITY TAX
(Question No. 53)

Mr WILLIAMS (Doncaster) asked the Treasurer:

When he proposes to end discrimination against metropolitan electors by applying the Government’s equity tax on all Victorian instrumentalities and authorities?

1238
Mr JOLLY (Treasurer)—The answer is:

There are points of detail in relation to the Government's public authority policies that have been misinterpreted in the construction of this question.

The payment of public authority dividends is not a tax but an appropriation or transfer from the return on assets generated by the authority. Consequently, it would be inappropriate to pay a dividend if an authority was not generating a sufficiently high real rate of return or did not have accumulated profits from previous periods. For this reason it would be entirely inappropriate to require all Victorian instrumentalities and authorities to pay a dividend.

BUDGET ALLOCATION FOR EDUCATION

(Question No. 57)

Mr WILLIAMS (Doncaster) asked the Minister for Education:

What amounts have been set aside in the 1984-85 Budget for the following items of expenditure—(a) twelve weeks paid confinement leave to female teachers; (b) paid paternity leave to male teachers; (c) emergency teachers; (d) in-service education; (e) study leave for teachers; (f) clerical assistance to schools; (g) school medical and dental service; and (h) specialist teachers including details for—(i) ethnic aides; (ii) community language teaching; (iii) counselling services unit; (iv) CG and CS and speech therapy; (v) physical education; and (vi) librarians?

Mr CATHIE (Minister for Education)—The answer is:

Only some of these items were specifically provided for. The remaining items either form part of the base of the continuation of existing services and as such are not specifically mentioned or are not costed individually.

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Note: Items marked with an asterisk were not specifically mentioned in the 1984–85 Budget breakdown.

AUDITOR-GENERAL’S COMPLAINTS ON EDUCATION REPORTS

(Question No. 58)

Mr WILLIAMS (Doncaster) asked the Minister for Education:

What are the details of any outstanding matters of complaint expressed by the Auditor-General in reports to Parliament, indicating the reasons corrective action has not been completed?

Mr CATHIE (Minister for Education)—The answer is:

I refer the honourable member to Part 3, pages 4 and 5 of Third Report of the Auditor-General for the year ended 30 June 1984. This section of the report reports on the status at the date of preparation of the report of observations and recommendations relating to the department included in Part 4 of the report, which were contained in previous reports of the Auditor-General.

As regards repayments due under studentship agreements (page 48 of 1982–83 report), the Treasurer has now approved new guidelines for the administration of the studentship agreements and these are being implemented.
AUDITOR-GENERAL’S COMPLAINTS ON TRANSPORT REPORTS
(Question No. 59)

Mr WILLIAMS (Doncaster) asked the Minister for Transport:

What are the details of any outstanding matters of complaint expressed by the Auditor-General in reports to Parliament, indicating the reasons corrective action has not been completed?

Mr ROPER (Minister for Transport)—The answer is:

At the date of your inquiry there were no outstanding matters of complaint expressed by the Auditor-General in reports to Parliament.

GOVERNMENT PUBLICATIONS OF DEPARTMENT OF THE PREMIER AND CABINET
(Question No. 62)

Mr BROWN (Gippsland West) asked the Premier:

In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?

2. Whether the design and placement of each publication was prepared by staff under the Minister’s control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr CAIN (Premier)—The answer is:

The time, cost and resources necessary to prepare an answer to this question cannot be justified.

However, I would be happy to give consideration to any request made by the honourable member about a specific publication.

GOVERNMENT PUBLICATIONS OF DEPARTMENT OF INDUSTRY, TECHNOLOGY AND RESOURCES
(Question No. 63)

Mr BROWN (Gippsland West) asked the Minister for Industry, Technology and Resources:

In respect of all costs associated with the production of all books, brochures, pamphlets or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?

2. Whether the design and placement of each publication was prepared by staff under the Minister’s control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr FORDHAM (Minister for Industry, Technology and Resources)—The answer is:

The time, cost and resources necessary to prepare an answer to this question cannot be justified.
However, I would be happy to give consideration to any request made by the honourable member about a specific publication.

GOVERNMENT PUBLICATIONS OF DEPARTMENT OF MANAGEMENT AND BUDGET
(Question No. 66)

Mr BROWN (Gippsland West) asked the Treasurer:

In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?

2. Whether the design and placement of each publication was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr JOLLY (Treasurer)—The answer is:

The time, cost and resources necessary to prepare an answer to this question cannot be justified. If the honourable member requires information on any specific publication then every effort will be made to supply the information.

GOVERNMENT PUBLICATIONS OF MINISTRY FOR POLICE AND EMERGENCY SERVICES
(Question No. 68)

Mr BROWN (Gippsland West) asked the Minister for Police and Emergency Services:

In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?

2. Whether the design and placement of each publication was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr MATHEWS (Minister for Police and Emergency Services)—The answer is:

The time, cost and resources necessary to prepare an answer to this question cannot be justified.

However, I would be happy to consider any request made by the honourable member about any specific publication.

GOVERNMENT PUBLICATIONS OF DEPARTMENT OF WATER RESOURCES
(Question No. 69)

Mr BROWN (Gippsland West) asked the Minister for Water Resources:

In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?

2. Whether the design and placement of each publication was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?
3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr McCUTCHEON (Minister for Water Resources)—The answer is:
The time, cost and resources necessary to prepare an answer to this question cannot be justified.
However, I would be happy to give consideration to any request made by the honourable member about a specific publication.

GOVERNMENT PUBLICATIONS OF DEPARTMENT OF PROPERTY AND SERVICES
(Question No. 70)

Mr BROWN (Gippsland West) asked the Minister for Property and Services:

In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?
2. Whether the design and placement of each publication was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?
3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr McCUTCHEON (Minister for Property and Services)—The answer is:
The information requested cannot be readily provided as the time, cost and resources necessary to prepare an answer to this question cannot be justified.
However, I would be happy to give consideration to any request made by the honourable member about a specific publication.

GOVERNMENT PUBLICATIONS OF ETHNIC AFFAIRS COMMISSION
(Question No. 74)

Mr BROWN (Gippsland West) asked the Minister for Ethnic Affairs:

In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?
2. Whether the design and placement of each publication was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?
3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr SPYKER (Minister for Ethnic Affairs)—The answer is:
The time, cost and resources necessary to prepare an answer to this question cannot be justified.
However, I would be happy to give consideration to any request made by the honourable member about a specific publication.

GOVERNMENT PUBLICATIONS OF DEPARTMENT OF SPORT AND RECREATION
(Question No. 75)

Mr BROWN (Gippsland West) asked the Minister for Sport and Recreation:

In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?
2. Whether the design and placement of each publication was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr TREZISE (Minister for Sport and Recreation)—The answer is:
I cannot justify the time, cost and resources necessary to prepare an answer to this broad question. I would, however, be happy to give consideration to any request made by the honourable member, about a specific publication.

GOVERNMENT PUBLICATIONS OF PUBLIC WORKS DEPARTMENT
(Question No. 76)

Mr BROWN (Gippsland West) asked the Minister for Public Works:
In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?

2. Whether the design and placement of each publication was prepared by staff under the Minister’s control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr WALSH (Minister for Public Works)—The answer is:
The time cost and resources necessary to prepare an answer to this question cannot be justified.
However, I would be happy to give consideration to any request made by the honourable member about a specific publication.

GOVERNMENT PUBLICATIONS OF MINISTRY OF HOUSING
(Question No. 77)

Mr BROWN (Gippsland West) asked the Minister for Housing:
In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?

2. Whether the design and placement of each publication was prepared by staff under the Minister’s control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr WILKES (Minister for Housing)—The answer is:
The time cost and resources necessary to prepare an answer to this question cannot be justified.
However, I would be happy to give consideration to any request made by the honourable member about a specific publication.

GOVERNMENT PUBLICATIONS OF LAW DEPARTMENT
(Question No. 79)

Mr BROWN (Gippsland West) asked the Minister for the Arts, for the Attorney-General:
In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?
2. Whether the design and placement of each publication was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

Mr MATHEWS (Minister for the Arts)—The answer supplied by the Attorney-General is:

The time, cost and resources necessary to prepare an answer to this question cannot be justified.

However, I would be happy to give consideration to any request made by the honourable member about a specific publication.

GOVERNMENT PUBLICATIONS OF DEPARTMENT OF CONSERVATION, FORESTS AND LANDS

(Question No. 80)

Mr BROWN (Gippsland West) asked the Minister for Education, for the Minister for Conservation, Forests and Lands:

In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within her administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?

2. Whether the design and placement of each publication was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether she will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr CATHIE (Minister for Education)—The answer supplied by the Minister for Conservation, Forests and Lands is:

The time, cost and resources necessary to prepare an answer to this question cannot be justified.

However, I would be happy to give consideration to any request made by the honourable member about a specific publication.

ADVERTISING BY DEPARTMENT OF THE PREMIER AND CABINET

(Question No. 108)

Mr BROWN (Gippsland West) asked the Premier:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr CAIN (Premier)—The answer is:

I do not propose to answer this question because of the inordinate amount of time and resources required to do so. I would be happy to give consideration to any query the honourable member may have about a specific advertisement.
ADVERTISING BY DEPARTMENT OF INDUSTRY, TECHNOLOGY AND RESOURCES
(Question No. 109)

Mr BROWN (Gippsland West) asked the Minister for Industry, Technology and Resources:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr FORDHAM (Minister for Industry, Technology and Resources)—The answer is:

I do not propose to answer this question because of the inordinate amount of time and resources required to do so. I would be happy to give consideration to any query that the honourable member may have about a specific advertisement.

ADVERTISING BY DEPARTMENT OF MANAGEMENT AND BUDGET
(Question No. 115)

Mr BROWN (Gippsland West) asked the Treasurer:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr JOLLY (Treasurer)—The answer is:

The time, cost and resources necessary to prepare an answer to this question cannot be justified. If the honourable member requires information on any specific advertisement then every effort will be made to supply the information.

ADVERTISING BY EDUCATION DEPARTMENT
(Question No. 117)

Mr BROWN (Gippsland West) asked the Minister for Education:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?
Mr CATHIE (Minister for Education)—The answer is:

I do not propose to answer this question because of the inordinate amount of time and resources required to do so. I would be happy to give consideration to any query that the honourable member may have about a specific advertisement.

ADVERTISING BY LAW DEPARTMENT

(Question No. 118)

Mr BROWN (Gippsland West) asked the Minister for the Arts, for the Attorney-General:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr MATHEWS (Minister for the Arts)—The answer supplied by the Attorney-General is:

I do not propose to answer this question because of the inordinate amount of time and resources required to do so. I would be happy to give consideration to any query that the honourable member may have about a specific advertisement.

ADVERTISING BY MINISTRY OF HOUSING

(Question No. 120)

Mr BROWN (Gippsland West) asked the Minister for Housing:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr WILKES (Minister for Housing)—The answer is:

I do not propose to answer this question because of the inordinate amount of time and resources required to do so. I would be happy to give consideration to any query that the honourable member may have about a specific advertisement.

ADVERTISING BY MINISTRY FOR POLICE AND EMERGENCY SERVICES

(Question No. 122)

Mr BROWN (Gippsland West) asked the Minister for Police and Emergency Services:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?
3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr MATHEWS (Minister for Police and Emergency Services)—The answer is:
The time, cost and resources necessary to prepare an answer to this question cannot be justified.

However, I would be happy to consider any query made by the honourable member about any specific advertisement.

**ADVERTISING BY DEPARTMENT OF SPORT AND RECREATION**

(Question No. 125)

Mr BROWN (Gippsland East) asked the Minister for Sport and Recreation:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr TREZISE (Minister for Sport and Recreation)—The answer is:

I do not propose to answer this question because of the inordinate amount of time and resources required to do so. I would be happy to give consideration to any query that the honourable member may have about a specific advertisement.

**ADVERTISING BY PUBLIC WORKS DEPARTMENT**

(Question No. 126)

Mr BROWN (Gippsland West) asked the Minister for Public Works:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister’s control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr WALSH (Minister for Public Works)—The answer is:

I do not propose to answer this question because of the inordinate amount of time and resources required to do so. I would be happy to give consideration to any query that the honourable member may have about a specific advertisement.

**ADVERTISING BY DEPARTMENT OF CONSERVATION, FORESTS AND LANDS**

(Question No. 127)

Mr BROWN (Gippsland West) asked the Minister for Education, for the Minister for Conservation, Forests and Lands:

In respect of all advertising undertaken by each department, agency and authority within her administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?
2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether she will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr CATHIE (Minister for Education)—The answer supplied by the Minister for Conservation, Forests and Lands is:

1 do not propose to answer this question because of the inordinate amount of time and resources required to do so. I would be happy to give consideration to any query that the honourable member may have about a specific advertisement.

**ADVERTISING BY DEPARTMENT OF WATER RESOURCES**  
(Question No. 128)

Mr BROWN (Gippsland West) asked the Minister for Water Resources:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr McCUTCHEON (Minister for Water Resources)—The answer is:

1 do not propose to answer this question because of the inordinate amount of time and resources required to do so. I would be happy to give consideration to any query that the honourable member may have about a specific advertisement.

**ADVERTISING BY DEPARTMENT OF PROPERTY AND SERVICES**  
(Question No. 129)

Mr BROWN (Gippsland West) asked the Minister for Property and Services:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr McCUTCHEON (Minister for Property and Services)—The answer is:

1 do not propose to answer this question because of the inordinate amount of time and resources required to do so. I would be happy to give consideration to any query that the honourable member may have about a specific advertisement.

**ADVERTISING BY ETHNIC AFFAIRS COMMISSION**  
(Question No. 130)

Mr BROWN (Gippsland West) asked the Minister for Ethnic Affairs:

In respect of all advertising undertaken by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?
2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr SPYKER (Minister for Ethnic Affairs)—The answer is:

I do not propose to answer this question because of the inordinate amount of time and resources required to do so. I would be happy to give consideration to any query that the honourable member may have about a specific advertisement.

PERMANENT TENANCIES TO CARAVAN OWNERS

(Question No. 133)

Mr DICKINSON (South Barwon) asked the Minister for Education, for the Minister for Conservation, Forests and Lands:

Further to the answer to question No. 2830 given on Wednesday, 29 February 1984:

1. Whether the Minister is aware that the Ocean Grove and Breamlea Foreshore Committees of Management are currently offering permanent tenancies to caravan owners at $600 and $680 per annum respectively; if so, whether this practice has continued for many years and is still continuing despite Government directives to the contrary with some tenants having occupied the same sites for many years?

2. Whether permanent structures such as pre-fabricated aluminium annexes are being erected on sites in these camping areas?

3. Whether tenants permanently occupying sites at the Ocean Grove Foreshore Reserve are being told to park their cars in different positions each day so that no one will notice that they are permanently occupying sites?

4. Whether the Ocean Grove Foreshore Committee has permanently leased Crown land sites to more than 200 caravan owners, and the Breamlea Committee to about half that number?

5. Whether the Minister will ensure that—(a) permanent occupation of sites on the Ocean Grove and Breamlea Foreshore Reserves will cease forthwith; (b) the pre-fabricated annexes and other permanent structures erected on Crown land in these areas be removed within three months; and (c) officers of the Department of Conservation, Forests and Lands will periodically audit occupancy of sites in this State to ensure that Government policy is being adhered to?

Mr CATHIE (Minister for Education)—The answer supplied by the Minister for Conservation, Forests and Lands is:

1. Neither Breamlea nor Ocean Grove are offering permanent tenancies to caravan owners. Both, in the past, have made available long-term holiday sites for which Ocean Grove charges $680 and Breamlea $600.

2. Pre-fabricated annexes are used at both reserves, but are not permanent structures and are removed upon vacation of the site. Breamlea still has a small number of more permanent structures that were given until 1986 to be removed.

3. There are no permanent residents at either park and, as such, there is no direction to move vehicles.

4. There is no permanent leasing of any sites.

5. (a) Permanent occupation of sites is against current departmental policy and where breaches of the policy are found action will be taken to remedy the situation.

(b) Pre-fabricated annexes are permitted subject to certain requirements and must be removed upon vacation of the site.

(c) Officers of the department will continue to monitor the activities of committees of management in regard to adherence to Government policy.

MINISTERING CHILDREN'S LEAGUE

(Question No. 134)

Mr DICKINSON (South Barwon) asked the Minister for Consumer Affairs, for the Minister for Community Services:

Whether the Minister will now reappraise the application by the Ministering Children's League for ongoing funding to meet the requirements of the Cottage by the Sea at Queenscliff, both at the current time and in the financial year 1985–86?
Mr SPYKER (Minister for Consumer Affairs)—The answer supplied by the Minister for Community Services is:

I am prepared to consider the funding on any programme, in the context of priorities, aiming to ensure that the services provided to children are the most suitable to meet their needs. The Ministering Children’s League’s application for funding was appraised and responded to. I understand that the league intends to provide my department with material from a review of their service which was being conducted for them.

I endorse the decision of the former Minister to redirect some funds from the Cottage by the Sea to establish the Western Suburbs Foster Care Programme. From its commencement in January 1984 to December 1984 this foster care programme provided temporary care for 366 western suburbs children in a family setting within their own community.

CORONIAL INQUEST
(Question No. 149)

Mr WILLIAMS (Doncaster) asked the Minister for the Arts, for the Attorney-General:
1. Whether a date has been fixed for a Coroner’s Court inquest into the death of a baby born alive at Oaklands Private Hospital following a prostaglandin abortion; if not, why?
2. Whether the medical record of Oaklands Private Hospital relative to the death of this baby has been referred to the coroner; if not, why?

Mr MATHEWS (Minister for the Arts)—The answer supplied by the Attorney-General is:
1. No. The ordering of a Coroner’s Court inquest is a matter within the discretion of the coroner and I am instructed that no inquest has been ordered.
2. This is a matter for the coroner.

STAFFING LEVEL OF POLICE FORCE
(Question No. 154)

Mr PERRIN (Bulleen) asked the Minister for Police and Emergency Services:
How many police officers are involved in the setting up and maintenance of Neighbourhood Watch schemes in the City of Doncaster and Templestowe, indicating—(a) their ranks; (b) when the last review of the adequacy of the staffing level was undertaken; (c) when the next review of the adequacy of the staffing level is to be undertaken; and (d) where those officers are located?

Mr MATHEWS (Minister for Police and Emergency Services)—The answer is:
Neighbourhood Watch programmes are implemented and co-ordinated in the initial stages by teams appointed from District Crime Car Squads. After implementation, continuing responsibility for a particular programme is transferred to a member from the local police station.

There are two Neighbourhood Watch programs in the City of Doncaster and Templestowe. In Donvale, the program is still under the control of a co-ordinating team from the “Q” District (Heidelberg) Crime Car Squad. This team comprises one sergeant and three senior constables. In East Doncaster, the programme is now the responsibility of a sergeant at the Doncaster police station. These staff levels are reviewed monthly.

CRIME RATE IN DONCASTER AND TEMPLESTOWE
(Question No. 156)

Mr PERRIN (Bulleen) asked the Minister for Police and Emergency Services:
What was the number of burglaries, thefts, car thefts, armed robberies and cases of arson, respectively, in the City of Doncaster and Templestowe reported to—(a) Heidelberg; and (b) Doncaster police during the years 1981 to 1984 inclusive, and how many of these crimes were solved?

Mr MATHEWS (Minister for Police and Emergency Services)—The answer is:

<table>
<thead>
<tr>
<th></th>
<th>Burglary (all categories)</th>
<th>Theft</th>
<th>Motor Car Theft</th>
<th>Armed Robbery</th>
<th>Arson</th>
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<tbody>
<tr>
<td>1981</td>
<td>706 (58)</td>
<td>474 (61)</td>
<td>174 (37)</td>
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<td>1982</td>
<td>1029 (75)</td>
<td>464 (57)</td>
<td>200 (34)</td>
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<td>12 (3)</td>
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1250
Crimes reported to the Doncaster Police Station

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<tr>
<th>Year</th>
<th>Burglary (all categories)</th>
<th>Theft</th>
<th>Motor Car Theft</th>
<th>Armed Robbery</th>
<th>Arson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1983</td>
<td>1308 (91)</td>
<td>454 (40)</td>
<td>227 (34)</td>
<td>19 (8)</td>
<td>14 (1)</td>
</tr>
<tr>
<td>1984</td>
<td>1235 (72)</td>
<td>575 (56)</td>
<td>255 (48)</td>
<td>13 (1)</td>
<td>6 (2)</td>
</tr>
</tbody>
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Crimes reported to the Heidelberg Police Station

<table>
<thead>
<tr>
<th>Year</th>
<th>Burglary (all categories)</th>
<th>Theft</th>
<th>Motor Car Theft</th>
<th>Armed Robbery</th>
<th>Arson</th>
</tr>
</thead>
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<tr>
<td>1981</td>
<td>268 (4)</td>
<td>112 (28)</td>
<td>12 (0)</td>
<td>12 (0)</td>
<td>4 (0)</td>
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<tr>
<td>1982</td>
<td>388 (32)</td>
<td>160 (36)</td>
<td>48 (4)</td>
<td>8 (0)</td>
<td>12 (0)</td>
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<td>1983</td>
<td>368 (24)</td>
<td>164 (24)</td>
<td>68 (12)</td>
<td>4 (0)</td>
<td>0</td>
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<tr>
<td>1984</td>
<td>492 (8)</td>
<td>168 (20)</td>
<td>56 (8)</td>
<td>4 (0)</td>
<td>0</td>
</tr>
</tbody>
</table>

Notes: 1. The figures in brackets denote the "clear-up" rate of reported crime. "Clear-up" figures, rather than convictions, are given as this is the form in which police crime statistics are normally recorded. This method is considered to more accurately reflect the crime solution rate.

2. As part of the City of Doncaster and Templestowe is served by the Heidelberg Criminal Investigation Bureau, the figures for the Doncaster police station have been based on a random three month search of each year. To provide actual figures requires a detailed search of each crime report submitted during the four-year period.

3. The above tables indicate that a total of 9539 crimes were reported in the City of Doncaster and Templestowe. Of that total, 883 (9.26 per cent) were "cleared".

TRANSFER OF V/LINE DEPARTMENTAL RESIDENCE
(Question No. 157)

Mr WHITING (Mildura) asked the Minister for Transport:

Whether he is aware of a proposed transfer of a former V/Line departmental residence in 7th Street, Mildura, to the Sunraysia Trades and Labour Council; if so—(a) what are the details of the proposed transfer and the relevant dates of change of title; and (b) whether he will lay all files relating to this transaction on the table of the Library?

Mr ROPER (Minister for Transport)—The answer is:

(a) The building in 7th Street, Mildura, referred to by Mr Whiting, MP, is not a departmental residence, but a former hostel for railway employees.

This building had not been used for some time, was in a state of disrepair and badly vandalized.

V/Line had intended to demolish the building, but was approached by the Sunraysia Trades and Labour Council which planned to renovate and restore the premises for use as an office and meeting room.

As V/Line believed the buildings were a liability to it, it agreed to sell them to the Sunraysia Trades and Labour Council for the nominal amount of $1. V/Line also agreed to grant the Sunraysia Trades and Labour Council a lease of the land on which the buildings stand for a term of 30 years at a rent to be assessed by the Valuer-General.

The Valuer-General assessed a rent of $1040 yearly for the first two years and the lease commenced on 1 November 1984.

(b) Arrangements will be made to table the required files as soon as possible.

PUBLIC WORKS DEPARTMENT PROJECTS
(Question No. 158)

Mr GUDE (Hawthorn) asked the Minister for Public Works:

1. How many mud brick projects have been carried out by the Public Works Department or at their direction in each of the past ten years?

2. For which organizations were the projects undertaken?
Questions on Notice

3. What was the cost of each project and how many people were employed in each case?

Mr WALSH (Minister for Public Works)—The answer is:
1. One, in 1983: an art/craft room for the Bacchus Marsh Primary School;
2. The Western Metropolitan Region for the Education Department;
3. (i) $90 000.00
   (ii) Two bricklayers and one labourer, utilizing bricks manufactured on site by the primary school students, under direction of the arts teacher.

ARCHITECTS EMPLOYED BY DEPARTMENT OF SPORT AND RECREATION

(Question No. 161)

Mr GUDE (Hawthorn) asked the Minister for Sport and Recreation:

How many qualified architects were employed within the departments and agencies now under his control in the years 1982–84, inclusive, and in 1985 as at 16 April?

Mr TREZISE (Minister for Sport and Recreation)—The answer is:

As at 30 June of each year between 1982 and 1984 the number of qualified architects employed was as follows:

1982—2
1983—2
1984—1

One qualified architect was employed in 1985 as at 16 April.

ARCHITECTS EMPLOYED BY MINISTRY OF CONSUMER AFFAIRS

(Question No. 162)

Mr GUDE (Hawthorn) asked the Minister for Consumer Affairs:

How many qualified architects were employed within the departments and agencies now under his control in the years 1982–84, inclusive, and in 1985 as at 16 April?

Mr SPYKER (Minister for Consumer Affairs)—The answer is:

No architects were employed within the Ministry of Consumer Affairs during the years 1982–84, inclusive, and in 1985 as at 16 April.

It so happens that one officer is a qualified architect, but is not employed in that capacity.

ARCHITECTS EMPLOYED BY ETHNIC AFFAIRS COMMISSION

(Question No. 163)

Mr GUDE (Hawthorn) asked the Minister for Ethnic Affairs:

How many qualified architects were employed within the departments and agencies now under his control in the years 1982–84, inclusive, and in 1985 as at 16 April?

Mr SPYKER (Minister for Ethnic Affairs)—The answer is:

Nil.

ARCHITECTS EMPLOYED BY DEPARTMENT OF WATER RESOURCES

(Question No. 166)

Mr GUDE (Hawthorn) asked the Minister for Water Resources:

How many qualified architects were employed within the departments and agencies now under his control in the years 1982–84, inclusive, and in 1985 as at 16 April?
Mr McCUTCHEON (Minister for Water Resources)—The answer is:

There were no architects employed within the Department of Water Resources or the State Rivers and Water Supply Commission, now the Rural Water Commission of Victoria, in the periods stated.

In so far as the question relates to the Melbourne and Metropolitan Board of Works, the number of qualified architects employed are as follows:

- June 1982—8
- June 1983—7
- June 1984—7
- April 1985—7

**ARCHITECTS EMPLOYED BY DEPARTMENT OF PROPERTY AND SERVICES**

(Question No. 167)

Mr GUDE (Hawthorn) asked the Minister for Property and Services:

How many qualified architects were employed within the departments and agencies now under his control in the years 1982–84, inclusive, and in 1985 as at 16 April?

Mr McCUTCHEON (Minister for Property and Services)—The answer is:

No fully qualified architects were employed within the Department of Property and Services and its agencies for the years 1982–84, inclusive, and as at 16 April 1985.

**ARCHITECTS EMPLOYED BY DEPARTMENT OF CONSERVATION, FORESTS AND LANDS**

(Question No. 170)

Mr GUDE (Hawthorn) asked the Minister for Education, for the Minister for Conservation, Forests and Lands:

How many qualified architects were employed within the departments and agencies now under his control in the years 1982–84, inclusive, and in 1985 as at 16 April?

Mr CATHIE (Minister for Education)—The answer supplied by the Minister for Conservation, Forests and Lands is:

During the years in question there has been only one position of environmental architect, which has been occupied by a qualified architect. Viz: 30 June 1982–83, Ministry for Conservation; 30 June 1984 and 16 April 1985, Department of Conservation, Forests and Lands.

In May 1985 an additional position of architect was created within conservation, forests and lands, and steps have been taken to have the position occupied.

**ECACENTRE FOR OBERON SCHOOLS**

(Question No. 181)

Mr DICKINSON (South Barwon) asked the Minister for Education:

Whether immediate action will be taken in the 1985 financial year to provide an ecacentre as a joint project to the Oberon High School and Oberon South Primary School, having regard to the total lack of assembly hall accommodation in these schools with a current enrolment of 705 at the high school and 387 at the primary school?

Mr CATHIE (Minister for Education)—The answer is:

No action is planned in the 1985–86 financial year to provide an ecacentre as a joint project to the Oberon High School and Oberon South Primary School. The joint submission from the schools was received by the regional priorities review committee late in 1984 and after inspection of the schools, the project was accorded a medium-term priority. However, a major upgrade at Oberon South Primary School, including the provision of a multipurpose room is anticipated for scheduling in the 1985–86 financial year, depending upon the availability of funds. Whilst assembly hall accommodation is not available at Oberon High School, the school does have an area designed for some physical education activities.
FINANCIAL ACCOUNTING OF PUBLIC WORKS DEPARTMENT  
(Question No. 209)

Mr GUDE (Hawthorn) asked the Treasurer:

1. Whether he gave the Director-General of Public Works authority to not bring to account all debtors and creditors in the annual report of the Public Works Department for the year 1983–84; if so, what were the reasons for his decision?

2. Whether he will assure the Parliament that all such debtors and creditors will be brought to account in the financial year 1984–85 as recommended by the Auditor-General?

Mr JOLLY (Treasurer)—The answer is:

1. and 2. Pursuant to the provisions of section 8 (3) of the Annual Reporting Act, the Director-General of Public Works was granted an exemption in relation to the reporting of debtors as required by regulation 45, and creditors as required by regulation 48, of the Annual Reporting (Departments) Regulations 1984 on 21 September 1984. The department sought to use the definition for debtors and creditors which applied for the preparation of the 1982–83 financial statements. This definition is somewhat narrower than the one prescribed in the regulations, as it provided for the definition of debtors and creditors in terms of accounts or invoices in the department as at the end of June. The definition used in the regulations is the more correct accounting definition in that it looks to the legal liability in respect of both debtors and creditors as at 30 June rather than to accounts on hand. The exemption was granted for a period of one year as the department was not in a position to provide the information required under the definition in the regulations for the 1983–84 financial year.

Substantial progress has been made in the standard of departmental reporting over the past two years and this process will continue, including the appropriate reporting of debtors and creditors by the Public Works Department.

MINERAL RESERVE BASINS SCHEME  
(Question No. 213)

Mr STEGGALL (Swan Hill) asked the Minister for Water Resources:

Further to the Minister’s answer to a question without notice asked in the Legislative Council on 4 October 1984, in respect of the mineral reserve basins scheme in northern Victoria:

1. How is it proposed to dispose of 16 000 tonnes of salt per annum in two basins instead of three, and what is the reason for dispensing with the proposed third basin and whether he will lay on the table of the Library the report of the consultants relating to this proposal?

2. Whether the plaintiffs in action No. 9245 of 1981 have been advised of the altered proposal?

3. In view of advice from the consultants, Caldwell Connell Engineers Pty Ltd, that the commercial sale of salt is not viable, what the commission proposes to do with the salt which it has for years stated it would sell commercially?

4. Whether the Government has now reached a decision in respect of diverting water to Lake Tyrrell in the near future; if so, what are the details?

5. Whether the amendment of section 29 of the Water Act 1968 passed by Parliament in December 1983 has inhibited and restricted the pre-existing rights of the plaintiffs in the above action?

Mr McCUTCHEON (Minister for Water Resources)—The answer is:

Part 1. The Rural Water Commission presented an analysis of the disposal capacity of the 3-Basin Mineral Reserve Basins Scheme in its evidence of December 1978 to the Parliamentary Public Works Committee. Using conservative assumptions, this established that over the 150-year life of the mineral reserve basins scheme, it would provide 17 000 to 21 000 tonne/year disposal capacity additional to that provided by the existing lake Tutchewop disposal scheme. The claimed design disposal capacity, was somewhat less than this—16 000 tonne/year. The basin deleted from the proposal (No. 2) provided less than 10 per cent of the evaporative surface area of the scheme. Correcting the 17 000 to 21 000 tonne/year figures for a 10 per cent reduction still leaves a design capacity of 15 300 to 18 900 tonne/year, that is, 16 000 tonne/year is still a reasonable claim for design capacity. Figures 1, 2 and 3 of the December 1978 submission provide a useful summary of the calculations that were made.

The reason for dispensing with basin No. 2 is that its relatively small evaporative contribution to the scheme is not commensurate with the cost and effort to install the interception arrangements that would be necessary in conjunction with this basin.
I will lay the report by consultant Coffey and Partners Pty Ltd, entitled “Computer Simulation Study of Scheme Operation”, on the Library table, and in addition, a copy of the Rural Water Commission's evidence of December 1978.

Part 2. The consultant's report referred to in Part 1., which contains the recommendation for:
- deletion of basin 2 from the proposal,
- cessation of irrigation on acquired lands, and,
- location and capacity of ten interceptor bores,
was passed to the solicitors for the plaintiffs in 1984.

Part 3. The Rural Water Commission's view on salt harvesting at the mineral reserve basins is that the scheme would be enhanced by salt harvesting, and that it would welcome approaches by salt harvesting firms. However, salt harvesting is not essential for the operation of the scheme as intended. The design life of 150 years was calculated assuming all salt diverted to the basins accumulated in basin 3. The study by Caldwell Connell Engineers Pty Ltd has shown that the cost of additional works to harvest salt plus transport costs to Melbourne would be far in excess of the cost of salt from other sources, and that to be economically viable a salt harvesting operation would need a substantial Government subsidy. It is not proposed to do this. This salt diverted to the mineral reserve basins scheme will accumulate in basin 3; and the groundwaters beneath it, over the 150 years life of the scheme unless at some time in the future salt harvesting is commenced, or a pipeline is constructed from basin 3 to Lake Tyrell or the ocean.

Part 4. The recommendation of the Parliamentary Public Works Committee in progress report No.4 (October 1980) namely “That, in the interests of forward planning, Lake Tyrell be deemed a potential site for disposal of drainage from the Barr Creek catchment with salt harvesting allowed to an extent compatible with the lake's utility for drainage disposal” is accepted. That being said, I add that the pipeline to Lake Tyrell would be very expensive and would not be economically viable unless there were a dramatic change in circumstances. The Lake Tyrell scheme should therefore be regarded as in abeyance for an indefinite period. In the meantime the Government is attracted to the results of the study of the future management of Barr Creek and catchment which show that substantial control of Barr Creek salt load, in addition to that provided by the existing Lake Tutchewop and the proposed mineral reserve basins schemes, can be exercised by measures within the catchment.

Part 5. The referred to amendment to the Water Act has clarified the powers and responsibilities of the Rural Water Commission. It is not for me to comment on any aspect of the plaintiff's legal position in respect of section No. 9245.

WATER TABLE EVAPORATION
(2014)

Mr STEGGALL (Swan Hill) asked the Minister for Water Resources:

1. In view of the Kerang research farm calculations that evaporation from a water table a half a metre is 2 megalitres a year per hectare gross, what calculations the Government has used to justify continuation of the mineral reserve basins scheme based on the environmental effects statement that evaporation by capillary action from the water table at a half a metre would be 10-5 megalitres per hectare gross a year?

2. Whether the Minister accepts the environmental effects statement in relation to the above figures, and in that event, whether he will ascertain and advise where the salt build-up is in the basin area due to the evaporation of highly saline water over the many years the water table has been around half a meter in the area?

Mr McCUTCHEON (Minister for Water Resources)—The answer is:

In its justification for continuing the scheme the Government has used the assessment of groundwater movements and interception arrangements contained in the report by Coffey and Partners “Computer Simulation Study of Scheme Operation”. The function used to simulate evaporation from watertable is shown in figure 13 of that report. Comparisons are difficult because that curve gives a rate of watertable evaporation that varies with open water evaporation. Nevertheless, on a year round basis, this curve would imply that for a watertable half a metre down, gross watertable evaporation would be 5-5 megalitres a year per hectare. The relationship in figure 13 appears to be appropriate for the mixture of soil types at the mineral reserve basins—many of which are Mallee soil types inherently different from those reported on by the Kerang Agricultural Research Farm—as the computer model was able to reproduce observed groundwater movements in the locality using the relationship of figure 13, typical accession (recharge) rates for irrigation, and dryland, and local data on lateral soil permeabilities. In regard to an attempt to quantify the salt build up due to evaporation from the watertable in the years past, so much relevant data dose not exist, namely;

- the soil salinity at whatever point in past time is chosen as the starting point for the analysis.
- any changes in groundwater salinity over the period to be covered by the analysis.
—the history of the watertable level over the period to be covered by the analysis.

A very important factor determining the present soil salinity level would be the periodic ponding in low lying areas of fresh water resulting from surface runoff in wet times such as 1973–75. This fresh water ponding would:
—flush salt accumulated in the surface soil vertically downwards,
—redistribute surface salt laterally,
—provide a fresh water layer on top of the saline water table which would substitute for salt laden groundwater for some indefinite subsequent period of watertable evaporation.

Little has been researched on this mechanism.

Because so many of the essential elements of the calculation suggested do not exist, its chance of producing a conclusive result is almost nil, and it is therefore not proposed to attempt to undertake an analysis of salt buildup in soils where the watertable comes within half a metre of the ground surface.

**NATIONAL COMPANIES AND SECURITIES COMMISSION INQUIRY INTO TEA (1983) LTD**

(Question No. 215)

Mr STEGGALL (Swan Hill) asked the Minister for the Arts, for the Attorney-General:

In respect of the investigations being conducted by the National Companies and Securities Commission into TEA (1983) Ltd—in liquidation:

1. Whether he will ascertain and inform the House whether any shareholder who attended the annual general meeting on 1 November 1982 has been required to attend on the National Companies and Securities Commission and give evidence on oath concerning the address of the chairman and discussions at that meeting?

2. Whether he will ascertain and inform the House when the report by the National Companies and Securities Commission on the failure of the company will be released?

3. Why the report on insider trading, which the Minister has had since December 1983, has not been released and when the Minister proposes to do so?

4. Whether the Attorney-General will prosecute actions in respect of insider trading, against all officers and employees of the company who attempted to dispose of shares in the fortnight prior to the announcement of receivership, that is, the period from 1 May 1983 to 12 May 1983?

5. Whether the Minister is aware that Mr Yeo, an employee of the company and shareholder through a trust, disposed of shares in that period and later repurchased same from the buying broker; if so, whether Mr Yeo will be prosecuted?

6. Whether Sir Roderick Proctor, a shareholder and director of Theo Rod Pty Ltd and a director of the Queensland board, who sold shares in the period 1 May to 12 May 1983, and subsequently repurchased them from the buying broker, will be prosecuted?

7. Whether the Minister is prepared to assist the unfortunate shareholders of TEA (1983) Ltd—in liquidation, by introducing legislation to relieve them of the liability to pay a call in view of the complicated legal issues raised by the Second Schedule to the Trustee Companies Act 1958 relating to TEA (1983) Ltd?

Mr MATHEWS (Minister for the Arts)—The answer supplied by the Attorney-General is:

The analysis of investigation data is still continuing, and:

1. Such a member has given evidence to the National Companies and Securities Commission.

2. The release of the report is a matter within the discretion of the Ministerial Council for Companies and Securities and no decision has yet been made on a date for release.

3. The report has not been released as the Ministerial Council has certified that the publication of the report at this stage would be prejudicial to the administration of justice.

4. 5 and 6. Any future action to be taken as a result of recommendations made in any report of the National Companies and Securities Commission remains confidential.

7. No legislation to that effect is presently under consideration.
TAFE COURSES IN HAIRDRESSING
(Question No. 221)

Mr LIEBERMAN (Benambra) asked the Minister for Education:

1. What steps are being taken to enable the development of TAFE courses for training of young Victorians in hairdressing?

2. How many inquiries have been undertaken and concluded over the past three years into the possibility of TAFE providing such courses although they are presently provided as indentured trade courses?

3. What are the details of each such inquiry?

4. Whether copies of reports prepared in each inquiry will be made available?

5. Whether there are any inquiries still current; if so, what are the details, whether copies of interim reports will be made available and when the inquiry is to be completed?

Mr CATHIE (Minister for Education)—The answer is:

1. TAFE currently provides training for all apprentice hairdressers in Victoria at Flagstaff, Box Hill, Gordon, Ballarat and Bendigo Colleges of TAFE. In addition, TAFE provides post-trade, retraining and bridging courses in hairdressing.

2. TAFE has not undertaken any inquiries related to the hairdressing industry over the past three years. However, TAFE has participated in an inquiry conducted by the Ministry of Employment and Training into "Labour market impacts of alternative training arrangements for the Victorian Hairdressing and Beauty Industries".

3. Not applicable.

4. Not applicable.

5. Not applicable.

LIBRARY FACILITIES AT GROVEDALE WEST PRIMARY SCHOOL
(Question No. 222)

Mr DICKINSON (South Barwon) asked the Minister for Education:

When the Government will provide the necessary funds to meet the cost of extensions to the library facilities at Grovedale West Primary School to meet the pressing needs of the 600 students currently enrolled at that school?

Mr CATHIE (Minister for Education)—The answer is:

The program for the provision of additional or upgraded facilities at schools is recommended by the regional priorities review committee following the receipt of submissions from schools. No formal submission has been received from Grovedale West Primary School requesting an upgrade of library facilities as a major work. An extension of the library has been requested by the school to be undertaken as a minor work. This request will be considered along with submissions made from all other schools in the Barwon-South Western region for possible funding in the 1985-86 minor works program.

RESIDENCES OWNED BY DEPARTMENT OF THE PREMIER AND CABINET
(Question No. 233)

Mr BROWN (Gippsland West) asked the Premier:

In respect of all residences owned by departments, agencies and authorities within his administration as at 1 April 1985, and which have been vacant for two months or longer, what is the length of time each has been vacant, the location and the reason?

Mr CAIN (Premier)—The answer is:

No residences are owned by the Department of the Premier and Cabinet or agencies and authorities within my administration.
RESIDENCES OWNED BY ETHNIC AFFAIRS COMMISSION
(Question No. 245)

Mr BROWN (Gippsland West) asked the Minister for Ethnic Affairs:

In respect of all residences owned by departments, agencies and authorities within his administration as at 1 April 1985, and which have been vacant for two months or longer, what is the length of time each has been vacant, the location and the reason?

Mr SPYKER (Minister for Ethnic Affairs)—The answer is:
The Ethnic Affairs Commission does not own any residences.

RESIDENCES OWNED BY DEPARTMENT OF SPORT AND RECREATION
(Question No. 246)

Mr BROWN (Gippsland West) asked the Minister for Sport and Recreation:

In respect of all residences owned by departments, agencies and authorities within his administration as at 1 April 1985, and which have been vacant for two months or longer, what is the length of time each has been vacant, the location and the reason?

Mr TREZISE (Minister for Sport and Recreation)—The answer is:
All departmental residences were occupied during the two month period prior to 1 April 1985.

RESIDENCES OWNED BY PUBLIC WORKS DEPARTMENT
(Question No. 247)

Mr BROWN (Gippsland West) asked the Minister for Public Works:

In respect of all residences owned by departments, agencies and authorities within his administration as at 1 April 1985, and which have been vacant for two months or longer, what is the length of time each has been vacant, the location and the reason?

Mr WALSHE (Minister for Public Works)—The answer is:
Neither the Public Works Department, nor agencies or authorities under its control, own any residences.

RESIDENCES OWNED BY DEPARTMENT OF CONSERVATION, FORESTS AND LANDS
(Question No. 249)

Mr BROWN (Gippsland West) asked the Minister for Education, for the Minister for Conservation, Forests and Lands:

In respect of all residences owned by departments, agencies and authorities within her administration as at 1 April 1985, and which have been vacant for two months or longer, what is the length of time each has been vacant, the location and the reason?

Mr CATHIE (Minister for Education)—The answer supplied by the Minister for Conservation, Forests and Lands is:
No residences of the Department of Conservation, Forests and Lands that are fit for habitation have been vacant for a period over two months, as at 1 April 1985.

BUDGET ALLOCATION FOR DISTRIBUTION BY DEPARTMENT OF MANAGEMENT AND BUDGET
(Question No. 285)

Mr BROWN (Gippsland West) asked the Treasurer:

1. Whether any moneys were allocated by departments, agencies and authorities within his administration in the State Budget delivered on 18 September 1984 which would be available for distribution at his discretion; if so, what is the amount allocated?

2. Whether such discretionary funds were available within the 1983–84 State Budget; if so, what amount?
Mr JOLLY (Treasurer)—The answer is:

1. An amount of $65 million is allocated under program No. 729—Advance to Treasurer, “to enable the Treasurer to meet urgent claims that may arise before Parliamentary sanction therefor is obtained, which will afterwards be submitted for Parliamentary authority” in the Appropriation (1984–85, No. 1) Act 1984.

2. An amount of $119 million was allocated under Division No. 403—for a similar purpose as outlined in paragraph 1 in Appropriation (1983–84, No. 1) Act 1983.

Details of expenditure from the Advance to Treasurer in 1983–84 are shown in the table to section 17 of the Appropriation (1984–85, No. 1) Act 1984.

WATER AND SEWERAGE AUTHORITIES

(Question No. 305)

Mr DELZOPPO (Narracan) asked the Minister for Water Resources:

1. Whether the Government has reduced the number of water and sewerage authorities from 339 to 150 water boards and 43 local government councils?

2. Whether the Government has any plan either in the short term or long term to further reduce the number of water/sewerage authorities?

3. Whether he or officers of his department have considered any proposal to reduce the number of water/sewerage authorities?

Mr McCUTCHEON (Minister for Water Resources)—The answer is:

1. The major program of restructuring urban water and sewerage authorities in Victoria is now virtually completed. All but one of the 150 recommendations in the Public Bodies Review Committee's Sixth Report have now been acted on, with the only exception being in relation to the Latrobe Valley Water and Sewerage Board.

The program has resulted in the abolition so far of 330 former waterworks trust, local governing bodies and sewerage authorities, and the transfer of their functions to 102 newly constituted water boards, 43 municipal councils or to the Melbourne and Metropolitan Board of Works. Arrangements have been made for a further seven local authorities on the Mornington and Bellarine peninsulas to be abolished in 1986 and for their functions to be transferred to the Mornington Peninsula and District Water Board and the Geelong and District Water Board.

Enabling legislation will be required to abolish the long defunct Shire of Kerang Waterworks Trust and this will be included in a legislative package in the future.

At this stage no arrangements have been made for any restructuring of the last of the 339 authorities covered by the PBRC Sixth Report, namely the Latrobe Valley Water and Sewerage Board.

2. The Government is not considering any plan to further reduce the number of local water and sewerage authorities.

3. From time to time the Department of Water Resources becomes aware of management difficulties being encountered by small water boards in particular. In these circumstances it may be feasible for amalgamations with nearby bodies to be negotiated. The result could well be that over the coming years there will be a small reduction in the number of local water and sewerage authorities in the State.
The following answers to questions on notice were circulated—

EMPLOYEES OF MINISTRY OF CONSUMER AFFAIRS
(Question No. 39)

Mr DICKINSON (South Barwon) asked the Minister for Consumer Affairs:

1. What is the number of permanent and part-time employees, respectively, in the Ministry of Consumer Affairs?
2. What was the total wages bill for the financial year ended 30 June 1984?
3. What percentage of this bill was paid in overtime and penalty rate allowances?

Mr SPYKER (Minister for Consumer Affairs)—The answer is:

1. The Ministry of Consumer Affairs currently has 138 permanent staff full-time and 7 part-time employees.
2. The total wages bill for the financial year ended 30 June 1984 was $3,464,083.
3. 1.1 per cent ($38,099) was paid in overtime and penalty rate allowances.

GOVERNMENT PUBLICATIONS OF EDUCATION DEPARTMENT
(Question No. 64)

Mr BROWN (Gippsland West) asked the Minister for Education:

In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within his administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?
2. Whether the design and placement of each publication was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?
3. Whether he will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr CATHIE (Minister for Education)—The answer is:

The time, cost and resources necessary to prepare an answer to this question can not be justified.

However, I would be happy to give consideration to any request made by the honourable member, about a specific publication.

GOVERNMENT PUBLICATIONS OF DEPARTMENT OF COMMUNITY SERVICES
(Question No. 78)

Mr BROWN (Gippsland West) asked the Minister for Consumer Affairs, for the Minister for Community Services:

In respect of all costs associated with the production of all books, brochures, pamphlets, documents or publications of any kind published by each department, agency and authority within her administration in the three year period ended 2 March 1985:

1. What was the cost and purpose of production of each publication?
2. Whether the design and placement of each publication was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?
3. Whether she will provide any other information required in order to enable the public to establish the full extent and cost of such publications over the above period?

Mr SPYKER (Minister for Consumer Affairs)—The answer supplied by the Minister for Community Services is:

As this question requires an inordinate amount of time and resources, I am unwilling to answer it in the general terms in which it is asked. I would be happy to give consideration to any query that the honourable member may have about a specific publication.

ADVERTISING BY DEPARTMENT OF COMMUNITY SERVICES

(Question No. 119)

Mr BROWN (Gippsland West) asked the Minister for Consumer Affairs, for the Minister for Community Services:

In respect of all advertising undertaken by each department, agency and authority within her administration in the three year period ended 2 March 1985:

1. What was the purpose of each advertisement or advertising undertaking, indicating which advertising organization was involved and the total expenditure in each case?

2. Whether the design and placement of each advertisement or undertaking was prepared by staff under the Minister's control or by outside staff, organizations or consultants, indicating the cost in each instance and in the case of outside assistance the names of people and organizations involved?

3. Whether she will provide any other information required in order to enable the public to establish the full extent and cost of such advertising over the above period?

Mr SPYKER (Minister for Consumer Affairs)—The answer supplied by the Minister for Community Services is:

As this question requires an inordinate amount of time and resources, I am unwilling to answer it in the general terms in which it is asked. I would be happy to give consideration to any query that the honourable member may have about a specific advertisement.

ARCHITECTS EMPLOYED BY MINISTRY OF HOUSING

(Question No. 160)

Mr GUDE (Hawthorn) asked the Minister for Housing:

How many qualified architects were employed within the departments and agencies now under his control in the years 1982-84, inclusive, and in 1985 as at 16 April?

Mr WILKES (Minister for Housing)—The answer is:

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ARCHITECTS EMPLOYED BY DEPARTMENT OF COMMUNITY SERVICES

(Question No. 173)

Mr GUDE (Hawthorn) asked the Minister for Consumer Affairs, for the Minister for Community Services:

How many qualified architects were employed within the departments and agencies now under her control in the years 1982-84, inclusive, and in 1985 as at 16 April?

Mr SPYKER (Minister for Consumer Affairs)—The answer supplied by the Minister for Community Services is:

No architects were employed by my department during the periods in question.
Mr BROWN (Gippsland West) asked the Minister for Housing:

Whether he will provide the names of all persons employed by the Ministry of Housing to conduct public housing surveys during the three-year period up to 15 April 1985, including the date of commencement of each person and the duration of their term of employment, the source of funds to pay these persons and whether any of the persons employed were at the time either previous or present employees of the Ministry of Housing?

Mr WILKES (Minister for Housing)—The answer is:

The names of all persons who were employed in the public housing condition survey, together with commencing and termination dates, are set out on the attached schedule.

The project was a Community Employment Program sponsored by the Ministry of Housing. The target group employees were paid by the Community Employment Program allocation for wages which was a total of $899 268.

The only new position created and paid for by the Ministry of Housing was for the co-ordinator.

Ron Ridd was a previous employee of the Ministry of Housing, and Vincent Rogers was seconded for a short term from the Ministry of Housing, Maintenance Branch.

Numerous existing staff contributed portions of time to the development of the project and training of the target group.

The 30 per cent contribution to the project by the Ministry of Housing totalled $435 670 and covered—

Workers compensation
Pay-roll tax
Supervisors and specialist wages
Transport
Equipment purchase
Equipment hire and its transport
Power
Fuel
Rent
Administrative costs
Consultants
Audit fees
Insurance fees (other than workers compensation)
Software
Telephones

Public Housing Condition Survey
List of Staff

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Owen Wen 30.4.83 8.3.85
Brenda White 10.10.84 8.3.85
Hisham Zeydan 12.6.84 8.3.85
Jerzy Zielinski 3.5.84 8.3.85

RESIDENCES OWNED BY DEPARTMENT OF MANAGEMENT AND BUDGET
(Question No. 237)

Mr BROWN (Gippsland West) asked the Treasurer:
In respect of all residences owned by departments, agencies and authorities within his administration as at 1 April 1985, and which have been vacant for two months or longer, what is the length of time each has been vacant, the location and the reason?

Mr JOLLY (Treasurer)—The answer is:
The State Bank had flats above or behind branch premises at Armadale, Elsternwick and Yarrawonga which were vacant for periods of five to six months due to building alterations or pending sale.

No other departments, agencies or authorities within my administration own any residences.

RESIDENCES OWNED BY MINISTRY OF CONSUMER AFFAIRS
(Question No. 244)

Mr BROWN (Gippsland West) asked the Minister for Consumer Affairs:
In respect of all residences owned by departments, agencies and authorities within his administration as at 1 April 1985, and which have been vacant for two months or longer, what is the length of time each has been vacant, the location and the reason?

Mr SPYKER (Minister for Consumer Affairs)—The answer is:
The Ministry of Consumer Affairs owns no residences.

RESIDENCES OWNED BY DEPARTMENT OF COMMUNITY SERVICES
(Question No. 253)

Mr BROWN (Gippsland West) asked the Minister for Consumer Affairs, for the Minister for Community Services:
In respect of all residences owned by departments, agencies and authorities within her administration as at 1 April 1985, and which have been vacant for two months or longer, what is the length of time each has been vacant, the location and the reason?

Mr SPYKER (Minister for Consumer Affairs)—The answer supplied by the Minister for Community Services is:
My department does not own any residences.

EXPENDITURE BY MINISTRY OF CONSUMER AFFAIRS ON ABORIGINAL AFFAIRS
(Question No. 264)

Mr BROWN (Gippsland West) asked the Minister for Consumer Affairs:
1. What was the expenditure by departments, agencies and authorities within his administration in the 1984-85 financial year on matters directly related to Aboriginal affairs?
2. What is the estimated expenditure for the 1985–86 financial year in this area?

3. How many staff are employed in each organization, indicating whether full time or part time, and in relation to part-time employees the number of hours devoted a week to work associated with Aboriginal affairs?

4. What are the costs of all overheads in each organization in connection with employment of staff in the area of Aboriginal affairs?

Mr SPYKER (Minister for Consumer Affairs)—The answer is:

1. The Ministry of Consumer Affairs did not expend moneys in the 1984–85 financial year on matters directly related to Aboriginal affairs.

2. No expenditure is estimated for Aboriginal affairs in the 1985–86 financial year.

3. No full-time or part-time staff are employed to work directly on matters associated with Aboriginal affairs.

4. In view of the answers above, there are no overheads in connection with the employment of staff in the area of Aboriginal affairs.

BUDGET ALLOCATION FOR DISTRIBUTION BY MINISTRY OF CONSUMER AFFAIRS

(Question No. 294)

Mr BROWN (Gippsland West) asked the Minister for Consumer Affairs:

1. Whether any moneys were allocated by departments, agencies and authorities within his administration in the State Budget delivered on 18 September 1984 which would be available for distribution at his discretion; if so, what is the amount allocated?

2. Whether such discretionary funds were available within the 1983–84 State Budget; if so, what amount?

Mr SPYKER (Minister for Consumer Affairs)—The answer is:

1. $145 000 was allocated in the 1984–85 State Budget for a grants program to assist recognized non-profit consumer and community groups and is allocated at the discretion of the Minister. Recipients of grants were advised and a public announcement was made in February 1985.

2. No funds were allocated in the 1983–84 financial year which were available for distribution at the discretion of the Minister.

BUDGET ALLOCATION FOR DISTRIBUTION BY MINISTRY OF HOUSING

(Question No. 297)

Mr BROWN (Gippsland West) asked the Minister for Housing:

1. Whether any moneys were allocated by departments, agencies and authorities within his administration in the State Budget delivered on 18 September 1984 which would be available for distribution at his discretion; if so, what is the amount allocated?

2. Whether such discretionary funds were available within the 1983–84 State Budget; if so, what amount?

Mr WILKES (Minister for Housing)—The answer is:

All funds allocated in the Budget for the Ministry of Housing are identified for particular programs and purposes. Within the programs approved in the Budget the Minister has the power to approve or not approve expenditure proposals brought forward.

HOUSING COMMISSION PENSIONER TENANTS

(Question No. 320)

Mr HEFFERNAN (Ivanhoe) asked the Minister for Housing:

1. How many Housing Commission tenants are pensioners?

2. Of those who are pensioner tenants, how many have had an increase in the Housing Commission rents following the recent rise in pension incomes?

3. Of those pensioner tenants who have suffered an automatic rent increase, how many suffered a rent increase of at least 90 per cent and how many at 100 per cent of the pension income increase?
4. How many pensioner tenants have had their rent increased each time the pension increased, during the past three income increases and during the past two income increases?

Mr WILKES (Minister for Housing)—The answer is:
1. *27 178
2. *27 178
3. None

4. All pensioner tenants in receipt of rental rebate during the past three and past two income increases had their rent increased as a direct result of pension increases.

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<td>Increase of May 1985</td>
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* These figures represent the number of pensioner tenants in receipt of rental rebates. I am unable to determine the number of pensioner tenants who do not receive rental rebates.
Tuesday, 16 July 1985

The SPEAKER (the Hon. C. T. Edmunds) took the chair at 2.7 p.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

ALCOA OF AUSTRALIA LTD

Mr KENNETT (Leader of the Opposition)—Is the Premier prepared to confirm and name now the third partner for the Alcoa of Australia Ltd project that signed agreements with the Government on 30 June to be able to take advantage retrospectively of changes in the trust laws of this country?

Mr CAIN (Premier)—On a number of occasions I have said that, for reasons of commercial sensitivity and commercial propriety, announcements such as the kind the Leader of the Opposition contemplates should be made in accordance with accepted forms. I note his interest and hope my remarks in this House three weeks ago urging support for the project from all sides of the House have fallen on fertile ground. I welcome his apparent constructive interest.

The Government remains confident, as does Alcoa of Australia Ltd, that additional equity participation will be attracted but, in the meantime, the project proceeds at pace. Some 1200 people are employed on the site.

Honourable members interjecting.

Mr CAIN—I understand the frustration of the Opposition. It could not get the project started. I think it is to the long-term benefit of the State that we have got it started. As I said, I think there are 1200 jobs on the site. Around the end of the year there will be 1700 jobs, and there will be another 700 jobs or thereabouts off the site. Expenditure on the $1.15 billion project is currently of the order of $550 million. Overall, for the whole of the project, spending is at the halfway mark.

I can say only that I am delighted with the progress made. At the present rate of progress we should have metal coming out of that place towards the end of next year or early the following year.

AUSTRALIAN BICENTENNIAL AUTHORITY

Mr ROSS-EDWARDS (Leader of the National Party)—I refer the Premier to the recent resignation of Mr Ranald Macdonald as a director of the Australian Bicentennial Authority. Is the Premier aware of the details of Mr Macdonald’s serious criticisms about the inefficiencies and waste that are occurring and what action does the honourable gentleman intend to take on behalf of Victoria to ascertain the truthfulness of the accusations? If they are accurate what does the Premier intend to do about them?

Mr CAIN (Premier)—The bicentennial organization consists of the Commonwealth governing body and individual State councils. Victorian funds are directed solely to the State council. The remarks made by Mr Macdonald relate to the national administration only and not to the Victorian expenditure. Nevertheless, I acknowledge the thrust of the question from the Leader of the National Party that Mr Macdonald’s comments are serious and disturbing. The Government supports the airing of the issue.

I have discussed the matter with the Prime Minister on more than one occasion and he advises me that the issues raised by Mr Macdonald are being investigated by his department.
Mr Macdonald resigned from the Commonwealth board and, consequently, from the Victorian council as well. Of course, he remains the chairman of the 150th anniversary celebrations committee and I pay tribute to the job he has done.

Honourable Members—Hear, hear!

Mr CAIN—It is a first-class celebratory period in my view and I hope in the view of all honourable members. We have done well with a budget of $11.6 million.

Mr Ross-Edwards—You should get back to the bicentennial.

Mr CAIN—I am; I was drawing a distinction between what has been done under the chairmanship of Mr Ranald Macdonald, a hard-working committee, with a budget of $11.6 million and adequate and generous support from the commercial world and the points that Mr Macdonald has made about waste and mismanagement. I was pointing out that there has been no attempt to obtain adequate commercial sponsorship commensurate with Federal Government funding. I believe the total Commonwealth commitment is in the order of $140 million or $150 million and the contrast with what has been achieved with only $11.6 million and commercial sponsorship is stark.

I assure the Leader of the National Party that the Government is watching closely what occurs. No consideration has been given to a successor to Mr Macdonald but I do not believe anything more can be done until the Prime Minister and the Commonwealth have finished their investigation of what should be done about the current management.

EMPLOYMENT

Mr STIRLING (Williamstown)—Will the Premier advise the House of the current employment situation in Victoria and what steps the Government intends taking to ensure that Victoria remains the No. 1 employment State?

Mr CAIN (Premier)—The signs have been encouraging indeed. The figures released last week by the Australian Bureau of Statistics show that an additional 31,500 jobs have been created in Victoria since June of last year; as well, unemployment numbers have fallen by some 13,800 over the same period. Victoria’s unemployment rate now is 7.1 per cent, which is even lower than the rate of 7.6 per cent that applied at this time last year. Victoria has by far the lowest unemployment rate of any State in the country.

Mr Roper interjected.

Mr CAIN—I thank the Minister for Transport for his support. The figure is 1.8 per cent lower than the unemployment rate for the rest of Australia and 1.1 per cent lower than that for the next best State. Honourable members opposite may laugh about it but most Victorians would be pleased with those figures.

The Leader of the Opposition has, in the past, been an expert on youth unemployment; he wanted to cut their wages without providing training or anything else. He wanted to cut youth wages in half. In the figures for youth employment, Victoria accounted for 40 per cent of all new jobs provided for people in the fifteen to nineteen-year-old age bracket for the whole of Australia over the past twelve months.

The Government is very proud of those figures and it intends to continue pursuing its policies which are designed to make those figures even better this time next year. All honourable members should be pleased with those sorts of figures when they are viewed against the figures for the rest of the country. I commend all Ministers and all agencies responsible for putting into effect those policies which have aided youth employment.

PROPORTIONAL REPRESENTATION FOR THE UPPER HOUSE

Ms SIBREE (Kew)—I refer to the Premier’s backflip regarding the Upper House and his election attempt to buy the votes of the Australian Democrats by promising proportional representation for that place. I ask the Premier which of the many systems of proportional representation does the Government prefer.
The SPEAKER—Order! It is difficult to hear what the honourable member is asking. The honourable member is offering an opinion at the beginning of her question so perhaps if she dropped that part of the question and got to the point, the House would hear her.

Ms SIBREE—I ask the Premier: Which of the many systems of proportional representation does the Government prefer? Why has it failed to introduce legislation during this sessional period or the autumn sessional period?

Mr CAIN (Premier)—During the campaign I indicated that during the lifetime of the next Parliament, the Government would look at reforming the Upper House.

Mr Kennett—You made a commitment.

Mr CAIN—I said that I hoped that during the lifetime of this Parliament the Government would be looking at legislation which would be completed in the first two years of office. Among the reforms being proposed for the Upper House was proportional representation which is being examined to decide what system of proportional representation should be introduced. In that package of reforms, the Government would be looking to remove the power of the Upper House to reject Supply. That is an extremely important part of the package.

During the next week, a Bill will be introduced into the Upper House by the Government, which will give the Opposition the opportunity of indicating where it really stands on this issue. The Bill will seek to remove the effect of section 62 of the Constitution Act, which gives the Upper House the power to reject Supply. The measure will remove the effect of that section until the end of this Parliament.

Mr Kennett—What are you worried about?

Mr CAIN—I am not worried about anything. The Leader of the Opposition and the Leader of the National Party have for some time now been saying that they did not believe they would ever be in a situation where they would want to refuse Supply. The opportunity will now be given to them of putting their votes where their mouths are. The measure will be introduced some time this week and the opposition parties in the Upper House will be able to decide whether they support the Government on this issue.

If they do, the Bill will be sent to this House during the spring sessional period. I want the measure passed in the Upper House first. The Upper House will decide first. If the opposition parties are not prepared to vote for the Bill in another place during this week, it will prove that I am right in saying that it is humbug and nonsense that they will not refuse Supply. They have the chance to support a sunset clause which will remove that section for the lifetime of this Parliament.

That is what the Leader of the Opposition and the Leader of the National Party expect they will do.

Ms SIBREE (Kew)—On a point of order, my question specifically asked the Premier what system of proportional representation his Government preferred. The question had nothing to do with the role of the Upper House and its ability to block Supply or proposed legislation of that nature.

The SPEAKER—Order! The honourable member for Kew is well aware of the procedures of the House. A Minister or the Premier may answer the question in any manner he or she sees fit. That practice has been maintained over a long period. The Leader of the Opposition is continuing to interject, which is leading the Premier to debate the subject. I ask the Premier to round off his answer.

Mr CAIN (Premier)—It is part of a package. That package includes proportional representation for multi-member electorates on the same four-year terms as the Assembly. I repeat that part of the package is the removal of the power to reject Supply. The Opposition has its chance this week to show where it stands in the party room and indicate whether it supports the removal of that power. It has every chance to do so in the other
If the Leader of the Opposition is sincere in saying there will be no refusal of Supply in the next three and a half years he should support the Bill in the Upper House, together with the Leader of the National Party.

BUILDERS LABOURERS FEDERATION

Mr HANN (Rodney)—In view of the fact that the Government has a majority in the Legislative Council this week, is the Premier prepared to introduce into Parliament proposed legislation that will control the activities of the Builders Labourers Federation?

Mr CAIN (Premier)—Obviously the Deputy Leader of the National Party has not been reading the newspapers or he would be aware that proposed legislation required to complement any Commonwealth legislation will be introduced into the Victorian Parliament this week.

TENDER FOR HONG KONG RAIL SYSTEM

Mr KIRKWOOD (Preston)—Will the Minister for Transport inform the House of the results of the light rail tender in Hong Kong?

Mr ROPER (Minister for Transport)—I thank the honourable member for the question. It is interesting to note that Opposition members treat a major success by this State as a joke.

Honourable members interjecting.

The SPEAKER—Order! I advise the honourable member for Malvern to cease interjecting.

Mr ROPER—There has been fierce international competition for a $200 million tender for a new light rail system for the New Territories area of Hong Kong. The Australian consortium has put forward a tender that has been accepted by the Kowloon—Canton railway company. That particular tender is the result of considerable work done by Leightons (Asia), a subsidiary of Leighton Holdings, one of Australia's major construction firms, and the Metropolitan Transit Authority, which has provided expert advice during the whole project.

The honourable member for Caulfield, who is interjecting, seems to believe this is not a serious matter. He is suggesting that we are selling our trams and trains. At the Comeng steel plant in Dandenong we are building an additional 70 light rail vehicles for Hong Kong, thus providing 250 extra jobs for Victoria. At the same time we are maximizing the Preston workshops to be able to take part in this major contract.

The Hong Kong officials clearly understand that Australia, and especially Victoria, has much to offer in this area.

Mr Kennett—Can they get an American Express card?

Mr ROPER—I am not sure that the Leader of the Opposition could get an American Express card; I do not know what his credit rating is! However, the credit rating of Victoria is extremely high and that is one reason why the Government acquired this contract.

Not only does the acquisition of this contract give the Government the inside running for the second stage of the project because the contract provides for a $100 million extension to the project, but it also gives Victoria a significant role in further developments in the Republic of China and in North and South America.

Mr Williams—What about employment in Victoria?

Mr ROPER—The honourable member for Doncaster could not give a damn about the employment situation in Victoria.
The SPEAKER—The honourable member for Doncaster is out of order. I warn him for the last time to cease interjecting.

Mr ROPER—As part of the employment objectives of the Government, as the Premier mentioned earlier during question time, the Government is doing what it can to ensure that every advantage that exists in Victoria is fully exploited internationally. Victoria has the second largest light rail system in the Western World after the city of Vienna. This has been put to good account in winning this contract. In the process, there has been co-operation with the private sector, with Leighton Holdings and Commonwealth Engineering (Victoria) Pty Ltd as well as co-operation from the Federal Government, the Prime Minister and the Minister for Trade, Mr Dawkins, and other Ministers and senior officials of the Federal Government. Co-operation has also come from the union movement which acknowledges this contract as a major improvement and expansion of the heavy manufacturing industry in Victoria.

Honourable members opposite will cease laughing when they observe jobs occurring in Victoria as a result of this contract. Perhaps those honourable members will then start thinking about the seriousness of developing this State.

WEST GATE BRIDGE TOLL

Mr I. W. SMITH (Polwarth)—When does the Minister for Transport propose to honour the Government's promise to remove the toll on the West Gate Bridge?

Mr ROPER (Minister for Transport)—Honourable members opposite might remember that among the multitudinous transport promises made by the Leader of the Opposition at the last election was the introduction of a series of tollways which I am sure the honourable member for Polwarth does not support.

The Government made a commitment at the last election campaign that the West Gate Bridge toll would be removed.

Mr Kennett—When?

Mr ROPER—Discussions are currently occurring with the employee organizations involved. Once those discussions are completed, the toll will be removed.

Mr Maclellan—When?

Mr ROPER—I remind honourable members opposite that if by some mischance the Kennett or the Smith Opposition had been elected after the last election campaign, additional tolls on Victorian motorists would have been imposed, not fewer as under the Cain Government.

RECENT INCIDENTS AT VFL MATCH

Mr SIMPSON (Niddrie)—Will the Minister for Police and Emergency Services advise the House of the process adopted by the Victoria Police Force in dealing with incidents that occurred at a recent VFL match?

Mr MATHEWS (Minister for Police and Emergency Services)—The role of the police relating to episodes of violence at sporting fixtures is governed by clear and public guidelines which were introduced under the previous Liberal Government.

On the occasion to which the honourable member refers, the recent Geelong–Hawthorn match, the police who witnessed the game formed the view that a clear breach of those guidelines had occurred.

Mr COLEMAN (Syndal)—On a point of order, Mr Speaker, surely this matter is sub judice in light of the fact that a summons has been issued by the police on a person concerned in that incident.
The SPEAKER—Order! I call the honourable member for Niddrie to address the Chair on the point of order.

Mr SIMPSON (Niddrie)—On the point of order, Mr Speaker, my question was directed at the process that was used, not the specific matter itself.

The SPEAKER—Order! I thank the honourable member for Niddrie for pointing that out. There is no point of order.

Mr MATHEWS (Minister for Police and Emergency Services)—Accordingly, an investigation was initiated by the police. When all the evidence was available, the Chief Commissioner of Police referred the matter to the Director of Public Prosecutions for his advice. It was the firm view of the Director of Public Prosecutions that the evidence justified charges being laid and, accordingly, the Chief Commissioner of Police accepted that advice and acted on it.

THREATENED RESIGNATION OF MINISTER FOR HEALTH

Mr BROWN (Gippsland West)—Will the Premier confirm whether the Minister for Health, after a discussion with the Premier at the recent weekend held at Burnham Beeches Country House, threatened to resign?

Mr CAIN (Premier)—The honourable member well knows that I have a well established practice on Cabinet matters, but I have never heard such a load of rubbish in my life.

GOVERNMENT'S ADVERTISING CAMPAIGN IN QUEENSLAND

Mr JASPER (Murray Valley)—I refer the Minister for Industry, Technology and Resources to the recent advertising campaign in Queensland newspapers by the Department of Industry, Technology and Resources and the Victorian Government attempting to attract industry and business to Victoria. Can the Minister indicate to the House the results, if any, of this program and the cost to the Government?

Mr FORDHAM (Minister for Industry, Technology and Resources)—I have not sought any statistics from my department on the number of inquiries received or the number of responses from companies, but I know that there was an interesting response both in Victoria and in Queensland to that campaign. The Premier of Queensland got very excited about it. Somehow it was all right for the Premier of Queensland to send down his meter maids but not all right for the Victorian Government to highlight the enormous advantages now facing business in the country due to the economic recovery under the Cain Government in Victoria.

The indices reporting from time to time on the levels of employment, unemployment, housing renewals and capital investment all show that Victoria is well ahead of Australia and miles ahead of Queensland. The Government thought it desirable that the people and business community of Queensland should be made aware of the enormous economic growth available in Victoria. I expect it will take some time for the various companies to consider the Victorian options and I am confident considerable fruit will be borne in the future on that matter.

CAPITAL WORKS SPENDING IN EDUCATION

Mrs GLEESON (Thomastown)—Will the Minister for Education inform the House what has been the allocation to capital works programs for education over the past three financial years?

Mr CATHIE (Minister for Education)—The Government has made a major commitment to expanding capital works in the State in order to increase employment and it has been a successful program.
The Government's commitment to education has meant not only doing essential maintenance and upgrading of existing facilities and schools, but also building new schools and facilities throughout the State. Indeed, the allocation by the Cain Government over the past three financial years to the capital works programs in education has totalled a massive $489 million.

That represents an increase of 45 per cent over the commitment during the last three years of the previous Liberal Government. If one compares the current rate of expansion with the level of capital works expenditure undertaken by the previous Liberal Government, one finds that the Liberal Government allocation declined not only in real terms but also in money terms. It declined from $119 million to $107 million during the last three years of the Liberal Government in this State.

If one examines the position of one important region of the State, namely, the region covering Nunawading Province, one notes that the Cain Government has spent more than $15 million on major capital works in that province over the past three years. That means that, had the Liberal Party remained in government, and had the lower level of commitment to capital works expenditure continued as under the former Liberal Party Government, schools such as the Warrandyte High School and Rolling Hills Primary School would never have been built.

This Government has reversed that trend. It has made a commitment to the parents, the teachers, and the children of this State. It has made a commitment to the schools of this State and has greatly increased its capital works expenditure in this area.

**COLLECTION OF ALP MEMBERSHIP FEES**

Mr **STOCKDALE** (Brighton)—As the Government is now facilitating the collection of Australian Labor Party membership fees from members of the Government party, can the Premier inform the House what amount is being charged by the Government either to the members or to the Australian Labor Party for the services being rendered?

The **SPEAKER**—Order! I ask the honourable member for Brighton to advise the Chair how this matter affects Government administration.

Mr **Kennett**—It relates to costs.

The **SPEAKER**—Order! If the Leader of the Opposition wishes to address the Chair, he should rise to do so.

Mr **STOCKDALE**—Clearly, Mr Speaker, where the Government provides a service to a body outside the Government, a question of costs incurred by the Government arises. I have asked a question in respect of the costs incurred in providing that service to members to the Australian Labor Party and to the party itself. I have also asked what action the Government has taken to recover the cost.

The **SPEAKER**—Order! Would the Premier advise the Chair whether he has a responsibility in this matter?

Mr **CAIN** (Premier)—I am prepared to answer the question, Mr Speaker. The honourable member for Brighton seems to be moving from the heady limits or heights of the State Insurance Office to pennies and farthings, or cents.

Honourable members interjecting.

Mr **CAIN**—It is my understanding that a wide range of both Government and non-Government bodies provide a facility of deducting certain payments, if the employees so wish, and making them available to other bodies. As the Treasurer says by interjection, it is a widespread practice. The extent of the practice, as I understand it, depends upon the capacity of the computer and how many programs and different payments one can enter into it.
If anybody approaches an employer, either the Government or other bodies, and puts forward a proposal, it is considered in that light. If members of the Opposition wished to make payments to their building society or to the Liberal Party, I am sure it would be considered in the same way as any other caring employer considers any other application or request by an employee for a deduction to be made.

I do not profess to be a computer whiz, but my understanding is that it is a common practice and that it is no great hassle on anybody’s part to afford that service, if requested by an employee. I should have thought that, as an exercise in goodwill, it would have been encouraged by all employers for employees.

**FILM AND TELEVISION PACKAGE**

**Mr Norris (Dandenong)**—Can the Minister for the Arts provide the House with further details of the Government’s interest in the very large film and television package announced last week by Crawford Productions Pty Ltd?

**Mr Mathews (Minister for the Arts)**—The decision by the Government to single out the film industry in Victoria for accelerated economic development has been a triumphant success.

Three years ago when the Government came to office, Victoria accounted for only 20 per cent of aggregate film production in Australia. In the first year of office the Government was able to lift that figure to 30 per cent, and it is now 40 per cent, which means that Victoria is the largest film-producing State in Australia.

I am delighted to be able to report that as a result of a Government investment of $1.6 million through Film Victoria, the Crawford organization has now been able to put together a film and television mini series production package totalling some $16 million. Prior to the introduction of that package, the film industry in the State was able to provide jobs for something like 1000 Victorians. As a result of this new boost through the Crawford organization an additional 300 jobs will be provided within the industry and elsewhere.

**AMUSEMENT PARLOURS AND PINBALL MACHINES**

**Mr Reynolds (Gisborne)**—Will the Premier release the report of the inter-departmental working party inquiring into amusement parlours and pinball machines, particularly as I understand the Government has been sitting on this report for at least fifteen months?

**Mr Cain (Premier)**—I will make some inquiries as to where that report currently is and whether it is appropriate for release, as the honourable member suggests, and advise him.

**REPRESENTATION ON BOARDS**

**Mr W. D. McGrath (Lowan)**—I ask the Minister for Transport whether it is a fact that the Victorian Farmers and Graziers Association nominee to the V/Line board of management and the grower member appointed to the Grain Elevators Board have been appointed for only one month. If so, can the Minister explain why the appointments were made for only one month rather than the normal term as laid down under legislation?

**Mr Roper (Minister for Transport)**—The legislation allows for appointment to a maximum term. The Government is currently considering the membership of those authorities and to ensure continuity it was decided to appoint people for a briefer term while consideration is given. There is certainly no intention of removing farming and grower interests from those important boards.

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HOUSING SHORTAGES

Mrs Setches (Ringwood)—Can the Minister for Housing inform the House what progress is being made in eliminating poverty-related housing shortages in the outer eastern suburbs, and particularly in the Nunawading Province?

Mr Wilkses (Minister for Housing)—When the Government came to office it was patently obvious that it was necessary to inject large sums of money to relieve housing-related poverty and to overcome the shortage of affordable housing in this State.

The Government responded to that challenge in this way: In 1982–83 it built 3066 units; in 1983–84 it built a further 3000 units, and I am confident it can continue to do this. That is in contrast to 1142 units built by the previous Government in its last year in office.

The Government spent $22 million in estate improvement, compared with $2 million spent by the previous Government. The Government proposes to spend $30 million a year on estate improvement over the next three years.

The Leader of the Opposition, by interjection, inquires as to what this Government has done in the areas of Ringwood, Box Hill and Warrandyte and I shall tell him. In the short space of three years, either by redevelopment or by infill, the Government has built 178 units; it has provided 82 lone person units; also, it has provided an estate improvement program in Box Hill. That is not all that has to be done and the Government acknowledges that, but at least it has made inroads into the housing shortage in the State over the past three years and it will continue to keep up that momentum.

COMPENSATION FOR POLICE OFFICERS

Mr Crozier (Portland)—I ask the Minister for Police and Emergency Services: In the light of the totally inadequate compensation currently available to police officers who are seriously injured in the course of their duties, will the Government initiate a new scale of compensation to more adequately cover all police and other emergency services personnel? If so, will such improved compensation be made available retrospectively to Sergeant Brian Stooke and any other police officers in similar circumstances?

Mr Mathews (Minister for Police and Emergency Services)—I am delighted to note that the honourable member for Portland has acquired the services of the elocutionist who previously advised Mr Lindsay Thompson!

Honourable members interjecting.

Mr Mathews—I believe all members of the House and, indeed, all Victorians would extend their sympathy to Sergeant Stooke and to his family over their predicament. There is some misunderstanding of the financial position of the family inasmuch as several public statements on the matter have created the impression that the only financial resources open to Sergeant Stooke are sums up to a limit of $63,000 in workers compensation. Of course, that is not the case.

Sergeant Stooke will be able to draw his full normal workers compensation entitlement and, in view of the extraordinary gravity of the injuries that he has suffered, it will be open to the compensation board to consider making an additional award. Also, Sergeant Stooke will have available his full entitlements under the police superannuation scheme.

The honourable member for Portland will be aware that over and above these entitlements, on the initiative of members of the Police Force and other Victorian emergency services, an emergency services foundation has been established recently precisely for the purpose of making additional assistance available to emergency services members who are gravely injured or otherwise disadvantaged as a result of their duties.

It may be that the incorporation of that foundation can be consummated rapidly enough for a claim from Sergeant Stooke against that fund to be considered.
I hope the public of Victoria and all members of the House will give generously to the appeal fund which has been established for Sergeant Stooke and his family. It would be appropriate if every member of this House made a donation to that appeal fund.

Mr Perrin—Why does he have to beg; why charity?

Mr MATHEWS—It is matter of regret that the honourable member for Bulleen should reflect on the initiative that has been taken by those who established the appeal.

Mr Kennett—The Government should provide for him.

Mr MATHEWS—I have outlined to the House the arrangements that are in place for Sergeant Stooke. I remind the Leader of the Opposition that those arrangements are in no way different from those with which he was associated as a Minister in the former Liberal Government.

I welcome the initiative of those who have established the appeal fund for Sergeant Stooke and his family. I have supported that appeal and I invite the honourable member for Bulleen to do likewise.

VIOLENCE AT FOOTBALL MATCHES

Mr FOGARTY (Sunshine)—Will the Minister for Sport and Recreation inform the House of the details of a meeting that has been arranged to discuss recent serious incidents at football matches?

Mr TREZISE (Minister for Sport and Recreation)—I am certain that all honourable members deplore what appears to be an increase in undue violence in both senior and junior sport in Victoria and in other States. There has been an increase in the publicity given to such incidents, and perhaps members of the media should consider that point as junior sports players often try to emulate their senior idols. That may be one reason for the increasing amount of violence in junior sport.

The Government will encourage more youngsters to take part in sport for their own sake and for the sake of the community. Therefore, it is of some concern that parents are a little afraid of allowing their children to play sport, particularly football and soccer.

Regarding the meeting to be held next week, it will be attended by representatives of the Victoria Police Force, the Victorian Football League, the Victoria Football Association, the Junior Football Council, the Victoria Soccer Federation and the State Sports Council and other bodies. They will discuss the responsibilities of officials of sporting teams and the role police have to play and whether they should, and how they should, intervene in extraordinary circumstances.

Everyone agrees that reportable incidents always occur in sport. However, in 99-9 per cent of cases, the offences are dealt with by the respective sporting tribunals. In extraordinary circumstances, the police do have a role to play. No individual in this State, whether he be a footballer, basketballer or soccer player, should think that because he is on a sporting arena he can thumb his nose at the police and the law.

In its first year of office, the Cain Government acted to reduce violence amongst crowds at Victorian Football League matches and first-class cricket matches. That was done by introducing a ban on bringing alcohol into the ground. The present policy of purchasing two open cans of beer within the precincts of league football grounds and first-class cricket grounds has had a tremendous effect on reducing violence among spectators.

The meeting will be held to allow those involved in sport, including those involved in all aspects of junior sport, to meet with police with the aim of trying to work out safeguards for the people playing sport and for maintaining the popularity of sport.
PETITION
The Clerk—I have received the following petition for presentation to Parliament:

Cyclists' safety helmets

The humble petition of the Moorleigh High School Council showeth that there is a very high head injury rate among cyclists, especially those of school age.

Your petitioners therefore pray that legislation be introduced to make the wearing of approved safety helmets by cyclists compulsory.

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

By Mr Hockley (201 signatures)

It was ordered that the petition 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:

Education Act 1958—Resumption of land at Carrum Downs and Chelsea—Certificates of the Minister for Education.

Parliamentary Officers Act 1975—

Statement of appointments and alterations of classifications—

Department of the Legislative Council.

Statement of persons temporarily employed—

Department of the Legislative Council.

Statutory Rules under the following Acts:

Alpine Resorts Act 1983—Nos 243, 244, 245.


Dandenong Valley Authority Act 1963—No. 283.

Evidence Act 1958—No. 269.


Fisheries Act 1968—No. 271.


Industrial Training Act 1975—Nos 233, 275, 276.

Mildura Irrigation and Water Trust Act 1959—No. 201.


Nurses Act 1958—No. 255.

Port of Melbourne Authority Act 1958—No. 251.

Public Service Act 1974—No. 228.

Supreme Court Act 1958—Nos 238, 239, 240.

Workers Compensation Act 1958—No. 277.

Town and Country Planning Act 1961:

Bairnsdale—Town of Bairnsdale Planning Scheme, amendment No. 46.
The following proclamations fixing operative dates for various Acts were laid on the table by the Clerk, pursuant to an Order of the House dated 3 April 1985:


Victorian Economic Development Corporation (Amendment) Act 1982—S. 6 (a)—3 July 1985 (Government Gazette No. 68, 3 July 1985.)


APPROPRIATION MESSAGE

The SPEAKER announced the presentation of a message from His Excellency the Governor recommending that a further appropriation be made from the Consolidated Fund for the purposes of the Accident Compensation Bill.

METROPOLITAN FIRE BRIGADES SUPERANNUATION (AMENDMENT) BILL

Mr JOLLY (Treasurer)—I move:

That this Bill be now read a second time.

The Metropolitan Fire Brigades Superannuation Fund was criticized most severely by the report of the Economic and Budget Review Committee into public sector superannuation tabled in Parliament last year. The committee was rightly concerned that nothing had been done to reduce a huge deficit in the fund.

The deficit is a chronic problem which has existed right from the commencement of the Metropolitan Fire Brigades Superannuation Fund in 1976. The upgrading of benefits for firemen at that time in respect of all earlier years of service had an estimated cost $180 million greater than the funds available from the previous superannuation scheme.

Although the new benefits granted were significantly more generous, they were not out of line with the entitlements of other public sector employees. The real problem was that the then Government made no plans for either a capital transfer, or extra contributions over a number of years, to finance that substantial deficit.

The last actuarial review of the fund in 1982 indicated, as stated by the Parliamentary inquiry, that the deficit had more than doubled to $364 million. This was because, apart from the initial shortfall, it is clear on any reasonable assessment that the regular contributions of 7 per cent of salaries by employees and 12 per cent of salaries by the
Metropolitan Fire Brigades Board fixed at the outset have been insufficient even to finance the extra superannuation benefits accruing from year to year.

The Government has already acted to increase Metropolitan Fire Brigades Board contributions to 13 per cent of salaries as from 1 July 1985—those being the maximum rate and the earliest date of change now authorized by the Act.

The major purpose of the Bill is to relax the limit on contributions so that regular contributions should at least be sufficient to finance benefits as they accrue, or, in other words, so that current fire brigades' costs are properly recognized when insurance levies are determined.

The new limit on regular contributions by the Metropolitan Fire Brigades Board will be 21 per cent of salaries, or three times the rate of contributions by employees. Actuarial advice indicates that this should be sufficient to contain the deficit.

Other measures will still have to be taken to bring the fund to solvency, but they will not be taken until the Government decides on structural changes to superannuation to meet all the problems identified by the Parliamentary inquiry.

The amendments also allow the contribution rates to be adjusted at regular intervals rather than every three years. To ensure that progress of the fund is closely monitored, future actuarial reports will be obtained from the Government Actuary, or another actuary approved by the Treasurer.

In addition, the Bill makes a number of machinery amendments to the Act. One is a minor practical change in the authentication of the board seal. Others, of greater significance, relate to employees on leave of absence. The new provisions will allow members of the fund the same three options as contributors to the State Superannuation Fund, and other major public sector superannuation funds, when leave of absence without pay is approved, namely:

(a) Pay no contributions and receive no benefits while on leave, unless any death or disability occurring in the leave period had its origin during the employment prior to the leave;

(b) pay half the expected contribution to maintain death and disablement benefits during the period of the leave; and

(c) pay 3·5 times the expected contributions, to remain entitled to benefits based on total service, including the period of the leave.

The opportunity has also been taken to clarify the position of members of the fund granted leave of absence to serve as full-time officers of the United Firefighters Union. The Bill provides that, subject to approval of the board and payment of employer contributions by the union, the salary payable by the union shall be recognized for superannuation purposes. I commend the Bill to the House.

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

It was ordered that the debate be adjourned until Sunday, September 1.

ACCIDENT COMPENSATION BILL

The Order of the Day for the resumption of the debate on the motion for the second reading of this Bill was read.

Mr FORDHAM (Minister for Industry, Technology and Resources)—I declare that this Bill is an urgent Bill, and I move:

That this Bill be considered an urgent Bill.

Approval of the motion being put was indicated by the required number of members rising in their places, as specified in Standing Order No. 105 (a).
The House divided on the motion (the Hon. C. T. Edmunds in the chair).

Ayes 46
Noes 40

Majority for the motion 6

**AYES**
Mr Andrianopoulos (Teller)
Mr Cain
Miss Callister
Mr Cathie
Dr Coghill
Mr Crabb
Mr Culpin
Mr Cunningham
Mr Ernst
Mr Fogarty
Mr Fordham
Mr Gavin
Mrs Gleeson
Mr Harrowfield
Mrs Hill
Mr Hill
Mrs Hirsh
Mr Hockley
Mr Jolly
Mr Kennedy
Mr Kirkwood
Mr McCutcheon
Mr McDonald
Mr Mathews
Mr Micalef
Mr Norris
Mr Pope
Mrs Ray
Mr Remington
Mr Roper
Mr Rowe
Mr Seitz (Teller)
Mrs Sitches
Mr Sheehan
Mr Shell
Mr Sidiropoulos
Mr Simmonds
Mr Simpson
Mr Spyker
Mr Stirling
Mrs Toner
Mr Tzice
Dr Vaughan
Mr Walsh
Mr Wilkes
Mrs Wilson

**NOES**
Mr Austin
Mr Brown
Mr Coleman
Mr Cooper (Teller)
Mr Crozier
Mr Delzoppo
Mr Dickinson
Mr Evans
(Ballarat North)
Mr Evans
(Gippsland East)
Mr Gude
Mr Hann
Mr Hayward
Mr Heffernan
Mr Jasper
Mr John (Teller)
Mr Kennett
Mr Lea
Mr Leigh
Mr Lieberman
Mr McGrath
(Lowran)
Mr McGrath
(Waratah)
Mr McNamara
Mr Maclellan
Mr Perrin
Mr Pescott
Mr Ramsay
Mr Reynolds
Mr Richardson
Mr Ross-Edwards
Ms Sibree
Mr Smith
(Glen Waverley)
Mr Smith
(Polwarth)
Mr Steggall
Mr Stockdale
Mr Tanner
Mr Wallace
Mr Weideman
Dr Wells
Mr Whiting
Mr Williams

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

That the time allotted in connection with the second reading stage be as follows:

Until 11.30 p.m. this day and from the calling of Orders of the Day, Government Business, on Wednesday, 17 July, until 10.30 p.m. on that day.

In effect the Government is allowing two full days for the second-reading stage of the Bill, which is much longer than is normally the arrangement for other Bills. Given the significance of the measure and the noise generated by the Opposition prior to the commencement of the debate on the Bill, I consider these arrangements to be more than reasonable. I shall also be discussing with representatives from the other parties the
arrangements for the Committee stage, and a further motion with respect to the time allotted for debate during the Committee stage will be made available to the House for its consideration at some stage tomorrow.

The SPEAKER—Order! I advise the House that debate on the matter before the Chair can proceed for an hour and each honourable member is entitled to speak for 10 minutes.

Mr HANN (Rodney)—I place on the record that, in discussions at the meeting of Leaders, which the Deputy Premier chairs, the opposition parties indicated that they were happy to have the second-reading debate go through until 11.30 p.m. tomorrow. At that stage there was no suggestion that the guillotine would be applied. We are extremely surprised to see the Government using it and cutting back the time for the second-reading debate to 10.30 p.m. We believe it is unnecessary for the Government to use the guillotine because of the agreement that was entered into this morning.

Mr KENNETT (Leader of the Opposition)—Again, the Opposition is taken by surprise. The Government did not this morning—as it normally would at a meeting of the Deputy Leaders of all parties—indicate that the guillotine was to be used. The Opposition is not arguing so much about the time for the second-reading debate, because the Government has twelve pages of amendments to bring in, but it is hoped that the Government, in declaring the Bill to be urgent, ensures that it does not deny honourable members—as it did on the Occupational and Health and Safety Bill—the time necessary fully to debate the issue regardless of from which side of the House honourable members come.

The Bill has been on the Government's agenda for a long time and, as I said two weeks ago, there is no reason why this House should not continue to sit until all honourable members are satisfied that they have had the opportunity of properly making their contributions to the debate.

Mr I. W. SMITH (Polwarth)—On the question of time, the Government can easily recall the House next week to discuss any of its proposed legislation that is hanging over at the end of the week. It has heralded this proposed legislation as a major reform and, indeed, it creates an enormous change for both employers and employees. It is a most significant change about which I consider honourable members on the Government side of the House would wish to speak.

The SPEAKER—Order! The honourable member is sufficiently experienced to know that the question before the Chair concerns the matter of time. He does not have the liberty to debate the Bill.

Mr I. W. SMITH—Thank you, Mr Speaker. I was alerting the Government to what I consider would be the requirement of honourable members opposite to discuss the Bill, especially the provisions concerning the common law rights of their constituents. There have been a number of changes over about three stages of the formulation of the proposed legislation and still the Government does not have the measure right. It intends to move many amendments that will require minute by minute consideration during the Committee stage of the Bill and, as sure as night follows day, there will be changes to amendments proposed by the Government, which will require even further time and consideration. There is no doubt that the House will require more time. What has the Government to fear? Why is it trying to ramrod these provisions through?

Mr Fordham—You will have two days.

Mr I. W. SMITH—No, it is not two full days.

If the Government believed that it had all its processes right, there would be no need for amendments at this late stage. The Government does not have all its processes of consultation right and there will be a need for many more amendments as the Bill is gone through. The Government ought to allow whatever time it takes to get the proposed legislation right.

The House divided on the motion (the Hon. C. T. Edmunds in the chair).
The debate (adjourned from July 2) on the motion of Mr Jolly (Treasurer) for the second reading of this Bill was resumed.

Mr STOCKDALE (Brighton) — The Liberal Opposition supports reform of Victoria's workers compensation system, but opposes this Bill for two main reasons:

1. Despite Government lip-service to the objective of a fully-funded system, the scheme of workers compensation proposed in the Bill would not be fully funded.
It risks accumulation of huge unfunded liabilities. It represents the unleashing of another predator on the Victorian public purse. Another scheme which mortgages the future of Victorian families.

(2) The Bill proposes nationalization of workers compensation insurance, a major commercial activity in this State, by the creation of a Government monopoly of workers compensation insurance in the proposed Accident Compensation Commission.

These are not mere incidents of the scheme of this Bill. We oppose the Bill as a whole because these two central objections go to the very heart of the scheme of the Bill. They are central to the new system of workers compensation insurance proposed by the Government.

The Bill is a significant one. All sides of the House are in agreement on that point. It marks the removal of the sheep's clothing from the Cain Government wolf. It involves the naked nationalization of workers compensation in Victoria. As such it marks the creation of a second government monopoly in insurance. Like third-party insurance, it faces Victorians with the prospect of accumulating losses in the thousands of millions of dollars. Together, these insurance monopolies threaten the future prosperity and security of Victoria. At their worst they will drive investment from this State, and together they represent a further step in the mortgaging of the future of Victorian families and even of our children.

The Cain Government has sought, during its first term, and again during its second term, to sell itself to Victorians as a moderate and pragmatic Government. The Bill puts the lie to that image. It shows, full-blown, the revival of the Australian Labor Party's traditional socialist objective—the nationalization of the means of production, distribution and exchange. It shows the industrial and the political wings of the Labor Party united and at one against ordinary Victorians. Only the Government's cronies in the trade union movement have supported the nationalization aspect of this Bill. The Bill amounts to a triumph of ideology over reason. That ideological motivation is brutally exposed by the fact that the nationalization of the system is totally unnecessary for the achievement of reform and, indeed, will tend only to defeat the objective of a more efficient workers compensation system.

The Liberal Party supports reform of Victoria's workers compensation system. We have consistently supported reform along the lines of the Cooney recommendations, but we are opposed to those two main elements of the Bill. We are opposed to the nationalization of workers compensation insurance and to the financial insecurity of the proposed scheme.

The Bill is important, and it will be necessary for me to deal with it at length.

OUTLINE OF SPEECH

My speech will be divided into five broad parts. First, I shall deal with the extent to which the Liberal Party supports the claimed objectives of the Government in this Bill. I shall outline the approach we say should be taken to workers compensation reform.

Second, I shall deal with the way the Government has gone about the reform process—with its pandering to the union movement and with the massive campaign of misinformation conducted, in the main, by the Treasurer and the Premier.

Third, I shall deal with the main grounds of our opposition to the Bill in more detail—

(a) with why we oppose nationalization, and

(b) with the available evidence on the funding of the scheme.

Fourth, I shall deal with the Government's unreal projections of the benefits of the proposed new approach to rehabilitation.

Fifth, I shall deal with a group of major defects in the Bill.
LIBERAL PARTY SUPPORTS REFORM

I commence by emphasizing that the Liberal Party supports reform of Victoria's workers compensation system. Our opposition to the passing of this Bill cannot be seen as reflecting any lack of commitment to reform. Our stance should not be represented by the Government or by anyone else as lacking that commitment.

To ensure that our criticisms of the Bill are put in their proper perspective, I propose to commence by outlining the reforms we say are appropriate and should be included in the Bill. Many of our objectives are consistent with the rhetoric of the Government's statements and publications about its objectives. I shall go on to show later that in the final analysis the Government has retreated from those objectives.

The Victorian Liberal Party has strongly established credentials in the movement for reform of Victoria's workers compensation system.

Mr Remington—How?

Mr Stockdale—If the honourable member will close his mouth and open his mind, he will hear how.

In November 1984 we published our policy. That policy was a comprehensive and detailed proposal for significant and substantial reform of workers compensation. It broadly adopted the reforms suggested by the Cooney committee of inquiry.

The introduction to the policy spelt out the central perspective of the party, and I quote that introduction:

A NEW POLICY FOR OCCUPATIONAL SAFETY AND REHABILITATION

The first priority of Liberal policy on occupational safety and rehabilitation is the security of all employees.

- Physical security in the workplace.
- Financial security in the event of an accident.
- Family security in the case of permanent withdrawal from the workforce.

Only a comprehensive, fully-funded system of occupational safety and compensation can properly achieve these objectives, in a cost-efficient way.

There are no short-cuts to easing the costs of the present workers compensation scheme. If benefits are to be maintained in real terms there can be no move away from the present fully-funded system. In particular, all proposals for a Government monopoly must be strongly resisted. Where monopolies have been introduced elsewhere—as in Queensland and New Zealand—benefits are now significantly lower than those available to Victorian workers. Further, a Government monopoly in Victoria would represent the "nationalization" of an existing and legal business. It would be the first step towards the nationalization of the entire insurance industry.

It is the aim of the next Liberal Government to institute a system of industrial safety, rehabilitation and compensation that is fair, efficient and comprehensive. This document outlines how that aim will be achieved.

That was the introduction to a detailed and comprehensive policy, so it is clear that the Liberal Party policy has always recognized a set of objectives:

1. Security of workers;
2. Reduced costs for Victorian employers;
3. Maintenance of a fully-funded scheme; and
4. Opposition to nationalization of workers compensation insurance.

I turn then to outline the objectives and reforms we say should be included in this Bill and in any new workers compensation approach. These points are marked by two factors:

(a) They have widespread, if not universal support; and
(b) they do not involve the creation of a Government monopoly over workers compensation insurance.

Mr Remington—Tell us about the third-party insurance system and the State Insurance Office.

Mr STOCKDALE—I am sure the Treasurer would not uphold the existing third-party system as an advertisement for the funding potential of the workers compensation scheme. He has done everything he can to distance the funding of this scheme from the funding basis of the third-party scheme. Under his stewardship that scheme has, on his own admission, lost approximately $1600 million in the past three years, and the reality is that the figure will be above $2000 million by the time the next report sees the light of day.

The first two factors are contextual in nature:

1. There is agreement that present worker benefits should be maintained.

About that, however, I say three things:

(a) The Government proposes to increase statutory benefits—it claims by 20 per cent on average. But increased statutory benefits must be viewed against the restrictions on access to damages in common law proceedings.

(b) Certain features of the package will actually reduce the protection afforded injured workers—especially for the most severely disabled and for workers now earning more than $26 000 per annum, and many workers fall into that category. At present an injured worker is able to recover common law damages which compensate him for the actual loss he has suffered in terms of lost earning capacity. The proposed scheme confines his protection to a pension of 80 per cent of his ordinary earnings up to a maximum of $400 a week. This means an injured worker's income, perhaps for the rest of his lifetime, will be pegged, in today's values, to $20 800 per annum. Certainly that benefit will be indexed annually but the scheme provides no protection to the extent:

(i) the worker's income exceeds $26 000; or

(ii) the worker might have had reasonable prospects of increased earning capacity, for example, an articled clerk injured and thus denied a career as a lawyer. An articled clerk disabled by injury will be restricted to a pension of 80 per cent of his articled clerk's earnings irrespective of the fact that he had reasonable prospects of future earnings as a lawyer.

(c) There is widespread abuse of the present system. In important respects the new system, on the one hand, increases employers' exposure to enforcement processes and penalties but, on the other hand, reduces or eliminates controls on workers' access to benefits. I will come back to this later but now I cite an example. In relation to industrial diseases section 13 of the current Act provides:

If it is proved that the worker has at the time of entering the employment wilfully and falsely represented himself in writing as not having previously suffered from the disease compensation shall not be payable.

So there is a loss of rights to benefits, but only where the employee at the time of entering employment wilfully and falsely makes a representation in writing. That is not a particularly draconian provision; not a provision that can be described as anything other than reasonable to protect against wilful and false fraud on the system, but what has happened to it?

On 1 June the Opposition released a draft Bill. In that version of the Bill a provision equivalent to section 13 was included as clause 74 of the Bill. In the draft proposals released by the Treasurer on 4 June that clause was entirely omitted. It is again omitted from the present Bill. The Bill, therefore, is completely open to wilful and false fraud by an employee and he will still qualify for the benefits. That has been a continuing concern to the people with whom the Liberal Party has been consulting and, as a result of their expressions of concern, at a conference at the Regent Hotel on 27 June I raised that matter.
with the Treasurer, who gave an assurance that that sort of fraudulent practice would be
dealt with in the Bill introduced into Parliament. He has not fulfilled that assurance he
gave to the people at the Regent Hotel. There can be no justification for the removal of
that protection to employers and the fund. The omission of the provision opens the fund
to abuse by employees. They will be able to claim compensation even for diseases in
relation to which they wilfully mislead their employer at the time of engagement.

2. There is agreement that the scheme should be fully funded. Any other approach
simply defers current liabilities to be met by future employers or by the taxpayer. It is
agreed that the unfunded system simply mortgages the future of Victorian taxpayers and
the future of the State. That much is said in Cooney's report, is admitted by the Government
and is consistently supported by the Liberal Opposition. The Government subscribes but
only in rhetoric—I shall come back to deal with that matter. There is agreement on a wide
range of actual reform measures.

3. Greater emphasis should be placed on prevention of injury and disease in the
workplace. We agree that there is a need for new occupational health and safety legislation.
We oppose only small, but important, parts of the Government's new Occupational
Health and Safety Bill. The Bill, as it stands, is nothing less than a vehicle for increased
power to the most militant unions. It was correctly described by the Leader of the
Opposition as a Trojan horse for socialism.

Appropriate new legislation can assist in improving workplace safety. Indeed, it was the
last Liberal Government which, in 1981, introduced the Industrial Safety Health and
Welfare Act. The present Government has failed to bring into effect key parts of the
scheme of that Act. That Act reflected the concern of the previous Liberal Government
for increased emphasis on safety in the workplace—on prevention of industrial accidents,
claimed by the Government to be at the core of the benefits to result in the financial
integrity of the scheme.

There is evidence that increased emphasis on prevention has had beneficial effects. This,
of course, is not entirely due to legislative change. Legislation has an important role but
the major factor is attitudes—attitudes of employers and workers, especially at shopfloor
level.

From my own experience in industry, I am aware that, in recent years, many employers
have upgraded their approach to safety, accident prevention and rehabilitation. That
action arose partly from increased awareness of the need for provision of improved
workplace safety and partly from the very substantial increases in compensation premiums
and other costs associated with industrial accidents. No doubt, though, the 1981 Act
passed by the previous Liberal Government played a part.

The Government's planning for its proposed scheme and the costings associated with it
were based on out-dated material in relation to the incidence of industrial accidents. The
Government's approach failed to reflect the improvements in industrial safety after 1982.

Page 86 of the Green Book, Victoria Workers' Compensation Reform, Government
Statement No. 5, indicates that, in the main, the Government relied upon statistical
returns for the years 1977-78 to 1981-82.

Accidents and claims rates were projected forward on the basis of the upward trend
applying during that period. In fact, claims—and I would suggest accidents—had begun
to decline after 1982.

I seek leave to incorporate in Hansard a table showing the incidence of claims between

Leave was granted, and the table was as follows:
Mr STOCKDALE—The table shows that the basis of the projections made by the Government was not sound. To my knowledge, none of the costings published last night at the eleventh hour, and released to the Opposition this morning, had been revised on the basis of the later data indicating that since 1982 there has been a decline in the number of claims and, therefore, the number of accidents.

The table shows a high point of 210,000 claims in 1981-2 but then a fall in the two succeeding years: 192,000 in 1982-3 and 185,000 in 1983-4.

The Government assumed an increasing incidence of claims. In reality there has been a reduction of 12 per cent since 1981-82. Although this calls in question the Government’s costings it is also encouraging.

It is encouraging for two reasons:

(1) It suggests that policies aimed at prevention will work; and

(2) the obvious relationship between costs, investment in improved safety and lower claims incidence suggests that bonuses and penalties will affect improvements in risk management.

4. Greater emphasis on rehabilitation. We also support that objective but we say:

(a) Rehabilitation cannot be expected to produce savings of the extent and with the speed assumed in Government costings;

(b) to be effective, rehabilitation must be truly voluntary; and

(c) non-Government rehabilitation services are most likely to be effective especially if Government facilities are seen to be associated with the authorities responsible for controls on benefits.

Later, I shall refer to the errors and incorrect assumptions in the Government’s approach to the significance of rehabilitation in terms of reducing costs throughout the system.

5. Increased incentive for improved safety management by a greater range of bonuses and penalties on premiums.

6. Abolition of stamp duty on premiums.

7. Abolition of the workers’ supplementation fund levy—this currently adds 9 per cent to premiums but is now unnecessary.

8. Reasonable measures designed to overcome evasion of premiums.

9. Substantial upgrading of the statistical data base.

10. A wider scope for employers to self insure.

11. A range of machinery measures designed to speed up settlement of the 5 per cent of claims which are disputed.
For example:

(a) bringing conciliators into the process;
(b) requiring parties to exchange medical evidence; and
(c) compulsory pre-hearing conferences.

That is a long list of substantial reforms. Most were recommended by the Cooney inquiry, and they have widespread support.

Their introduction could have been commenced very much earlier than 1 September this year without the controversy and discontent surrounding the Government's present proposals.

None of those measures requires nationalization of workers compensation insurance, the creation of a Government monopoly or the creation of a whole new Government bureaucracy. Together they would have had major impact on employers' premiums. Even alone, abolition of stamp duty and the supplementation levy would have saved employers 16 per cent of base premium costs.

Whatever else happened, the Government could have taken those two steps a long time ago. If the Government had been seriously concerned about costs to employers it would have taken that action long before now.

THE COURSE OF REFORM

The history of workers compensation under the Cain Government discloses that the whole exercise has not really been directed at reform in the interests of the wider Victorian community and employers. It has been marked by the same pandering to the union movement as has marked the rest of this Government's period in office.

I refer to four sets of facts to illustrate that point:

(1) The fact that the Cain Government has consistently introduced amendments to the Workers Compensation Act which have had the effect of increasing costs rather than reducing costs;
(2) the fact that the Government appointed the Cooney inquiry and then, in the face of union policy inconsistent with Cooney's recommendations, the Government preferred to fall in line with union demands rather than follow the course its own committee of inquiry had recommended;
(3) the Government has negotiated with the Trades Hall Council in secret discussions and, apart from two employer organizations, has not consulted properly with other interested parties; and
(4) the Government has continually made concessions to the union movement in the course of its negotiations so that in key respects the Bill virtually abandons major objectives of the whole reform process.

I shall refer to those objectives in detail. First, the legislative record of the Government. The Cain Government has introduced four major amendments to the 1958 Act which account for the major share of the reasons for cost increases between April 1982 and 1984.

I should say, in passing, that in July 1982 costs increased under the pre-existing provisions by virtue of the removal of employers' rights to recover increased costs of indexation from supplementation funds in respect of injuries after 1 July 1982. The benefits were being paid by insurers on behalf of employers, and from that date the employer and insurer ceased to be entitled to compensation from that fund for the increased costs.

The Cain Government made further changes:

(1) Then the Government increased table of maims lump sum benefits by 104 per cent and provided for their subsequent indexation—in December 1982;
(2) the Government extended the limitation period in which legal action could be initiated from three years to six years and did so retrospectively—in May 1983;

(3) the Government also introduced perhaps the most significant cost increase factor in October 1984—namely, the provision that partial incapacity was to be deemed total incapacity if suitable alternative employment could not be provided to the worker; and

(4) the Government also amended the law so that the defence of contributory negligence is not available to an employer in death claims—in December 1982.

Further cost increases resulted from restrictions on access to supplementation funds in the case of injuries involving common law claims.

Those restrictions were imposed by administrative action of the Government in recent times. Cost increases have also resulted from other, non-legislative, factors:

(1) More liberal judicial interpretations; and

(2) increases in charges for hospital, medical and ancillary services.

Both matters were, to some extent, influenced by Government policy. The Queensland Government took the initiative of reinstating a statutory provision to restore the discounting factor applied prior to the “Barrel” case. The Victorian Government, despite its professed concern about costs, took no such action.

Of cost increases from 1982 and 1984, the Insurance Council of Australia Ltd has estimated that only 39 per cent of extra costs came from those other non-legislative factors and that no less than 61 per cent of cost increases flowed from the legislative changes initiated by the Government.

Second, abandonment of key recommendations from the Cooney inquiry.

The most glaring illustration of this was Cooney’s recommendation that a multi-insurer system be maintained. That matter involved significant deliberations by the Cooney committee—a matter on which the committee divided—but a clear majority view emerged in support of a multi-insurer system. I will deal with that issue in more detail later.

Third, the course of negotiations about the Government’s proposals.

The Government has spent most of the last four months locked in negotiations with the union movement.

Mr Perrin—Behind closed doors!

Mr STOCKDALE—that is right, behind closed doors.

The public statements of union officials amply demonstrated that the road to accommodation was a rocky one. The matters I shall turn to next will show that it has been a potentially expensive journey for the Victorian community. The Government has chosen to buy union acquiescence with costly concessions and the virtual abandonment of the rehabilitation orientation of the proposed system.

Nor has the process been without cost to the union movement. Many officials have made public statements to the effect that removal of common law rights and restrictions on redemption for lump sum benefits were unacceptable.

These were matters of high principle upon which the union movement would not compromise. If the present position of the unions is to be believed from the announcements made by the Treasurer about union attitudes, they have sold out those principles and sold out what they saw as their members’ interests to secure political advantage in the short term for the Premier and the Treasurer. That must also rankle with members of the Government who have a higher regard for the interest of workers in the Victorian community.
But there is another possibility. There are reports that the union movement has given the Treasurer the green light to proceed—it has not invoked its power of veto over the Bill—on the basis that he promised a review in twelve months' time. Is it possible that the agreement is that in twelve months' those important decisions will be reversed and the price for the acquiescence of the union movement will be met then?

Many employers and their organizations have been greatly concerned about those issues, too. They would do well to watch closely. The concessions the Government has already made to the union movement provide no basis for confidence that any review will turn out to be anything but a further round of union victories further eroding the financial position of the proposed scheme.

The Government has been at pains to project the image of even-handed consultation. But that is all it has been—an image. The Government has had extensive discussions with the Business Council of Australia and with the Metal Trades Industry Association. At various times those organizations have expressed support in principle for the Government's proposed scheme. They have been less enthusiastic as the full extent of Government concessions to unions has become apparent. Other employer organizations have had discussions with the Government from time to time and have made written submissions to the Government. But the Government cannot describe those communications as proper consultation.

The Government sought to lock those employers into its bulldozing progress to its preferred options. That was the proposition advanced to major employer organizations in Victoria. They could join the Government in discussions about the reforms that were to be made for and by their members, but only by agreeing that they would make no public comment on the proposals. The more responsible organizations were not prepared to do that, and they could hardly be condemned for taking that view. Hence, they have been excluded from any meaningful consultation.

It is scarcely surprising that the Government has faced opposition from employer, trade and business associations. The nationalization of workers compensation has always been central to the Government's plans. But in their submissions to the Cooney inquiry employer organizations opposed nationalization.

The Opposition has received submissions and representations from a wide range of trade, industry and employer associations. Virtually all of them have opposed the proposed scheme. I am aware of no such organization which supports nationalization of workers compensation insurance.

Even the Government’s closest ally, the Metal Trades Industry Association, in its submission to the Cooney inquiry, opposed nationalization. A large number of such organizations have issued public statements attacking the scheme. I instance the following as examples: the Victorian Employers Federation, the Australian Chamber of Manufactures, the Melbourne Chamber of Commerce, the Law Institute of Victoria, the Bar Council of Victoria, the Australian Medical Association, the Insurance Council of Australia Ltd, the Retail Traders Association of Victoria, the Business Council of Australia, the Restaurant and Catering Association of Victoria, the Australian Hotels Association and the Australian Small Business Association.

Mr McNamara—And the VFGA!

Mr STOCKDALE—Yes, and the Victorian Farmers and Graziers Association. In addition, a large number of firms and individuals have communicated their opposition to the Bill to me and to other members of the Opposition.

All of those organizations favour reform of Victoria’s workers compensation system. It is an achievement, which is remarkable even for the Government, that with so much goodwill and so much support for reform, the Government has managed to evoke so much controversy and so much opposition.
The near-universal criticism, even from within the ranks of the trade union movement, shows that the Government has allowed its ideological commitments to isolate it from what is acceptable to the Victorian people. But that degree of union support which the Government does have has been purchased at the price of constant concession to trade union demands.

Fourth, concessions to the union movement. Honourable members will recall the Government released draft proposals on 4 June. The Bill itself was introduced here on 2 July. The draft proposals already involved substantial concessions to the union movement but even further concessions were made between 4 June and 2 July.

I simply list some of those changes:

Firstly, in clause 3 (3) the Bill extends the definition of “injury” by omitting the words limiting contribution to injury to cases where there is contribution “to a recognizable degree”.

These words appear in the 1958 Act and were included in the draft proposals version of the Bill. Their omission has been described as “a significant change” by the working group of the Business Council of Australia. The working group also said their omission “will significantly increase the incidence of claims with a consequent increase in workers compensation costs”.

They are not my words, but the words of the Business Council of Australia, which is one of the lone two allies that have negotiated throughout, up to the point of disenchantment last week.

Secondly, clause 40 (1) (6) introduces a provision of assistance to workers in tribunal proceedings—a new legal aid system funded out of employer levies. I should add that to the best of my knowledge this is a cost that is not provided for in any of the Government’s costings of the scheme. It is a scheme that takes legal aid outside the legal aid system generally applicable and brings it in to be financed by employer contributions into the fund.

Thirdly, a number of changes have been made to reduce worker accountability for participation in rehabilitation and to separate rehabilitation procedures from control on benefits. These changes are:

(i) Clause 58 (7) has been extended so that any evidence about the worker’s rehabilitation from service providers requires the worker’s consent.

In other words, the very people who know most about whether the worker is being rehabilitated and whether he is fit for work can give evidence about that only with the consent of the worker. If the worker says, “No”, it does not matter what the employer thinks or what the commission thinks; it does not matter what any other person involved thinks about it; that evidence will not be available to any authority or tribunal conducting a review.

(ii) Clause 99 (6) has been added, providing that the worker is entitled to the treatment provider of his choice notwithstanding any offer of services by the employer or the commission.

This is a vehicle by which any worker may refuse to submit to medical examination required by the commission or an employer.

(iii) In clause 112 the Rehabilitation Review Committee has been entirely abandoned.

This was in the draft proposal but is entirely removed from the Bill.

(iv) Also in clause 112 there was provision that benefits might be reduced or terminated if the worker unreasonably declined to participate in a rehabilitation program.
This could not be seen as an overly stringent control on access to benefits but, if the whole focus of the new system is going to be on rehabilitation, as it is, according to the Government, one would have thought that there ought to be an entitlement for the tribunal to review the worker’s benefits if he refused to participate in rehabilitation. That provision has now simply been removed from the Bill.

(v) Clause 123 used to provide that a worker could be required to submit to medical examination; if he refused or obstructed the examination he lost certain rights—now the worker does not have to submit to medical examination if he believes the requirement is unreasonable and he applies to the tribunal for a review. This clause also removes the present right, under the 1958 Act, of the employer to initiate a medical examination—so the employer is denied any opportunity to initiate protection of his claims cost position.

The man who pays the bill is denied the right that he has at present, under an existing unsatisfactory system, to initiate reviews to impose some control on his costs, yet here the Government is proposing entirely to remove that right from the employer. He is relegated to the position of paying the bill and keeping his mouth shut.

Again, the business council working group has said that these and other changes have such an effect on the scheme proposed that they say “this objective—rehabilitation—has largely been abandoned.” Last Friday, the Business Council of Australia issued a public statement prepared by its working group saying that the Government has, by these means, abandoned the rehabilitation objective.

Fourthly, a number of provisions have been amended to place increased onus on the commission and self-insurers and to make automatic the reference to the tribunal of any decision adverse to a worker—for example:

Clause 108: An offence if the employer refuses to receive a claim.

Clause 109: Ten per cent penalty where an employer rejects a claim without “genuine” reasons.

I simply ask who is to decide whether there are genuine reasons? The Act, if the Bill is passed in its present form, will impose upon the employer the obligation, upon receipt of the claim, of making the judgment on whether there is an entitlement to benefits. If, subsequently, perhaps not even on the same material, a tribunal determines that the employer did not have genuine reasons, he will be subject to a 10 per cent penalty which is, indeed, a draconian provision.

Clause 110: In relation to an application to alter the level of weekly payments, an automatic process has been introduced so that the onus is removed from the worker and imposed upon the employer and those administering the scheme.

Clause 111: Where there is no decision on an application within the prescribed time limit the application is deemed to be approved.

So that by the mere passage of time, if the commission fails to make a decision on an application, the application is deemed to be approved.

Clause 116: Specifically places the onus on the commission or self-insurer to justify refusal of a worker’s claim for a review of compensation.
This is a complete reversal of the usual onus that he who seeks to disturb the status quo bears the onus. All the worker has to do is to initiate a review and the employer, the self-insurer or commission bears an onus of positively establishing that he should not have the right.

There are numerous other instances of such subtle changes designed to ease worker access to benefits and to make control on benefits more difficult.

Fiftly, injuries covered have been extended—

(i) Clause 82 deems an injury occurring by gradual process over time to arise out of employment if it was due to the nature of any employment of the worker—therefore, all he needs to find in the dim, distant past is a connection between some employment he has had and the injury he subsequently suffers and the employer will be faced with a claim for compensation benefits.

(ii) Clause 83 deals with journey accidents. It used to exclude injuries during or after various classes of interruption to the journey including “any other break”—those words are now omitted.

Sixthly, benefits have been further increased.

Not content with a general increase described as, on average, around 20 per cent, the Treasurer has now succumbed to union pressure and further increased benefits.

(i) Clauses 93 and 94 increase the ceiling on benefits from $380 to $400 per week.

(ii) Clause 95 provides overtime earnings should be taken into account in certain circumstances.

(iii) Clause 93 now allows a worker to receive more than 100 per cent of his pre-accident earnings by way of dependants' allowances.

Previously, that clause provided that a worker could not receive more than 100 per cent of his earnings by way of pension plus dependant allowances, obviously for the very good reason that, if a worker can be entitled to more money sitting at home on workers compensation than he would be getting going back to work, he is not likely to find rehabilitation very attractive. There is no incentive for him to participate in rehabilitation or to acknowledge rehabilitation or to go back to work when he is rehabilitated, let alone accept any offer of alternative employment.

Clause 93 has been amended so that if the injured worker’s pension entitlement plus his dependants' allowance exceeds 100 per cent of his earnings, he will receive that amount notwithstanding that he will be better off on workers compensation payments than being at work.

(iv) Clause 98 will now provide for the accumulation of table of maims benefits up to a maximum of $61,750.

The Minister would regard this as further evidence that this measure is very much in the interest of serving the trade union movement at the expense of other Victorians. It puts at risk the financial integrity of the whole workers compensation system and is further evidence of the blind pandering of the Minister to trade union officials. In the long run it will threaten the security of Victorian workers and their families who become dependent upon workers compensation benefits.

Seventhly, self-insurance provisions have been altered to impose additional controls and to intrude union opinions.

This will happen at the stage where the Minister determines an application by a person to be a self-insurer. The newspapers have been replete with references to the pressure put upon the Government and the Treasurer by the trade union movement over the very existence of self-insurance provisions.
This is a classic illustration of the Government succumbing to pressure from the trade unions to do things that are utterly in conflict with the recommendations of the Cooney inquiry, with the objectives laid down by the Government in its earlier economic statement about the desirability of more widespread self insurance, and with community consensus which supports the Liberal Party's policy on these points. The Government intends to introduce restrictions upon self-insurers which will put power directly into the hands of the trade union movement.


Every self-insurer will have to submit to periodic review by a statutory authority which will determine whether his performance has been sufficient to satisfy the trade union movement and whether he can continue as a self-insurer.

(ii) Clause 142 makes the view of any relevant trade union a factor to be considered in applications for approval as a self-insurer.

Honourable members will note that the previous provisions provided for a ballot of employees, the people who have a direct and immediate interest. This is a reflection of the views of the trade union officials which are to be taken into account by the Minister.

It is true that some concessions have been made to employer interests as well. In particular, self-insurance criteria have been amended to meet employers' suggestions and clause 187 has been amended to freeze premium rates for five years. This last amendment does no more than reflect the Government's earlier promises and raises the question of what will happen if the commitment to a fully-funded system is not being met.

Despite these minor concessions to employers—which were patched together during the past 24 hours—the course of negotiation has largely been a steady retreat in the face of union pressure.

The changes that virtually eliminate the onus on an employee to genuinely participate in rehabilitation, threaten the cost savings that the Government has banked upon to provide the fully-funded basis of the scheme.

The other feature of the legislative process has been the massive campaign of misinformation mounted by the Premier, who is one of the culprits—he has just entered the Chamber—and by the Treasurer.

Honourable members interjecting.

Mr STOCKDALE—Members of the Government need to clothe their guilt in interjections. The campaign has involved exaggeration of the costs and shortcomings of the existing scheme and the use of misleading and false examples to support the proposed scheme. In answer to an interjection, my speech was not scripted by anyone other than the Liberal Party. I did not need to rush to the Trades Hall Council to receive my orders every day of the week. The Bill has been shuffled around and changes have been made to certain sections so that no-one will know the difference. It is a wonder that the Treasurer has the time to be in the Chamber and is not off patching a new deal with the Trades Hall Council. A damning indictment of the Government's proposition is that it has to be supported with a campaign of misinformation which has involved exaggeration of the costs and shortcomings of the existing scheme.

Mr CAIN (Premier)—On a point of order, Mr Speaker, the honourable member for Brighton has before him a spring-back folder with long typewritten pages that he seems to be turning over and reading. I have only just entered the Chamber—I have more important things to do than listen to the honourable member for Brighton—but I raise a point of order that that is not the practice of this House. Although the honourable member for Brighton is new to Parliament and inexperienced with its procedures, he should not be reading his notes—as his predecessors have stated before—and debating by proxy.
As Sir Kenneth Wheeler said, a speech should be a speech and not one that has been prepared by someone else—I suggest the Insurance Council of Australia Ltd in this case. I ask you, Mr Speaker, to rule on that.

Mr KENNETT (Leader of the Opposition)—On the same point of order, Mr Speaker, the point made by the Premier, firstly, is that he has just come into the House to begin listening to the contribution of the Opposition to what the Government says is perhaps its most important piece of proposed legislation in three and a half years. Over many years this House has recognized that Opposition lead speakers on proposed legislation, particularly major Bills, are able from time to time, given the size of the Bill and its complexity, to refer to notes.

The honourable member for Brighton has done perhaps more work on this measure than any other honourable member. He has spent considerable time preparing his contribution and having it typed so that it could be included in the record. In years to come our successors will need to refer to his contribution to the Government’s second-reading speech—to which members of the Government need to refer to make their contribution to the debate—to fully understand not only the view of the Opposition but also some of the reasons for any significant changes to the Bill. If Parliament is to be able to assess the proposed legislation to which the Government continually makes amendments from time to time, common sense must prevail on the way in which a contribution is made. Therefore, the contribution being made by the honourable member for Brighton must be accepted.

Mr ROSS-EDWARDS (Leader of the National Party)—On the point of order, it was the case when you, Mr Speaker, and I came to this place that speeches, except second-reading speeches, were not read, but over the past ten years it has become accepted practice that speakers from both the Opposition and the Government have the opportunity of reading their speeches or of referring to copious notes. That practice has become particularly evident in the Budget debate and on technical measures such as this Bill. I have certainly adjusted myself to suit this new procedure. You, Mr Speaker, have been in this place as long as I and you have seen the changes that have taken place. I give you, Mr Speaker, the benefit of what I have observed over recent years.

Mr PLOWMAN (Evelyn)—On the same point of order, Mr Speaker, I accept the general thrust of the point of order made by the Premier that in general terms honourable members should not read speeches. Perhaps in making that point of order the Premier should have looked behind him at some of his own members.

As one of the incumbents of your Chair, Mr Speaker, I agree with the Leader of the National Party that over recent years considerable latitude has been given to Opposition spokesmen, including members of the Premier’s front bench when the Labor Party was in Opposition, who have done exactly the same thing.

Because of the detailed nature of the reply in this type of debate, such latitude as has been given by Mr Speaker in the past, and certainly by myself to members of the Cain Government when in opposition, should be given to the honourable member for Brighton.

The SPEAKER—Order! I shall rule on the point of order immediately. Mention has been made by the Premier to rulings made by Sir Kenneth Wheeler. Rulings have also been made by Speaker Plowman and myself on the same subject. The honourable member for Evelyn, when he was in the Chair, said:

A member is justified in quoting from notes but not reading his speech.

In the past, an enormous amount of discretion has been given. At another time, the honourable member for Evelyn as Speaker said:

Where the lead speaker for a party speaks on detailed matters such as a Budget debate or makes a major speech, some latitude is given in relation to reading his speech.
I uphold the point of order. It is not my role to interfere with the honourable member for Brighton until somebody raises it as a point of order. It is obvious from the position in which I am sitting that the honourable member for Brighton has a number of pages bound together and is not referring to notes, but is reading the contents of the document in front of him.

I do not want to interfere with the research and detail gone into by the honourable member for Brighton, but I ask him to refer to notes and not read his speech.

Mr STOCKDALE (Brighton)—I cannot, from memory, refer to all the misinformation the Government has put abroad about the Bill. The campaign of misinformation, mounted principally by the Treasurer and the Premier, is designed to hoodwink Victorians and especially to hoodwink employers. I propose to give seven examples of this.

The Government and particularly the Premier has repeatedly claimed that only 52 cents in every premium $1 of workers compensation insurance finds its way to workers in terms of benefits. That figure was based on a table in the Cooney report, the report of the Government's own committee of inquiry. That table is inaccurate and the Premier has been advised that it is inaccurate.

The largest workers compensation underwriter in Victoria is C. E. Heath Underwriting & Insurance (Australia) Pty Ltd. On 22 August 1984, that company wrote to the Premier pointing out that the Cooney table of purported allocation of premium $1 did not include investment income or underwriting losses. That is clearly noted under the table. That company stated that when these factors were taken into account, the amount of premium $1 paid directly to workers in the case of its own company amounted to 82 cents in the premium $1. The Heath company made the point that with the inclusion of investment income and underwriting losses, the premium $1 each year had to be turned into $1.15 to $1.20 by the insurer before any allowance for profit could be made.

That information was conveyed to the Premier and it was accompanied by two matters which drew the attention of the Premier to the note under the table in the Cooney report upon which the Premier was relying and reported the facts as based on the actual experience of the largest workers compensation insurer in Victoria.

Notwithstanding that fact, and the efforts that the Heath company had gone to to correct the Premier's statement, the mistake has been repeated since that time. I refer any honourable member who is interested to table 1.16 on page 21 of chapter 1 of the Cooney report. Immediately below the table are notes indicating that the point the Heath company was making was acknowledged by the authors of the Cooney report.

A similar correction with a slightly different approach and different table was published in the Insurance Record of October 1984 making precisely the same point and again showing that the claims made by the Premier were wrong.

I seek leave to have incorporated in Hansard a document entitled "A Realistic Estimate of where the Workers' Compensation Premium Dollar Goes. Major Victorian Private Insurers."

Leave was granted, and the document was as follows:

A REALISTIC ESTIMATE OF WHERE THE WORKERS' COMPENSATION PREMIUM DOLLAR GOES

<table>
<thead>
<tr>
<th>Major Victorian Private Insurers</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekly benefits and redemptions thereof</td>
<td>56 cents</td>
</tr>
<tr>
<td>Common law settlements on top of benefits paid prior to settlement</td>
<td>19 cents</td>
</tr>
<tr>
<td>Maims table and deaths</td>
<td>4 cents</td>
</tr>
<tr>
<td>Hospital and medical</td>
<td>15 cents</td>
</tr>
<tr>
<td>Legal</td>
<td>9 cents</td>
</tr>
<tr>
<td>Assessors, interpreters and other miscellaneous</td>
<td>2 cents</td>
</tr>
<tr>
<td>Brokerage</td>
<td>3 cents</td>
</tr>
<tr>
<td>Administration</td>
<td>7 cents</td>
</tr>
<tr>
<td>Total:</td>
<td>115 cents</td>
</tr>
</tbody>
</table>

That is 15 cents income must be earned before any amount can be put to solvency margin or profit.
The SPEAKER—Order! I should clarify one matter to the House. I understand the honourable member for Brighton does not wish the letter from C. E. Heath Underwriting and Insurance (Australia) Pty Ltd to the Premier to be incorporated in Hansard; he merely wishes it to be made available to the House.

Mr STOCKDALE—that is so, Mr Speaker. As a matter of courtesy, I made a copy available to the House. I do not seek to have it incorporated in Hansard.

The table that has been incorporated indicates that what the Heath company said in its letter to the Premier was correct and that the repeated statements of the Premier that only 52 cents in the premium $1 goes to the worker is incorrect. That fact is either known or should be known to the Premier because he had it in writing as long ago as 22 August 1984.

The second example of misinformation was made by the Premier in a speech on 18 November 1984 when the Premier referred to the fact that in October 1983 some 14,000 contested claims were outstanding and the average delay in finalization of those claims was about two years. That much of what he said is unexceptional. However, the Premier then went on to suggest that those injured workers and their families received no income for two years under the existing workers compensation system. This is sheer and utter nonsense. The fact is that virtually all of those workers received weekly payments up to the time their claim was determined. The honourable member for Springvale who is interjecting knows that as well as I do.

The fact is that most of those workers will receive weekly workers compensation benefits up until the time their claim is determined. Not only that, by virtue of the awards under which they work and the agreements in place, virtually all of their weekly payments are made up by the employer to 100 per cent of their ordinary earnings for between 26 and 52 weeks. Again, that is a false claim being peddled by the Government.

The third example relates to a paper to the Institute of Actuaries, in which the Director-General of the Department of Management and Budget, Dr Sheehan, claimed that in 1985-86 the proposed scheme would make savings, on administration alone, of $62 million. The Treasurer casts aspersions against any honourable member with whom he disagrees.

Mr Remington interjected.

Mr STOCKDALE—Does the honourable member for Melbourne say that members on his side of the House and the people whom the Government pays, have no vested interest! The question is not whether the people have a vested interest, but whether it over-rides their independence.

The SPEAKER—Order! The question is the Bill before the House.

Mr STOCKDALE—Mr David Slee, one of the country's leading actuaries, has published a paper pointing out that existing administration costs are less than $62 million; so the Government is proposing to run the scheme at no administration cost.

The fourth example is, as I have mentioned, that the Treasurer has claimed that his scheme increases benefits by 20 per cent. That figure is an average and hides the fact that some workers will be disadvantaged. There is a pungent aroma around the costing of the benefit package.

On 4 June the Treasurer released the draft proposals. He issued papers then which stated that the cost of increased benefits was $100 million—Explanatory notes page 3. He has since repeated that claim in the WorkCare booklet on page 5 and in other statements.

On 14 May 1985 the permanent head of the Treasurer's department, Dr Sheehan, wrote a supposedly confidential letter to the Trades Hall Council. Despite the intention that the letter would never be seen by anybody other than members of the council, it gained widespread circulation. The letter set out substantially the same benefit package, but it put
the cost of increased benefits at $200 million—no mere slip or typographical error—a doubling of the cost of the benefit package. Who is telling the truth—the Treasurer, Dr Sheehan, or no one? Or can it be that the Government tells each party what it thinks that party wants to hear.

Again I make available to the House the relevant extracts from what is a very long letter. I have the letter and extracts in my possession. Many things fall off the back of trucks when people are unhappy.

As a fifth example, the Government has repeated, *ad nauseam*, a promise to save employers $600 million in the first year of the proposed scheme.

The Premier and the Treasurer have based their promises to employers on the assertion that in 1985–86 the existing scheme would cost employers premiums of $1260 million. That claim is important to the Government. It is made no fewer than twelve times in the Government's Green Book and has been repeated in recent statements—for example, in the WorkCare booklet at page 5. It is the basis of the boast that the Government's scheme will save employers $600 million in year one. These claims have been contested and they have now been proven false.

The advice given to the Opposition, employer organizations and other interested parties is that those figures do not tally with the estimates published by the Workers Compensation Board or the figures relied on by the Cooney committee of inquiry. Those claims of the Government have been proven to be false. Our actuarial advice was that 1985–86 premiums would be about $900 million under the present scheme.

On 13 June the Workers Compensation Board released to me official figures for the total premiums during the 1984 calendar year. The total was $742 million. That figure is comparable to the relevant figures set out in the Green Book. Again, I make available to the House copies of that letter. That figure accords almost precisely with the basis of the estimate of $900 million for 1985–86.

The Government obviously cannot save $600 million out of $900 million—its own published figures show that the Government estimates the total cost of the levy at $660 million. Not even the Treasurer's figures give credence to that claim, because the Treasurer said that in the first year the cost of his scheme would be $660 million. This basic assertion, that employers will save $600 million in 1985–86, has been proven false, but even now the Government continues to repeat the discredited claim. It has even been repeated in the WorkCare booklet and in the costing summaries issued in the past few days.

I seek leave to have incorporated in *Hansard* a table, "Workers Compensation—Cost to Employers", showing statistics of premiums received for the years 1978 to 1984 inclusive.

*Leave was granted, and the table was as follows:*

<table>
<thead>
<tr>
<th>Year</th>
<th>Premiums Received $ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>287</td>
</tr>
<tr>
<td>1979</td>
<td>217</td>
</tr>
<tr>
<td>1980</td>
<td>256</td>
</tr>
<tr>
<td>1981</td>
<td>324</td>
</tr>
<tr>
<td>1982</td>
<td>538</td>
</tr>
<tr>
<td>1983</td>
<td>686</td>
</tr>
<tr>
<td>1984</td>
<td>742</td>
</tr>
</tbody>
</table>

Notes: (1) These figures are based on statutory returns by insurers and do not include 'premiums' of self-insurers.
(2) The above figures do not include stamp duty and Workers Supplementation Fund levy. Stamp duty was 7 per cent to 1984 then 3·5 per cent but because the new rate operated from 1 July 1984 and most ongoing policies were renewed on 30 June 1984, most employers are still paying 7 per cent. The levy is 9 per cent.

(3) Sources:
(b) 1984 letter from Workers Compensation Board to A. R. Stockdale, 13 June 1985.

The sixth example of misinformation is that the Government had made wildly disparate claims about the present average premium rate expressed as a percentage of pay-roll. This is an important figure because of the significance the Government has attached to premium reductions, not only in selling the scheme to employers and their organizations but also in promoting the scheme to the general Victorian community in terms of the claims about its economic significance and over-all employment growth, in particular, in Victoria.

In that context one would have expected that the Government, even if it could not get the figures right, would at least be consistent. It is not beyond even the ability of the Government to be consistently wrong, but we do not even find consistency. The sums do not add up, and differing figures have been used in different publications.

The Government has simply failed to get its act together in informing the Victorian community about what was the position. When the Green Book was published, the proposed new average premium was 2·5 per cent. That has since been reduced, as honourable members know, to 2·4 per cent. The Green Book authors themselves could not quite make up their minds what figure should be used for the average premium under the existing scheme.

At pages 9, 12 and 72 of the Green Book, they suggested that an average premium of 2·5 per cent would represent a 63 per cent reduction. To achieve that result, the average under the existing scheme would have to have been 6·8 per cent. If one subtracts the 63 per cent reduction from 6·8 per cent, one gets 2·5 per cent. That amounts to a statement that the average premium was 6·8 per cent under the existing system.

However, at page 34 of the book, the authors state:

The existing system unchanged in 1985–86 will require average premium rate of 4·8 per cent of wages and salaries of Victorian workers covered.

How is it that at pages 9, 12 and 72, the existing average is 6·8 per cent, but when one comes to page 34, it somehow comes down to 4·8 per cent?

It is interesting that in successive sentences on pages 9 and 10, the authors claim that average premium rates will be reduced by 63 per cent but that cash outgoings of employers will reduce by only 47 per cent because of the discounting from advisory rates that goes on under the existing system. Hence, the claim of a 63 per cent reduction, on a closer reading of the Green Book, is acknowledged by the authors to be false, because it takes no account of their own word, of discounting from the existing advisory premiums. Nevertheless, the claim is frequently made in that booklet.

The differences in the Green Book are significant in themselves—they range from 4·8 per cent at the lowest extremity to 6·8 per cent, when one does a bit of arithmetic. However, other independent publications are even more damning.

Claims about average premium rates under the existing system were made in three Government publications—the Green Book, newspaper advertisements published on 12 December 1984, and a blue pamphlet published this year which was ironically entitled, "Workers compensation reform—the facts". It should be noted that the Green Book and the newspaper advertisements were actually published on the same day, 12 December 1984, and yet the Government could not get its act right between those two sets of publications.

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The Green Book claim was for an average premium of 4·8 per cent—or 6·8 per cent, depending on which figure one wishes to take—but the newspaper advertisements put the figure at 7·4 per cent. For the information of the Treasurer, who has no doubt forgotten what he put in the newspaper advertisements, I now provide him with copies of them.

The blue pamphlet came along during 1985 and it did not put the figure at 6·8 per cent, 4·8 per cent or 7·4 per cent; it put the figure at 6·9 per cent. I admit that it got very close, based on the arithmetic relating to figures in the Green Book. However, after those three earlier figures were published, yet another different figure was published by the Government in an official publication entitled, with great irony, "Workers compensation reform—the facts". For the information of the House, I have provided a copy of that booklet.

Perhaps the difficulty about the Government getting the wind to blow in the right direction when it put its finger in the air about the existing average explains why it has abandoned the practice of putting a figure on it at all. The Government did do so at first, but the Treasurer then issued the magnificent statement more recently that:

From Table 11.1 it is clear that the new rates will be significantly less than existing advisory rates.

That statement appeared at page 38 of the WorkCare booklet. Therefore, at least prudence reigned at last. The Treasurer stopped picking figures out of the air but started picking words out of the air. The Opposition's actuarial advice and, to my knowledge, a published statement of this advice, has never been criticized or rebutted by the Government. In a published statement, Mr David Slee has stated that, on his calculations, the average premium under the existing system is 3·5 per cent, and that has never been subjected to any rebuttal or analysis by the Government.

I turn now to what is, in the final analysis, the most important misinformation of all. On Tuesday, 11 June, the Sun newspaper carried reports of a press release by the Treasurer. The release purported to compare premiums under the present system and the Government's proposed new system for a series of fictitious employers. The comparisons were simply false.

I made this point in a major address to a forum also addressed by the Treasurer, at the Regent Hotel, and no analysis to the contrary has been produced by the Government.

In his spurious example published in the newspapers, the Treasurer allowed for only two of ten changes that will affect the cost of compensation to employers. In an appendix to the WorkCare booklet, the Government published a table of notional premium rates. The Treasurer simply applied those rates to the present pay-roll of the spurious examples he used.

The result is false and must understate costs to employers very substantially. Indeed, as employers around the community have been costing the scheme in its application to their businesses, they have been deluging the Opposition with complaints that they will pay more.

Even the Metal Trades Industry Association found at one meeting, about which it saw fit to provide the Opposition with information, that some 50 per cent of its members present would pay more under the Government scheme than they pay under the existing scheme.

The examples were false and it ought to be acknowledged by the Government as being so.

I shall briefly describe the ten changes, only two of which the Treasurer saw fit to reflect in the examples.

First, it was stated that nominal premium rates would be reduced under the Government's scheme. Not surprisingly, the Treasurer took that into account.

Second, it was stated that, instead of the current rating by occupational groups within the employers' work force, the new scheme proposes that all workers would be rated
according to the employer's predominant productive activity in each establishment, each establishment being viewed separately, subject to some deeming provisions. This will usually mean higher rates overall because it tends to move all workers in an establishment to the higher rate of the operating work force of the employer.

Not surprisingly, the Treasurer took that into account. Obviously he chose examples which suited his case. The Opposition did not expect the Treasurer to promote the scheme by publishing examples which show the real case of thousands of employers who have to pay more.

I seek leave to have incorporated in Hansard figures for a printing and publishing company which indicate that those two changes on their own would produce an increase of 63 per cent in the premium. Again, the table has been part of the public record for some time, as it was attached to a press release published in the newspapers. Once again, the Government has made no attempt to answer the detailed comparison the Opposition has produced on an actual case.

Leave was granted, and the table was as follows:

**EXAMPLE OF THE EFFECT OF LEVYING ALL OF PAYROLL AT MAJOR ACTIVITY RATE**

<table>
<thead>
<tr>
<th>Example</th>
<th></th>
<th>A. 1984–85</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A printing and publishing business</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wage-roll (not including perks)</td>
<td>= $3 781 527</td>
</tr>
<tr>
<td>Made up of:</td>
<td>Clerical</td>
<td>2 250 490 at 0.92 per cent</td>
</tr>
<tr>
<td></td>
<td>Travellers</td>
<td>663 047 at 1.41 per cent</td>
</tr>
<tr>
<td></td>
<td>Printers</td>
<td>740 960 at 5.66 per cent</td>
</tr>
<tr>
<td></td>
<td>Newspaper vendor</td>
<td>127 030 at 2.37 per cent</td>
</tr>
<tr>
<td></td>
<td>= Total premiums of</td>
<td>$75 002.45</td>
</tr>
</tbody>
</table>

| B. 1985–86 | Wage-roll (not including perks) | = assume $3 781 527 |
| Mr Jolly's proposed new industry rating: | No. 2642 printing and publishing | = 3.23 per cent |
| | = Total premium $122 143.32 | (increase of 62.85 per cent) |

Mr STOCKDALE—The Treasurer has totally ignored eight other changes.

Third, employers will have to pay up to the first $650 of each claim themselves, the first week's benefit, which could be as high as $400, and the first $250 of treatment costs. The Treasurer has put a costing of $20 million on that as the cost to employers. He has said that, in order to offset that cost of $20 million, he will reduce the premium rate by 5 per cent. His mathematics are wrong because he has reduced the premium rate by one twenty-fifth, which is 4 per cent, but who is going to quibble about the odd 1 per cent when the Treasurer has got thousands of millions of dollars wrong. One would not worry about that! However, the Treasurer got the figures wrong on a fairly basic comparison by saying that the Government would reduce premiums by $20 million. Yesterday, the Treasurer told employers that they could buy out of that excess—not by 5 per cent of premiums, the amount he has taken off, but by 15 per cent. That is a more accurate reflection of the cost to the system with the employer bearing the first week's value. The actuarial advice to the Opposition was that this will cost employers $80 million in the first year.

The figure that has been produced by the 15 per cent loading, on the Government's own costing, is $99 million, which is the equivalent cost to be taken out of the system if every
employer insures against the excess. The Government's mathematics disclose that once again this is misinformation pedalled by the Treasurer and the Premier in an endeavour to con employers and the Victorian community into believing that this represents a good deal. The reality is that it represents a substantial shift in the cost of the liability to employers—a shift that they are alarmed about and one which, as I will demonstrate later, impacts especially hard on small business. That is the first of the hidden cost factors which the Treasurer omitted to mention—a trifling little detail like $80 million—and which involves the employer bearing the cost of 70 per cent of claims.

Fourth, employers do not pay premiums now on payments to sub-contractors—a point of great objection within the union movement. The proposed scheme brings many payments to sub-contractors within the levy base—again a factor which the Treasurer failed to take into account in the spurious examples he gave to the Sun newspaper.

Fifth, the levy will apply to all payments and benefits provided to or in relation to a worker. Thus the levy will be payable on loans, company cars, employer contributions to superannuation funds; indeed, on all perks, including the cost of a Christmas party to staff and their children. The value to the employees of that Christmas party will be subject to the levy. The Treasurer will say, "We have changed that. In the past 24 hours we have made an agreement to omit from the Bill those two provisions which deal with cars and loans to employees". To make such a claim would be a blatant "con" attempt because the definition of "remuneration" is the primary source of reference for determining the levy base.

I am sure that any lawyer would agree that those elements of the value to an employee of a loan or a company car would fall within the words, "Any benefit provided to or in relation to an employee". It would make no difference to the scheme if the Government withdraws those two provisions but leaves the definition of remuneration wide enough to include those elements; nor would it be sufficient for the Treasurer to say, as he has repeatedly said, that the definition of the levy base is co-extensive with the definition under the Pay-roll Tax Act.

By and large, employers do not include non-cash benefits in the returns which they make under the Pay-roll Tax Act. Employers will be left vulnerable by being conned with assurances from the Treasurer that they can continue to rely upon the stated policy of the Government that the workers compensation levy will be based on the amount upon which pay-roll tax is paid. If employers rely upon that undertaking, they will do so at their peril.

When the proposed Accident Compensation Commission is faced with the prospect of thousands of millions of dollars of unfunded liabilities, its first response will be to look to employers to meet the shortfall. It does not take a great deal of imagination to realize that the legislative definition of "remuneration" as the parameter of the levy base will be given its full force and effect before any other attempt is made to redress the imbalance in the funding of the system.

Sixth, business will have to bear the cost of administration of the first week of every claim, not only the 70 per cent of claims that do not go beyond the first week but the first week's administration costs of every claim because the excess applies to every claim whether it be for one week or ten years. Business will also have to bear the cost of initiating procedures for claims exceeding one week, the notification to the commission and all the reporting that the system will impose in relation to those liabilities.

Seventh, the new system will impose substantial additional costs on employers because returns will be required on all payments and benefits—one for every establishment once every month. It has been estimated by industry that this will involve more than 2-5 million forms on top of those required under the existing system.

Eighth, some employers in every industry will face penalty premiums up to five times the nominal premium if their safety record is below the standard for their industry. That is a good idea if it is operated in a way which causes employers to focus more attention on
risk management. However, one should have thought that if Victoria is going to have a system that will levy penalties of up to five times the nominal premium rate, the Treasurer might have given some passing recognition to that fact in the examples he has pedalled in the media.

Ninth, employers in industries that the Government regards as dangerous, face premiums of up to 20 per cent of pay-roll or penalty premiums of up to 100 per cent of pay-roll. That again is a fact which the Treasurer omitted to mention in the spurious examples which he gave.

Last, many employers have presently qualified for claims experience discounts off current nominal premiums. Wishy-washy undertakings were given in the documentation issued by the Treasurer yesterday. At least one employer organization with whom I have been in consultation has complained about the fact that it took the Treasurer at his word when he invited people to talk to him about existing schemes which produce costs to employers lower than those provided in the nominal rates published by the Government.

They took him up on that offer, went and saw his staff, put submissions to the Government in writing and have never heard another word about it from that day to this. They will know better next time; and the next time is right now. I suggest that they will have no more faith in the vague assurances given by the Treasurer in the nonsense he put out yesterday than they can have in his previous assurances.

Despite those vague expressions of intention, the Green Book indicated that premiums and bonuses will not apply until 1988–89, three years away. That appears at page 98 of the Green Book and in the explanatory notes at page 37.

The Government has done nothing to give employers any benefit in respect of the loss of claims experience discounts that will occur as a result of the introduction of the scheme. The employers with the good safety records, the people about whom the Government is supposed to be concerned and the persons about whom the Minister keeps interjecting, are the ones penalized most under the transitional arrangements.

The significance of those factors will vary enormously from one employer to another, dependent upon the nature of the employers' business and the structure of his work force, but there are some rules of thumb.

First, the high risk employers will be the beneficiaries in every respect other than with the loss of claims experience discounts.

Second, their benefits will be paid for by low-risk industries and particularly small business.

Third, the employers with a high proportion of administrative and clerical staff should watch out because they are the ones that stand to lose most under the new rating procedure that applies the same rate to all of the work force.

Fourth, those who provide superannuation and other employee perks should watch out, too, because the "remuneration" definition has not been amended. The definition of "remuneration" expressly extends to all benefits provided "to" and, most particularly, "in relation to" an employee. In particular, employers with superannuation schemes will find that, when the full force of the statutory definition is applied, an employers' contribution to a superannuation fund is a benefit in respect of a particular employee and will be subject to the levy.

Fifth, small business will be at greatest risk from an adverse claims experience; especially for single catastrophic injury and journey accidents, if they are to be included.

Sixth, small business, too, will find it extremely difficult to cope with the administrative burdens of the system, the immense bureaucracy of monthly returns to be filed with the commission in relation to remuneration and claims and any other information the commission seeks to obtain concerning rehabilitation or any other matter. They start off
being more than the same as the pay-roll tax returns because they apply separately to each establishment, dependent upon the work force in each establishment.

It is all very well for the Treasurer to tut-tut. He produces a nice green and gold book showing the colours of the Olympic team and professing support for those who generate growth in the Victorian economy but when it comes down to reading the fine print and seeing what he actually does——

An Honourable Member interjected.

Mr STOCKDALE—If that were the case, one would expect to find them out there in droves complaining about the Opposition's position in relation to the Bill, rather than writing letters to the Treasurer every day of the week saying, “Please don't proceed with this ridiculous legislation”.

One might wonder, if this proposed scheme is so good, why is it necessary for the Government to wage a campaign of misinformation in support of it? Could it be that the scheme is not really based on all the pseudo-scientific costings and number-crunching that has been used to support it? Could it be that the real basis of the scheme is in the vested interest of the Government's union friends and in the socialist ideology of the Government? I think so.

NATIONALIZATION AND FUNDING

The kernel of the reforms proposed lie in improved prevention of industrial accidents, improved rehabilitation rates for injured workers and reforms to the legal system designed to reduce delays and reduce the anti-rehabilitation effects said to attach to the present legal system.

All of those reforms were considered by the Cooney committee. They are the essence of the recommendations of the committee! They are supported by the Liberal Party and by virtually all parties. None of them required nationalization of the workers compensation insurance system. The proof of that is in the Cooney report.

One by one the Government has picked up the reforms that Cooney suggested, with the single exception of nationalization. The Cooney committee did not recommend a centrally-funded system, it recommended maintenance of a fully-funded, multi-insurer system.

I quote from paragraph 5.92 of the report.

5.92 RECOMMENDATIONS
(i) It is recommended, by a 3-2 majority of the Committee, that there be a multiplicity of insurers operating on a funded basis.
(ii) The minority opted for a central fund and a pay-as-you-go system.
(iii) One of the minority would agree to a central fund unless it operated on a pay-as-you-go basis.

The majority of the Cooney report considered that the major reforms did not require a central fund and, indeed, considered a reformed system should be conducted on a multi-insurer basis.

There can be no satisfactory explanation for the failure of the Government to adopt that recommendation of the Cooney report.

The Government has offered two sorts of purported justifications:
(a) Its "community rating" approach, and
(b) broad statements about a central fund facilitating the other reforms.

The first should be understood by all Victorians for what it is—a justification for requiring by force of law that employers, employees and customers of one industry should subsidize the operation of another industry. It should also be appreciated that this approach runs counter to the prevention and rehabilitation objectives about which the Government speaks so fulsomely. The experience of the past few years is that rapidly rising costs have
encouraged employers to devote time and money to risk management so as to improve safety records. The impact has been greatest in the high-risk industries; that is, where people have had the greatest spur of economic pressure to devote money to investment in management of risk.

The Treasurer does not understand private enterprise. If he discloses his ignorance now, it is too much for me to let it go by unnoticed. He does not understand the basics of the operation of the private enterprise system. That explains a lot of the mess we are in now.

To artificially reduce the cost of industrial accidents in those high-risk areas puts in jeopardy the gains that have been made in recent years because it removes the pressure of economic necessity for employers at greatest risk effectively to manage their safety record.

The second argument—that nationalization facilitates reform—is conclusively rebutted by the Cooney recommendations. These matters are discussed in chapter 5 of the Cooney report. The discussion shows a strong element of ideology in support for the central fund concept. For example, the first item in the summary of the case for a central fund is:

(5.34) Profit considerations are inconsistent with the goals of a workers' compensation scheme. Private enterprise should not have control of what some perceive to be a 'social service'.

No doubt the Treasurer and others on the Government side of the House fully subscribe to that point, which is an ideological statement and is offered as the prime justification for what the Government is now doing. The reality is that the union movement and this Government have opted to nationalize workers compensation insurance because of an antipathy towards private enterprise. The Cooney report was ignored. In New South Wales a Labor Government has recently reformed its workers compensation system. As is well-known, that Labor Government is not a captive of the extreme left-wing of the party and the union movement. The Wran Government put reality above ideology and decided to retain a multi-insurer private enterprise system.

Again, the Victorian Branch of the Australian Labor Party has shown itself to be on the lunatic socialist fringe of the Labor Party in Australia.

No doubt the Treasurer will cite his much beloved example of Queensland with its central fund system. But, of course, as is conceded in paragraph 5.24 of the Cooney report, that system was also established by a Labor Government.

The arguments for and against nationalization were fully canvassed in the Cooney report. I do not intend to recite them again in this debate, but I reiterate that, after all that deliberation, the Cooney committee recommended against nationalization. Even the Treasurer's insurance alter ego, the architect of this hare-brained scheme, could not convince the Government's own selected experts.

It is obvious to anyone who has to deal with Government that the absence of the discipline which competition imposes erodes efficiency in Government monopoly enterprises. Monopoly has the same effects in the case of private monopoly organizations. It is ironic that in the past two decades Australia has seen a substantial legislative attack on monopoly power in our economy. Laws like the Trade Practices Act have been supported most strongly by trade unions—by the very people who are so ready to support Government monopoly, as did the Victorian Trades Hall Council in its submission to the Cooney inquiry. A further irony is that this Government argues that its workers compensation reforms are needed to improve the competitive position of Australian industry—a correct and express recognition that competition tends towards greater efficiency, yet competition is to be removed from this important area of commercial activity in Victoria.

But there is another factor which received less attention from Cooney and none at all from the Government. The Treasurer recently announced that the State Insurance Office now has accumulated losses of about $1600 million. Assuming he used the State Insurance Office accounting methods and not those favoured by the Auditor-General, that statement indicates that the losses will really be in the order of $2000 million. Those losses flow from third-party insurance.
In addition, the State Insurance Office now has unfunded liabilities of more than $500 million, at least, in respect of Government-sector workers compensation insurance. These are not mere paper losses as the Treasurer claims. They are the actuarial value of liabilities which have actually been incurred. The Treasurer calls them paper losses only because they will have to be met over the next few years and not this year. They are certainly real and absolute liabilities for the people of Victoria.

One of the effects of the passage of the Bill will be that the State Insurance Office will have to be funded externally as it runs off its unfunded workers compensation liabilities, just as the Government has subsidized its third-party losses by a $30 million contribution from general revenue.

Thus the losses and unfunded liabilities of the State Insurance Office now total something like $2500 million, and all this in Government monopoly areas. This is not merely a reflection of lower efficiency as between the State Insurance Office and the private insurers. There is evidence that State Insurance Office costs are higher than private insurers' but that does not explain these losses. The losses come from a phenomenon which is as far from the control of the Insurance Commissioner as it is inevitable; that is that when government assumes control, decisions will be made on political grounds rather than on grounds of economic and financial reality and responsibility.

The Treasurer cannot blame previous Liberal Governments. In the last full year of Liberal Government the State Insurance Office made a profit of $800 000. Virtually all of the $2·5 billion has been lost while the Treasurer has had the authority to make the decisions required. The losses are not simply the fault of the Insurance Commissioner or State Insurance Office staff—they rest squarely on the Treasurer's shoulders and we will not allow him to make a scapegoat of the commissioner.

Victoria is not unique in this regard. Third-party and workers compensation insurance are not unique. The Government has massive unfunded liabilities in respect of public sector superannuation. So, too, do the Commonwealth and other State Governments. These liabilities are virtually bankrupting the State and the Commonwealth. Yet still decisions are being made on political grounds. Third-party schemes in other States have also been allowed to accumulate massive unfunded liabilities.

At page 35 of the Green Book the Government discussed the American experience. The point is made that only six States have State monopoly funds for workers compensation. The glowing example used is Ohio. In 1980 the Alliance of American Insurers published a study of workers compensation in America. It was entitled *Workers' Compensation—Why Private Insurance Outperforms State Funds*. It was about as disinterested as the Cain Government's publications but it contains many interesting facts and comments.

I refer to page 2 of the publication:

The overriding weakness of State funds particularly from the standpoint of legislators and involved regulators, is the failure of some funds to operate in a financially responsible manner.

Private insurers are required by law to operate on an actuarially sound basis and to set aside funds to pay claims. Theoretically State funds also must meet these requirements, yet evidence indicates not all adhere to proven actuarial standards. For the most part, monopolistic funds are not required to file annual statements except in briefest form. Financial problems become evident only when a solvency crisis is at hand, as following examples will indicate. Fiscal difficulties—comparable to those that Congress has dealt with in salvaging the Social Security System—face State legislators on the State fund issue.

Of course, clause 72 of the Bill discloses that exactly the same sort of reporting procedure is proposed for the commission as is criticized in that passage. It requires unspecified reporting content to be determined by the Treasurer as an administrative act and it requires no statement of the deficit or surplus position of the fund. That is a matter I will come back to at the end of my address.
I go forward to page 4 which deals specifically with the Ohio fund which says:

The Ohio Insurance Fund provides another example of the unsound financial underpinnings of State-funded systems. The fund reported a $1 300 000 deficit. The June 1977 issue of the Monitor, the Ohio Industrial Commission publication, comments:

We at the Industrial Commission are faced with the dilemma of how to make the State Insurance Fund "actuarially sound" without putting all of the employers of the State of Ohio out of business by collecting the "deficit" of One Billion Three Hundred Million Dollars ($1 300 000 000) over the next year. We have hired Booz-Allen Consulting Actuaries to conduct a 1976 actuarial audit and we also hired John S. McGuinness Associates to advise us and give us alternative methods by which we can make the Fund "actuarially sound" over a long period so as to have the least financial impact upon the employers of Ohio.

In 1979 the Ohio State Insurance responded by amending the State's law to provide that rates payable to the State fund be at a level assuring "solvency" rather than "actuarial soundness."

I shall quote again from the Alliance booklet.

In 1979 the Ohio State legislature responded by amending the State's laws to provide that rates payable to State fund be at a level assuring "solvency" rather than "actuarial soundness."

They gave up the ghost. The State accumulated $1·3 billion of liability. They said they would put employers in the State out of business if they tried to get back to a proper basis so they let it continue on an unfunded basis. That is exactly what this Government is headed towards, as its practices and proposals on third-party insurance have proved. The booklet also states:

The rate inadequacy among some State funds is partly due "political expediency". Successive political administrations are inclined to avoid raising rates. Eventually State fund deficits may be so overwhelming as in the Ohio case, that legislators and administrators must find a solution.

Page 7 refers to the fact that the scheme has been found to falter in trying to match the services provided by private insurers, which is another major criticism of the New Zealand scheme, about which the Government has boasted so much. The booklet states:

Ohio's fund has maintained a limited safety program since 1923 which has been judged inadequate by concerned parties. For example, in 1966, the Ohio AFL-CIO . . .

That is the American trade union movement.

. . . commented on the Ohio State Fund's effect on workers safety.

That is a comment by the trade union movement, not the administrators or the insurance companies. It stated:

Through workmen's compensation, the State actually is in the insurance business but invests nothing comparable in money or manpower to what private insurance carriers do to prevent accidents that result in claims. In other words, it's not giving a fair shake either to the workers or to the firms which pay the freight.

That is no accident. It results directly from the removal of the discipline of competition and of the profit motive. Page 35 of the Green Book states:

Ohio ranks in the USA in the top ten workers' compensation schemes in terms of level of benefits . . .

The Alliance of American Insurers booklet puts this in context. Page 10 states:

The level of benefits payments under workers compensation is set by State law; amount of benefits paid are not dependent on or influenced by State or private delivery systems.

A common fallacy is the belief that monopolistic State funds provide more benefits than private carriers. Only Ohio ranks among the five highest benefit states. The other States providing highest benefit levels are those in which private carriers operate.

One can note from the Green Book that Ohio ranks in the top ten, but it ought to be said that nine out of ten are private insurers. Ohio was the only Government-monopoly fund that makes it into the top ten.

The booklet is a rich source of information comparing Government-monopoly and private insurer schemes. It concentrates a good deal of attention on the Ohio scheme and directs attention to a long list of defects in it and other Government schemes. I shall list
examples of the defects. Any interested honourable members may refer to these examples of failure of Government insurance in America by referring to this booklet later.

The defects are, for example, poor financial management; unfunded liabilities; inefficient administration management; inadequate safety services for employers; low benefits; limited personnel in medical care and rehabilitation, both in quantity and quality; and incomplete cover for employers leading to additional costs in excesses or gap insurance. Therefore, it is not surprising that the Treasurer came up with the novel scheme of excess for employers, which is one of the principal failures of Government-run schemes in America. The last two examples of defects are relative cost disadvantages and subsidy from Government revenue. All of those defects are examples of failings in Government-run schemes in America. In relation to Ohio, the booklet also makes the following points:

(a) The nominal rates of premium hide the fact that employers bear other costs which, in the case of private funds are included in premiums; and

(b) taxpayers subsidize the schemes, 10 per cent of administration costs are charged to general revenue.

All the evils to which we have pointed are found in the American scheme, upon which the Government Green Book relies.

The compensation schemes in the Canadian provinces also have huge unfunded liabilities. In October 1984 Mr Les Taylor from the American firm of Wyatt Co. in Canada visited Australia. He gave an address entitled "The Canadian Experience and Lessons for Australia". Mr Taylor said that the Ontario Workers Compensation Board, the biggest Government-run board, had unfunded liabilities of $4·9 million. He also said that smaller funds in other provinces had unfunded liabilities totalling $8 billion. The reliance in the Green Book and other Government publications on the Canadian experience ought to be a red flashing light and a loud bell ringing for Victorians to beware of the imports of failed Government monopolies in other countries.

The New Zealand scheme referred to in the Green Book is not a workers compensation scheme. It does not provide benefits for the things that most burden the Victorian workers compensation system, such as diseases and degenerative disorders that have resulted in the fastest growth in claims. It is an injury by accident scheme that provides general cover. It provides funding through a levy and does not provide compensation for incapacity through illness or disease.

In 1984 Mr Ross Wilson, an official of the New Zealand National Union of Railwaymen, visited Victoria and gave a speech that was highly critical of the New Zealand scheme. His speech was entitled "The New Zealand Accident Compensation Scheme and Its Treatment of Injured Workers". I shall quote a few salient passages that ought to be salutary for Government members who have contacts in the trade union movement. Page 5 of the speech states:

Until last year the Scheme was operated on a fully-funded basis. However, with effect from the current financial year the corporation has moved toward a pay-as-you go basis. In future levy rates will be set to provide sufficient reserves for the payment of approximately 5 years worth of compensation entitlements in the Earners Fund and 4 years worth in the Motor Vehicle Account.

The over-all effect has been to reduce the average levy rate from $1.07 to 74 cents per $100 payroll. This is partly a result of the corporation drawing on accumulated reserves and it has been estimated that, without these reserves, levies of about $1.00 per $100 payroll and about $38 per motor vehicle would be needed for operation on a pay-as-you-go basis.

It can be realized that only by subsidizing the existing claims from accumulated reserve can premiums be kept down, even on a pay-as-you-go basis. That is another salutary lesson. He also indicated that benefits are not automatically indexed. On page 8 of the speech Mr Wilson was critical of the bureaucratic nature of the scheme, something of which workers in Victoria ought to beware. If they think that private insurers and employers are inhuman when they are exposed to industrial pressure and the union movement, wait until they put their lives and their families’ welfare in the hands of Government...
bureaucracy. We will then realize how much they enjoy socialist enterprise! Mr Wilson also said:

One of the consequences of the Corporation's somewhat penny-pinching approach has been—

Mr Micallef interjected.

Mr STOCKDALE—The honourable member should listen to his brethren in New Zealand and learn something for a change.

The DEPUTY SPEAKER (Mr Fogarty)—Order! The honourable member should ignore the interjection.

Mr STOCKDALE—At page 8, Mr Wilson states:

One consequence of the corporation's somewhat penny-pinching approach has been to encourage representation of claimants, usually by lawyers or union officials.

I should stress that nothing like the legal industry generated by the old system has returned. Apart from anything else it is not financially rewarding enough to encourage that.

I merely mention it because the theory was that if the scheme were administered as it should be, generously resolving all doubts in favour of the claimant, the need for lawyers would disappear.

He carries the same theme to page 10 where he states:

The promise of an enlightened system of rehabilitation has not been fulfilled.

The Act specifically requires the corporation to “promote a well co-ordinated and vigorous programme for the medical and vocational rehabilitation of injured persons.”

However, claimants do not have a statutory right to rehabilitation assistance and in the area of vocational rehabilitation particularly, the scheme has been a disappointment.

It is not all bad news. There are subsidized work schemes to encourage employers to re-employ injured workers, and further education and training will be sponsored in suitable cases.

It is down among the semi-skilled and unskilled work force that a lot more must be done.

On page 11 he states:

From a union viewpoint the scheme's performance in the area of accident prevention has also been disappointing.

A major problem is structural. In the area of occupational health and safety the regulatory and inspection jurisdiction still lies with the Department of Labour, with the Department of Health playing a supporting role on health matters. So there is a fragmentation of responsibility.

The corporation plays an educational and admonitory role. Most of its efforts are directed at management and apparently based on the doctrine that there is an inevitable coincidence between safety and profit.

In those words he is criticizing not the private industry scheme but the New Zealand accident compensation scheme upon which the Government's propaganda relies for support for the current proposals. It is significant that, in Australia, there is one Government monopoly scheme—in Queensland. That scheme has the lowest benefit levels of all such jurisdictions in Australia.

The Liberal Party is concerned that the proposed Government scheme is unnecessary and dangerous; that what has happened in other places and in respect of third-party insurance in Victoria will happen again in relation to this scheme; that a Government monopoly will lead to unfunded liabilities and to increased costs for employers, costs to taxpayers and insecurity for worker benefits.

There is already evidence of the sort of irresponsibility that marks political management of such areas of activity. I will return in a moment to assessments of the costs of the scheme. I now point to a series of interrelated facts which bode ill for employers and the Victorian community generally:

Fact 1: Concern about workers compensation originally arose in respect of cost to employers and delay in delivery of benefits to workers. There has not been widespread concern about the level of benefits to workers. The Cooney report did not recommend increases in the level of benefits.
Fact 2: The Government, in the Bill, proposes increases in statutory benefits—the Treasurer says of 20 per cent.

Fact 3: Much controversy has surrounded the costing of the proposed scheme. At best there must be some uncertainty about whether the required savings can be achieved at all or on the Government's time-table.

Fact 4: When costing difficulties emerged, the Government imposed an excess on employers rather than reviewing benefits.

Fact 5: The Government now proposes to legislate to fix premium rates for five years.

These facts disclose what the Victorian community can expect from this Government: Constant concessions to the union movement, and any shortfall in funding resulting in one or more of the following—accumulation of unfunded liabilities, increased costs to employers and subsidy from the taxpayer.

It is clear that the nationalization aspect of the proposed scheme and the funding basis are closely related.

Chapter 5 and the conclusions in that chapter in the Cooney report show a correlation between those who favour a central fund and either acceptance of or support for a pay-as-you-go basis of funding.

The Government's support for a central fund calls into question its commitment to maintain a fully-funded system.

There is strong consensus on the desirability of maintaining a fully-funded system; the Cooney report supported that principle; submissions to the inquiry strongly supported the principle; the opposition parties support the principle; and even the Government, at least, pays lip-service to the principle.

As the Cooney report points out, any other course simply shifts the costs of this year's industrial accidents and disease to future generations of Victorian employers—or to future taxpayers, I would add.

It is a major concern of the Opposition that the scheme is most unlikely to be fully funded. On the one hand, the Government has published two summaries of its costings. It has not published all the data, nor has it published an authoritative statement verifying its costings. On the one hand, there have been a series of assessments published, all of which have concluded that, with the defined benefits, the defined levy rates are insufficient to finance the scheme on a fully-funded basis. On 31 January 1985 the Institute of Actuaries of Australia conducted a seminar at which three papers were delivered dealing with the costing of the Government's proposals. Full details of the benefits proposed were not available then and the proposed first week excess was not known. Nonetheless, the papers are useful because:

(a) The benefit package now proposed is more costly than those discussed at the conference; and
(b) the Government claims that the excess is, as it were, revenue neutral—the cost to employers equals the 0.1 per cent reduction in premiums.

Mr John Trowbridge, a leading actuary, analysed the proposed scheme to establish that Government costings assumed a $350 million saving on 1985–86 premiums flowing from changes in legislation concerning redemption of benefits and speedier hearing of claims and from Government initiatives on prevention and rehabilitation.

Mr Trowbridge said:

It requires undue optimism to believe that a saving of this magnitude in these ways is possible in the timeframe proposed.

Mr Trowbridge also said that Government costings exaggerated the projected 1985–86 cost of the current system. He suggested that, even using the Government's figures, the
estimate of $1261 million was $100 million too high and, using his own expectations, the
total cost would be $800 to $1000 million, or $260 to $460 million below the figure used
in Government comparisons. He gave no support whatever to the Government’s claim
that its scheme is actuarially sound.

Another paper was delivered by Mr David Slee, one of Australia’s leading actuaries. A
summary of Mr Slee’s paper was subsequently published in The Insurance Record of
March 1985. It is interesting that it has drawn no adverse comment from any other
member of the actuarial community or from the Government.

Mr Slee made a very detailed analysis on a range of possible benefit levels. I merely
quote his conclusions:

To summarize:
1. The Government model is based on out-of-date data and hence the conclusions drawn are wrong.
2. Contrary to Government estimation, the claims rate since 1982 has, in fact, decreased regularly and would
have decreased further but for legislative changes. The claim rate is likely to increase as a result of 1984 legislation.
3. Taking into account the real world situation, the proposed aggregate cost of 2-5 per cent of wages would not
and indeed never could be considered to be sufficient to fully fund the scheme on the present benefit basis.
Indeed, it is so inadequate that unless benefits were reduced it would not be long before all reserves were used up
and it would be inadequate on an unfunded basis.
4. A more realistic aggregate fully funded cost on present benefit basis is 3-5 per cent of wages.

I again make the point that I made before, that Mr Slee has published his figures and
nobody has ever taken issue with them. His summary also stated:

5. The Government has not addressed, at least publicly, the problem of what the pension benefit will be, what
its effect will have on claim rates, and what its costs will be.

Of course, that has subsequently been done; at least the arithmetic has been checked. The
summary continued:

6. If the pension is 75 per cent of pre-accident earnings, the fully funded aggregate cost is more like 4-6 per
cent of wages. To keep the cost at 2-5 per cent, limitations will need to be imposed.
7. If a pension of 85 per cent of pre-accident earnings is predicated the fully funded aggregate cost should be
more like 5-3 per cent of wages. Again, if the cost is to be 2-5 per cent, even stricter limitations must be imposed.
8. If the cost is to remain at 2-5 per cent of wages, the benefit is unlikely to exceed 50 per cent of pre-accident
earnings, without limitations of benefit.

A third paper delivered to that seminar was given by Mr Richard Cumpston, another
leading actuary. Mr Cumpston has since been retained as a consultant by the Government,
but it is important to note what he said to his colleagues before he became a Government
consultant. In his summary, Mr Cumpston stated:

The Victorian Government has proposed a new accident compensation scheme from 1 July 1985. Lump sum
payments for economic loss will be replaced by indexed pensions. The present multiple insurer system will be
replaced by an Accident Compensation Commission, acting through private sector agencies.

The Government has undertaken to keep base premiums at or below 2-5 per cent of wages for the first 5 years.
To meet this undertaking, while providing pensions of 80 per cent of earnings losses, the scheme may have to
refuse long term pensions to about 80 per cent of the injured workers who currently receive lump sums. Harsh
eligibility tests will be needed.

In his summary, Mr Cumpston then discussed the scale of premiums and other matters
and stated:

The Government’s objectives are admirable, but some of its proposals are technically unsound. Insufficient
attention has been given to other ways of achieving its objectives, such as the Cooney proposals.

The man who has now been put forward as the actuary to verify the Government’s scheme,
when he was a truly independent actuary, supported the Cooney reforms and not the
Government’s proposed scheme. Mr Cumpston then stated that the costing contained
minor errors but that the Government’s “maximum reform” simulations appeared to be
arithmetically correct, at the end of which statement he included in brackets the words "or almost so".

Mr Cumpston put important qualifications on the sufficiency of the data on which the simulations were made. In his paper, he stated:

3.7 No specific allowance has been made for recent changes to the Workers Compensation Act, in particular—extension of the common law statutory limitation period to six years, or to the awareness of suffering; provision of full incapacity benefits if the employer of a partially incapacitated worker fails to provide suitable employment.

3.8 Allowance was made for superimposed inflation at 8 per cent per annum up to 1984–85, but this does no more than match the recent experience of insurers, without allowance for the potentially high costs of the changes in 3.7. (Superimposed inflation is the tendency for claim sizes to increase faster than wages.)

3.9 It is clear from the material released by the Government that no allowance has been made for extra costs resulting from the replacement of lump sums by pensions.

Mr Cumpston conducted a survey of lump sum payments recently paid by insurers writing 70 per cent of workers compensation insurance.

The results were reported in section 4 of his paper. His conclusions included the following:

(a) The average lump sum was about 23 per cent of future compensation payments;
(b) with a pension scheme providing 80 per cent of pre-accident earnings, as in the present Bill, at a 2.5 per cent average premium, only about 19 per cent of those now receiving lump sums could be paid pensions; pensions would have to be denied to 80 per cent of those who now receive lump sums; and
(c) if indexed pensions at 80 per cent of lost earnings were to be paid to all workers who now receive a lump sum, total claims costs would increase by about 100 per cent.

Mr Cumpston concluded:

5.14 If the Government is to meet its 2.5 per cent ceiling, and pay indexed pensions equivalent to 80 per cent of earning losses, harsh eligibility tests will be needed.

Mr Cumpston was also critical of the Government's assumptions concerning savings on administration costs. His overall conclusion was as follows:

11.15 The Government has not yet made a convincing case that the Cooney proposals should be rejected in favour of its own proposals. Some of the Government's proposals are technically unsound and others lack essential details.

11.16 Although the Government's objectives are admirable, too much haste seems likely to result in a scheme that fails to meet these objectives.

If the scheme started to become unfunded, one of the options available would be for the Government to increase the excess payable by employers, that is, the amount employers have to meet on each claim before the fund becomes liable.

Mr Slee wrote to BHP on 31 May 1985 indicating that:

(a) A pension of 80 per cent of earnings with a maximum of $350 a week is highly unlikely to be fully funded by a premium of 2.5 per cent of wages; and
(b) an excess of $2000 a claim would be needed to make the scheme fully funded on that basis.

Those are very important analyses of the proposed scheme. Mr Cumpston showed that employee benefits could be put at risk by the extent to which the scheme was unfunded. However, Mr Slee showed that employers face the prospect of the Government increasing the access to $2000 a claim to make the figures balance. The Government has given no guarantee to any employer organization about the future level of the excess.

On 15 and 16 June 1985, another actuarial assessment was published in the Week-end Herald. Mr David Jefferson, a respected reporter of the Week-end Herald, reported on the
results of advice he had obtained from an actuary on the position if the proposed scheme of the Government had operated in 1984.

He reported that the actuary had concluded that if the scheme had operated during 1984 the fund would have had unfunded liabilities of $230 million after one year's operations. I shall quote the conclusion of the article:

So all in all the Cain Government magic which was to result in better workers compensation benefits to satisfy the unions, at a cheaper price to satisfy the employers does not seem achievable.

The table shows a comparison of how the revenue and costs of workers compensation in 1984 would have compared with the proposals on reform made by the Cooney committee and those now proposed by the Cain Government, which are still subject to final negotiation with the union movement.

The Cain Government proposal costs cannot be considered final since some parts of the jigsaw are not yet available and only practical experience would show the true story.

But the cost estimates of the Government's proposals are not likely to be too far off the mark and clearly show the big cost increases in prospect for employers.

These would have meant unfunded liabilities of $230 million if the scheme had been operating in 1984. Obviously sooner or later these liabilities would arrive in the premium bills.

So rather than being an employment incentive the scheme seems likely to mean greater unemployment.

Why didn't the Cain Government leave workers compensation well alone?

I shall make a copy of that excellent article available to the House.

I also seek leave to incorporate in Hansard an extract from the article, which is one of the tables to which the Speaker and the Minister have assented.

Leave was granted, and the table was as follows:

| HOW THE 1984 WORKERS' COMPENSATION DOLLARS MIGHT HAVE BEEN ALLOCATED ($MILLION) |
|--------------------------------|---------------------------------|----------------------------------|
|                                | System as now practised         | System if Cooney reforms had been enacted | If proposed new scheme had applied to same claimants |
| Weekly benefits including redemptions | 410                             | 370                               | 700                                            |
| Common law settlements on top of benefits paid before settlement | 140                             | 140                               | 30                                             |
| Maims table and deaths          | 30                              | 30                                | 50                                             |
| Hospital, medical and rehabilitation costs | 100                             | 90                                | 90                                             |
| Legal services                  | 80                              | 40                                | 10                                             |
| Brokerage and loss control services | 30                              | 30                                | 30                                             |
| Administration, assessors and interpreters | 80                              | 50                                | 60                                             |
|                                | 830                             | 750                               | 970                                            |
| Profit and contingency margins  | 30                              | 30                                |                                                |
|                                | 860                             | 780                               |                                                |
Cost is financed as follows:

<table>
<thead>
<tr>
<th></th>
<th>System as now practised</th>
<th>System if Cooney reforms had been enacted</th>
<th>If proposed new scheme had applied to same claimants</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Premium</strong></td>
<td>750</td>
<td>680</td>
<td>600</td>
</tr>
<tr>
<td><strong>Investment income</strong></td>
<td>110</td>
<td>100</td>
<td>90</td>
</tr>
<tr>
<td><strong>Excess by employers</strong></td>
<td>Nil</td>
<td>Nil</td>
<td>50</td>
</tr>
<tr>
<td><strong>Unfunded liabilities</strong></td>
<td>Nil</td>
<td>Nil</td>
<td>230</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>860</td>
<td>760</td>
<td>970</td>
</tr>
</tbody>
</table>

Mr STOCKDALE—The table sets out the costing which justifies the conclusion expressed in the article, that the scheme would have had unfunded liabilities of $230 million after one year’s operation had it operated in 1984.

On 27 June 1985, Mr Slee presented a further paper to a seminar at which there was released a paper by another actuary, Mr Jim Gould. Again Mr Slee gave a very detailed analysis of his costing of the proposed scheme, this time based on the actual benefit package proposed in the draft proposals, but not including the increases in benefits introduced into the Bill now before the House insofar as they exceed those in the draft proposals.

Again, I quote Mr Slee’s conclusion, which states:

Mr Chairman, having exposed the Government’s figures as an outright package of errors, I must inform you that every single other actuary who has performed the necessary and lengthy calculations on this subject has come to the same conclusion as I have. That is that the real cost of the Government’s package is far in excess of the cost of the present system. My calculations are now a matter of public knowledge and are well documented as are those of Cumpston, Trowbridge, Sawkins, and Gould, all independent consulting actuaries. There is no support in the profession for the proposition that the scheme as proposed by the Government can be funded on the rates proposed by the Government.

To summarize:

1. The Government’s calculations are based on out of date data and hence the conclusions drawn are wrong.
2. The proposed scale of premiums would not and indeed never could be considered to be sufficient to fully fund the scheme on the present benefit basis or on the proposed basis. Indeed, it is so inadequate that unless benefits were reduced it would not be long before all reserves were used up and it would be inadequate on an unfunded basis.

Mr Jolly interjected.

Mr STOCKDALE—There have been no imputations passed from this side of the House on the professional integrity of the actuaries used by the Government. It ill befits a Minister of the Crown to cast aspersions on the professional opinions of actuaries simply because they disagree with him.

The conclusion continues:

3. Many employers are no doubt attracted by the lower costs offered by the Government. The Premier and Treasurer have consistently stated industry will save $600 000 000. This is not possible, nor can the proposed premiums be sustained. Clearly, if the scheme is to be fully funded, and everyone seems to agree that it should be, then the proposed penalties will need to bite early and hard. The premium holiday will be short-lived, and because benefits are being increased, employers will end up paying a lot more in the not too distant future.
4. For their part, the union movement should understand that they are being asked to “trade-in” a substantial portion of their common law rights in return for a string of politicians’ promises. All the actuaries are saying that there will not be enough money in the kitty to pay for the promises.
I turn now to the assessment by Mr Gould, who is a practising professional actuary. Mr Gould was retained, as an independent actuary, by the National Insurance Brokers Association. He revised certain of the Government's assumptions and allowed for the replacement of present lump sums with pensions as provided in the proposed scheme. He provided his report in a letter dated 24 June 1985. That report has been released publicly by the association.

Mr Gould states in his conclusion:

On the basis of the calculations described in this report, I conclude that:

(i) The premium of 2.5 per cent of wages resulting from the minimum reform projection carried out by the Government's advisers is probably an underestimation of the cost of the benefits included in the projection. In my view the cost for those benefits would be more likely to be of the order of 2.9 per cent of wages.

(ii) When allowance is made for the replacement of certain lump sum benefits by indexed pensions, the estimated total cost of the scheme is increased to 5.9 per cent of wages.

I draw your attention to the fact that the costs referred to in this report do not include expenses that would be incurred by employers in meeting the extra administrative requirements of the new scheme. For example, the proposed requirement that employers themselves meet the first $250 of the cost of medical services and first five days of compensation payments and the requirement that employers should submit monthly returns for all employees, would both create significant additional administrative expense for employers.

Finally, I repeat that I do not have access to detailed statistics on all aspects of the proposed scheme and have in several parts of this report accepted assumptions made by the Government's advisers who presumably do have such statistics. If you require further investigation of these arrangements and can supply further statistics relating to them, I will be pleased to carry out the necessary work.

The final report is a very detailed actuarial assessment prepared by Mr Slee for the Australian Chamber of Manufactures, which was released publicly yesterday.

The report carefully analyses key Government assumptions for the summary costings published by the Government. It concludes that they are unrealistic and that the 2.4 per cent levy is insufficient to fully fund the scheme at any stage—not just in the first nine years as stated by the Treasurer. Mr Slee's work shows the scheme will be unfunded in year one and will become steadily further unfunded as it proceeds, despite the assumptions that are made.

Mr Slee is employed by C. E. Heath Underwriting Pty Ltd but he emphasizes in this study that this assessment is made by him as a professional independent actuary quite separate from his role at Heaths. He has emphasized that fact on the front page of the document. The Government will accuse Mr Slee of having a vested interest.

No person is free from vested interest in these issues. The actuaries retained by the Government are paid substantial fees. For example, according to the Government Gazette Mr Cumpston will be paid at least $50,000 for providing his actuarial assessment. The question is not whether they have vested interests because of their professional occupations and are identified with special interests but whether those interests override their professional skill and judgment.

It is unfair of the Treasurer to hide in the coward's castle and cast aspersions on actuaries who disagree with him, especially when he claims the same professional authority for actuaries that support him.

The Opposition makes no criticism of Mr Cumpston for the costings he produced yesterday. He has done the job of an actuary. He has applied his skill and judgment to the figures and assumptions given to him by the Government. The fault lies not in his calculations or assessments but in the assumptions given to him by the Government from which to work.

The propensity of the Treasurer and the Premier to rely on secret assessments and to personally attack the bona fides of their critics is unworthy and unconvincing. The fact that they need to resort to the gutter tactics the Treasurer has employed against his critics is a major criticism of the Government. The Government has not tried to meet the
criticism but has merely sought to discredit its critics. The Treasurer issued a press release calling members of a small business association "liars" because they dared to disagree with him. Such are the depths to which the Government has sunk.

Mr Slee's costings are all published and have been published for a long time. Mr Trowbridge published his costing and Mr Cumpston published the independent costing he made before the Government yesterday released the one for which he was employed. Mr Gould published his costings and assumptions and explained the basis of his assessment. The Government has waited until the death knell and has withheld from the public the evidence of the misleading authority that it claims for its actuarial assessments.

If the Government stoops to abuse of Mr Slee, Victorians can only conclude that his arguments are beyond effective rebuttal. Mr Slee's careful reasoning is in the record. His major conclusions differ significantly from those of the Government, as follows:

(a) He finds a reduction in claims to about 160,000 a year in ten years' time is more realistic than the Government figure of 150,000 a year;

(b) he finds that the Government estimate of average cost per claim of $3400 is too low and that a realistic estimate is $5100. He concludes that the average cost per claim over the next ten years will be substantially higher than those assumed by the Government. In part, this is due to the Government having understated the cost of increased benefits it has now conferred upon the union movement;

(c) on his extensive experience in the insurance industry he concludes that the Government has substantially underestimated administration costs;

(d) he allows for what he describes as "quite generous improvements for loss control and rehabilitation" but concludes that, at the end of the first year, the scheme will incur losses of $404 million; and

(e) he finds that, even allowing for the fulfilling of those Government targets, the scheme will have an accumulated deficit of $2317 million after five years and $4097 million after ten years. If the rehabilitation targets are not met the losses could be $8000 million after ten years.

I seek leave to have incorporated in Hansard——

Mr Roper——The remainder of his speech!

Mr STOCKDALE—I seek leave to have incorporated in Hansard the tables and explanations of the costings made by Mr Slee. I understand the sensitivity of the Minister for Transport about having the facts put on the record.

Leave was granted, and the tables were as follows:

PROJECTIONS
On the basis of all parameters set out herein the following results are obtained. (All figures are $ million).

<table>
<thead>
<tr>
<th>Year</th>
<th>Levy</th>
<th>Fully Funded Cost of Claims</th>
<th>Administration</th>
<th>Deficit</th>
<th>Sum of Deficits</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985-86</td>
<td>528</td>
<td>852</td>
<td>80</td>
<td>404</td>
<td>404</td>
</tr>
<tr>
<td>(10 months)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1986-87</td>
<td>684</td>
<td>1072</td>
<td>100</td>
<td>488</td>
<td>892</td>
</tr>
<tr>
<td>1987-88</td>
<td>735</td>
<td>1121</td>
<td>105</td>
<td>491</td>
<td>1383</td>
</tr>
<tr>
<td>1988-89</td>
<td>790</td>
<td>1153</td>
<td>110</td>
<td>473</td>
<td>1856</td>
</tr>
<tr>
<td>1989-90</td>
<td>849</td>
<td>1194</td>
<td>116</td>
<td>461</td>
<td>2317</td>
</tr>
<tr>
<td>1990-91</td>
<td>913</td>
<td>1239</td>
<td>122</td>
<td>448</td>
<td>2765</td>
</tr>
<tr>
<td>1991-92</td>
<td>982</td>
<td>1255</td>
<td>128</td>
<td>401</td>
<td>3166</td>
</tr>
</tbody>
</table>
These figures clearly suggest that, in spite of quite generous savings from accident prevention and rehabilitation, the scheme is never likely to be fully funded on the basis of a levy of 2-4%.

It should be noted that if the suggested targets are not achieved, the funding principle will be severely damaged. For instance, if the number of claims remains steady at 200,000 per annum, which is a clear possibility, the accumulated deficit at the end of the 10 year period would be much higher as follows:

- **Year** | **Levy** | **Cost of Claims** | **Administration** | **Deficit** | **Sum of Deficits**
--- | --- | --- | --- | --- | ---
1985-86 | 528 | 852 | 80 | 404 | 404
(10 months)
1986-87 | 684 | 1100 | 101 | 517 | 921
1987-88 | 735 | 1180 | 106 | 551 | 1472
1988-89 | 790 | 1240 | 111 | 561 | 2033
1989-90 | 849 | 1320 | 117 | 588 | 2621
1990-91 | 913 | 1400 | 124 | 611 | 3232
1991-92 | 982 | 1460 | 130 | 608 | 3840
1992-93 | 1055 | 1520 | 137 | 602 | 4442
1993-94 | 1134 | 1600 | 144 | 610 | 5052
1994-95 | 1219 | 1660 | 152 | 593 | 5645

Other matters which also could reflect adversely on the deficit include any over-estimation of the wage-base upon which the levy is calculated, and any fundamental change in the relationship between inflation and investment earnings. But there is no doubt that the main element which involves the deficit is the rehabilitation target. If there is no reasonable result in this sphere the scheme will have a deficit not of $4 billion but $8 billion within 10 years.

Mr STOCKDALE—Those are the published actuarial assessments of the Government's proposed scheme. They all conclude that the proposed levy is insufficient to finance the proposed benefits on a fully-funded basis. It is important to note where they differ from the costing summaries published by the Government. The disagreements are not over mere arithmetic. On arithmetic grounds alone they all accept the Government's calculations—subject only to minor errors pointed out by Mr Cumpston. Where they differ is that they do not accept as reasonable or proper some or all of the assumptions the Government has given to actuaries.

The disagreement is not one between two sets of actuaries. The question is whether the basic assumptions are correct. The uniformity of the conclusions of the independent actuaries suggests that, if the Government's retained actuaries had been free to operate on real-world data instead of Government "targets", they would have reached similar conclusions.

It is significant that all of the published costings certified by actuaries themselves disagree with the Government's publications and all find the proposed scheme substantially unfunded. The only conclusion reasonably open is that the Government's purported costings are initiated upon erroneous assumptions and that Victorians are being asked to accept another substantial loss-generating Government insurance monopoly.

**REHABILITATION**

The central difference between the costings of the Government and the costings of its critics lie in the areas of expected gains from increased emphasis on prevention and
rehabilitation. The Government assumes very substantial reductions in incidence of injuries and reductions in average claims cost.

We agree that increased emphasis on prevention and rehabilitation can offer real benefits to employers, workers and the community generally. Indeed, there is ample evidence that cost pressures in recent years have resulted in increased attention by employers and insurers to prevention and rehabilitation.

The Government's assessment of the current system was based upon the assumption that the trends apparent in 1982 would continue. Subsequent figures have shown that this was not the case. I have already referred to the reduction in claims in the two years after 1981–82.

From my own experience in industrial relations, I know that many employers have substantially upgraded management for prevention and rehabilitation, but a closer examination suggests that the Government's objectives are unrealistic. They are unrealistic both in the extent of savings assumed and in the time scale over which the savings are assumed.

In the last costing paper to which I referred, Mr Slee dealt extensively with this matter. I want to summarize the factors which make the achievement of the gains assumed in Government costs most improbable.

Firstly, Mr Slee points out that, despite Government allegations to the contrary, most major employers already have undertaken loss control measures. In addition, many insurers already engage extensively in preventative and rehabilitation programs. The very success of these programs reduces the scope for further gains in these areas.

Secondly, Mr Slee directs attention to the effect on claims incidence that new statutory definitions will have in increasing claims incidence and claims cost, both in terms of the 1958 legislation, as amended by the Government, and under the proposed legislation.

The much wider definition of "injury" in the Bill will open the system to claims which now cannot be made. The 1958 Act was recently amended to deem partial incapacity to be total incapacity in certain defined circumstances. These are two important factors not yet reflected in the claims cost and claims incidence figures for the present system, and which are not yet reflected in the premiums.

One can always tell when one is scratching at a raw nerve because the Treasurer takes an interest by interjecting in an attempt to divert attention from the truth.

Thirdly, as I have already pointed out, the Bill substantially reduces the accountability of the worker for participation in rehabilitation. It also denies the employer any opportunity to initiate a review of access to benefit on the basis of the worker's lack of commitment to rehabilitation. It is one of the elements of the draft proposals which were so fundamental to its support by the employer community and especially by the Metal Trades Industry Association and the Business Council of Australia, which last Friday, was described as the abandonment of the rehabilitation objectives.

Fourthly, the Bill threatens to undermine the commitment of employers to investment in prevention and rehabilitation. Despite the bonus and penalty system, the community rating concept offers the greatest savings to the highest-risk industries. The structure of the proposed system means that, in the highest-risk industries, a majority of employers will have less economic incentive to reduce the absolute level of industrial accidents. Indeed, in many cases, so substantial is the reduction in money premiums that in those instances they will have no real incentive to continue their present work in loss mitigation.

Fifthly, there is less scope for rehabilitation than the Government assumes. About 80 per cent of claims involve absence from work of two weeks or less. Of course, the remaining 20 per cent of claims involve much more than 20 per cent of costs, but such a high...
incidence of short-term claims means that there is limited opportunity for medical or occupational rehabilitation. Most of these claims involve a healing process which is not open to substantive intervention. At the other end of the spectrum are totally and permanently incapacitated workers who simply cannot be fitted for any employment.

Sixthly, the record of Government rehabilitation services is not impressive. The 1982-83 report of the State Rehabilitation Service of the New South Wales Workers Compensation Commission reports that, in that year, 6824 cases were referred for rehabilitation services of which only 45 were returned to work.

The Western Australian Workers Assistance Commission also conducts a rehabilitation service. The commission’s 1983-84 report shows that 3324 cases were referred for rehabilitation but of those 169 were returned to work.

The Commonwealth Rehabilitation Service in the Department of Social Security has an annual budget of $36 million and has 120 rehabilitation counsellors. The department’s 1982-83 report shows that, in that year, there were 21,582 referrals, 6108 commenced rehabilitation but only 1085 persons were placed in open employment.

The Australian experience is not unique. In the Insurance Record for September 1982 there was an article published entitled “Getting the Injured Worker Back into the Labour Force”. It discussed the experience of the Californian occupational rehabilitation services. In California, participation in rehabilitation is compulsory. Even under a system of compulsory rehabilitation, the article concludes that the “rehabilitation market” is about 2 per cent of all disabling injuries. In contrast, the Government’s costings assume substantial gains from referral of about 40,000 workers or about 20 per cent of the assumed claims incidence.

Seventhly, there is an acknowledged world-wide shortage of rehabilitation services personnel. Despite Government proposals for “crash-course” training programs, at best it will be several years before the Government can effectively man even a small proportion of the proposed new facilities. This has been a major point of conflict between the Government and the rehabilitation service industry. It is an unreal expectation that, by ramming people through a three-month course at the Lincoln Institute of Health Sciences, real gains can be produced for Victorian industry.

Eighthly, the Government’s planning for its proposed network of rehabilitation services is in tatters. On 22 April this year the Government announced it was “finalizing the details of an agreement to purchase Vocational Rehabilitation Services Pty Ltd”. The Government stated that this company “will provide a training and development nucleus of the new Victorian Accident Rehabilitation Council”. This deal has since fallen through. There is no realistic prospect of the Government quickly substituting effective alternative sources.

The Treasurer is strangely silent at this point. Has he nothing to interject on the marvellous rehabilitation service that has fallen down around his ears?

The Government has not been able to secure the very nucleus of its proposed rehabilitation services. Like so much of the Government’s proposals, it is hope rather than fact which has been dashed on the shores of reality. It is pleasing to hear the Treasurer admit that by interjection.

The most alarming aspect of this issue is the way the Government has reduced its commitment to rehabilitation in the face of union reaction. The changes made between 4 June and 2 July have been described by the working group of the Business Council of Australia as largely abandoning the rehabilitation objective.

It is clear that on this critical issue the Government’s costings have always been very shaky; they will undermine the financial integrity of the scheme as a whole, and there must now be real doubt about whether any significant improvement will be made.

The sitting was suspended at 6.29 p.m. until 8.5 p.m.
Mr STOCKDALE—During the suspension of the sitting I was approached by a number of members who were not present this afternoon. They asked that I reiterate what I said in the House this afternoon!

I come now to a summation of the Opposition's major criticisms of the Bill. Firstly, one has the nationalization of workers compensation insurance. Secondly, there is the unfunded nature of the scheme and the risk to Victoria's financial security which the scheme entails. This is important because it threatens the future interests of all Victorians—workers, employers and taxpayers alike.

It is also important because it threatens future prospects for investment in Victoria. If future employers risk a compulsion to assume the financial cost of the unfunded liabilities accumulated in the next few years, they will have a powerful incentive to minimize their investment commitment in Victoria. Business will be reluctant to extend its operations in Victoria or to open up new ventures in Victoria. Our disadvantage relative to other States in this area will threaten the job security of Victorians who are in employment now and the job prospects of our young and other unemployed. This is the very basis upon which the Cooney report and even the Government itself advocated full funding of any scheme.

Thirdly, despite Government claims to the contrary, the consultative process leading to the Bill involved nothing more than window-dressing for interests other than the union movement. The Government appointed a committee of inquiry to investigate workers compensation reform. It has now ignored central recommendations of the committee. With a small number of exceptions employers have been excluded from any full and meaningful dialogue involved in the reform process. The real course of reform has been a steady process of capitulation to union demands.

Fourthly, the Government has embarked upon costly increases in benefits—increases which were not recommended by the Cooney report and which tend to defeat the objective of cutting the cost of the system to employers.

Fifthly, the most recent changes amount to a de facto abandonment of the rehabilitation objective.

Sixthly, in major respects the proposed scheme is substantially biased against employers: The scheme is typical of nationalized enterprises. It is festooned with new bureaucratic units and with red tape. Other speakers on this side of the House will say more about this element. For now I simply draw attention to the fact that the requirement to file monthly returns will load employers with the task of filing more than 2·5 million additional forms—forms not required under the present system.

In addition, the scheme shifts directly to employers the cost of the first week of benefits and the first $250 of treatment costs. That shifts to employers the whole responsibility for 70 per cent of all claims. About 70 per cent of claims are for one week or less lost time.

I seek leave to have incorporated in Hansard a table showing the incidence of claims by duration of absence from work.

Leave was granted, and the table was as follows:

<table>
<thead>
<tr>
<th>1983–84 VICTORIAN WORKERS COMPENSATION CLAIMS BY DURATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duration</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Less than 1 week</td>
</tr>
<tr>
<td>1–2 weeks</td>
</tr>
<tr>
<td>2–4 weeks</td>
</tr>
<tr>
<td>4–6 weeks</td>
</tr>
<tr>
<td>6–8 weeks</td>
</tr>
<tr>
<td>8–13 weeks</td>
</tr>
<tr>
<td>13–26 weeks</td>
</tr>
<tr>
<td>26–52 weeks</td>
</tr>
<tr>
<td>52–104 weeks</td>
</tr>
</tbody>
</table>

1322
Mr STOCKDALE—In addition to the actual cost of these payments this “excess” faces employers with two other burdens. First, it is a legal minefield. Because of the excess, the employer will have to decide whether he acknowledges liability for each claim. He will make this decision in the knowledge that the Accident Compensation Commission might deny liability. If it does, under clause 118 (2), the employer’s payment does not operate as an admission—but that protection applies only to the commission. There is no provision that the payment shall not operate as an admission against the employer.

Accordingly, it may be that such payment would constitute an admission by the employer alone and would expose him to liabilities, even beyond the first week, in respect of which he might have no indemnity from the commission.

Second, it is an administrative burden which the employer does not bear now.

Mr SIMPSON (Niddrie)—On a point of order, Mr Acting Speaker, I direct your attention to Standing Order No. 109, which I believe the honourable member for Brighton is transgressing.

The ACTING SPEAKER (Dr Vaughan)—Order! I direct the attention of the honourable member for Niddrie to Standing Order No. 105. I ask the honourable member for Brighton to continue.

Mr STOCKDALE (Brighton)—Third, the scheme relegates the employer to a role of paying the costs of compensation and playing no part in how those costs are controlled. The employer pays the bills; he pays the levy; he pays the first week’s benefits; he may be subject to penalties or loss of bonuses because of his claims cost; he pays the costs of administration; and he pays for any in-house services provided, but he has no role in control of the costs of the system itself. Under the 1958 Act the employer could apply for a review of compensation benefits. That was afforded by clause 6 of “the clauses referred to” under section 9. Under this Bill the employer has no such right. Furthermore, the employer has no right of appearance before the tribunal; he is utterly dependent upon the commission to represent his interests efficiently and effectively.

Fourth, the proposed scheme is heavily oriented towards placing the onus on the poor bunny who happens to be the employer at the time a claim is made. The “last employer” rule has been adopted as the basic format of the proposed scheme. This will impact upon the interest of employees and employers. It seems likely that employers will be even more keen than they are now to establish the workers compensation record of applicants for employment. Applicants who have past injuries or past claims which are likely to recur may find it extremely difficult to find employers who will take the risk on them and offer them employment.

In those cases where employees do enter employment and subsequently have a claim based on past employment, the then current employer will not only bear the cost of the claim but also stands to have bonuses and penalties assessed, at least partly, on the safety record of past employers of his personnel.

Fifth, employers face extremely onerous enforcement provisions. They may be exposed to substantial penalties and a penalty levy for incorrect returns. They run the risk of enforcement procedures unprecedented in a workers compensation context. Police, inspectors and even union officials may be empowered to break into premises and to break open cupboards, filing cabinets, and so on, in their search for any papers relevant to the
assessment of the levy. One can only imagine the hue and cry of the Australian Labor Party libertarians if, on the one hand, insurance companies were given such powers or, on the other hand, if such powers were given under the proposed legislation in the course of investigations against workers. The Bill is conspicuous in its silence on powers of investigation of offences by employees.

Those are mere examples of the one-sided nature of the burdens and obligations imposed under the Bill. It is no exaggeration to say that the role of the employer has been reduced to that of a bagman for trade union benefits.

The impact of these changes will be greatest on small business. The Government has repeatedly asserted that small business will benefit from the proposed system. It has failed to convince small business. The Australian Small Business Association has been such a staunch critic of the scheme that the Treasurer has been reduced to accusing the association of being a liar. It is small business which is at greatest risk from the impact of the excess and it is small business which gains least from the cross-subsidy involved in the premium structure. It is small business which will be most disadvantaged by the bureaucratic red tape which is so much at the heart of the proposed system. It is also small business which has been most critical of the nationalization aspect; it is not prepared to put its faith and its future in the hands of another Government insurance monopoly.

FORESHADOW AMENDMENTS

I foreshadow that the Opposition will move two classes of amendments to the Bill. First, it will move to include in the annual reporting provisions a requirement for an actuarial assessment every six months. The amendment will require the Government actuary to certify each six months whether the scheme is fully funded. This is merely a reporting provision designed to inform the Victorian people on whether the scheme is adhering to the Government's promise that it would be fully funded, whether it is likely to be fully funded at any stage and, if not, to what extent it has unfunded liabilities.

Second, the Opposition will propose a set of amendments to allow groups of employers who presently operate group insurance schemes to continue to do so. Those amendments will include an option of insurance with a non-Government insurer.

The Opposition does not propose to move detailed amendments which will affect the funding aspects of the scheme. The Cain Government has conducted a vigorous campaign to con Victorians, especially employers, over to this scheme. That campaign has largely failed; most employers see the scheme for what it is. The Cain Government will be accountable for the promises it has made. The Opposition does not propose to remedy its defects or to tinker with the modifications of the proposed scheme.

CONCLUSION

No one who knows the Liberal Party's record on workers compensation reform will deny that it has consistently supported reform. It has consistently supported the reforms suggested by the Cooney inquiry, an inquiry which was constituted by the present Government. That inquiry recommended against nationalization. We make a stand on that issue secure in the knowledge that, outside the socialist Australian Labor Party and Trades Hall Council camp, we stand with virtually all Victorians united against nationalization; secure, too, in the knowledge that our experience of compulsory third-party insurance and international experience are on our side.

The Opposition makes a stand, too, against the misinformation the Government has peddled to Victorians and against the unfunded nature of this proposed scheme. The Treasurer has fed his false assumptions to his actuaries and they have done the arithmetic that they were supposed to do. They produced one set of figures. A series of respected actuaries have examined the proposed scheme. Their judgments are unanimous—the scheme is not fully funded. Few Victorians are in a position to dispute the findings of the actuaries for either side. All around there are vested interests. Two weeks ago the Australian Chamber of Manufactures newsletter, File, stated that employers did not believe the
Government on workers compensation. In the final analysis, any Victorian interested enough to assess the proposed scheme will have to answer a simple question: The Government says it will increase benefits by 20 per cent and, at the same time, reduce premiums by 50 per cent—do you believe the Government?

Mr ROSS-EDWARDS (Leader of the National Party)—Mr Deputy Speaker, firstly, I commend the honourable member for Brighton on his detailed and obviously well-researched contribution which will provide interesting reading for those who want to research the Bill. The honourable member for Brighton, like members of my own party, has obviously conferred widely with both employer and employee organizations.

The proposed legislation, as the Treasurer consistently states, is probably one of the most significant measures to come before Parliament for many years. The changes proposed to the workers compensation system are the most far-reaching and controversial changes ever considered. Most importantly for the people of Victoria, these changes will have social and economic consequences for the whole of the State.

Because of the magnitude and significance of the proposed legislation, I strongly believe its consideration by Parliament and the community in general should be given more credence by the Government. I am bitterly disappointed that the Government, in dealing with such an important issue, has not chosen to adopt a more fair-minded approach to change or at least to streamline the workers compensation system.

Up until late yesterday the Government was still proposing significant amendments to the proposed legislation. It was not until 11.30 a.m. today that I received, on behalf of the National Party, a summary from the Treasurer of major changes to be made to the Bill. It is probably just as well that the second-reading debate is still proceeding because I am sure detailed amendments have not yet been completed. After two years of talk by the Cain Government, it is a disgrace that the amendments are not ready.

If the Government were genuine about consulting all parties—as it claims to be—the Government would have adopted an extensive tripartite, all interested party approach to this issue. The Government has not done this and the result is that the Bill plus proposed amendments by the score will effectively amount to a fruit salad of concessions to the union movement.

The National Party is opposed to the Bill because it effectively dismantles what has traditionally been a multi-insurer system. The Government proposes that a monopoly insurer system will run in Victoria.

The National Party believes that the Government has abrogated its responsibility to the people of Victoria by proposing a system which does not in any way have widespread support. It is simply not good enough nor is it responsible of the Government to, even up until today, propose changes purely to suit unions.

Surely it is obvious to everyone that the Government is continuing to change the underlying costings of the system and that this is throwing the whole exercise out of kilter. The Government is continuing to make changes on the run for the sake of pushing the proposed legislation through both Houses of Parliament while the Government has a temporary majority in another place. Because the Bill is so important, these running manoeuvres are completely irresponsible.

The people of Victoria and the future prosperity of Victoria cannot be treated with such contempt by the Government. We will all pay for the actions of the Government; we are not fools and we will all pay for its action down the track.

No one doubts that the workers compensation system in general needs widespread reforms. It is costly to employers and ultimately adds to the problems of unemployment. What is needed is a cost effective system which does not inhibit the growth of jobs and one which concentrates on accident prevention and rehabilitation. To achieve this, the Government has chosen the path of reform which wrecks the concept of private enterprise.
It is worth noting that the New South Wales Government made changes to its workers compensation system. I trust that Government members will take note of what happened to the system in New South Wales. Instead of making the wholesale changes that are proposed in Victoria, which erode the role of private insurers, Premier Wran removed the inbuilt excessive cost of the system, while at the same time retaining private insurers. Insurers in New South Wales have had their licences renewed for a twelve-month period. During that time, their performances will be watched and assessed. In this way, the role of the private insurer is retained while keeping watch on particular performers. Premiums are being controlled by the New South Wales Government.

The Cain Government has gone too far. Workers compensation has been under review for many years. In 1976, the Harris inquiry was carried out. To the credit of the Government, in 1984 the Cooney inquiry was established. As mentioned by the honourable member for Brighton, the principles resulting from the Cooney inquiry were in general terms accepted by the insurance industry, employers and members of the Opposition. Everyone agreed that it was time to change.

The Cooney committee recognized that cost was a major problem and identified ways of reducing the cost of the system. Inherent in the system are costs of a medical and legal nature and these need to be addressed. Therefore, medical and legal procedures need to be streamlined. One of the matters taken up by the Government is pre-hearing conferences. I commend the Government for that action.

Plenty of fat could be removed from the system. However, I make it clear that the Government has gone against the recommendations of the Cooney report. The committee supported the retention of multi-insurers, the essence of competition, free enterprise and free choice. It is interesting that one of the union members on the Cooney committee voted to retain private insurers. However, the Government, by a true socialist decision, decided to set up a Government monopoly.

Much could have been achieved without moving to a Government-run scheme. While supposedly addressing the cost of the system, the Government has already chosen to increase benefits and this must lead to a further increase in costs.

The Cooney report stated that the benefits of an average claim pay-out were significantly higher in Victoria than in other States. That situation has always existed. That is one reason why Victoria has paid a high price for workers compensation insurance. The objectives of the proposed legislation are laudable and I shall name them: To reduce the incidence of injury and accident in the work place; to provide a suitable system for the effective rehabilitation of injured workers; to provide suitable and just compensation for injured workers; to speedily and efficiently handle claims for compensation and to deliver compensation for injured workers; and in that context to reduce the cost to the Victorian community of accident compensation.

These objectives are excellent and all people would agree with their intent. However, there are other more reasonable ways of achieving those objectives without taking away what has traditionally been the natural right of insurers to compete for their business and the employer's right to choose where to put that business.

The Government propaganda is a sham. The Government has made great play that the average premium rates will be 2·4 per cent of wages. Let us not be fooled. The premium levy will be calculated on a broader definition of wages than it has been in the past. The new low premiums are not as low as the Government would like people to believe. Employers will pay the cost of the pay-roll tax office in collecting the levies. Employers will pay the levy based on the broad definition of wages plus the first week's compensation which is a minimum of $196, and up to $400 a worker. They will also pay premium benefits and medical expenses up to $250. An increased administrative cost will occur to meet this objective.

Other costs to employees include the levies for accident pay insurance cover and interest payable on overdue premiums at a rate up to 20 per cent. A base levy up to 30 per cent
may be determined by the Accident Compensation Commission to be paid as a premium by those employers considered to be in dangerous industries.

The Government claims that the scheme will reduce the level of premiums paid by employers by $600 million while, at the same time, the benefits will be increased by $100 million.

As has been made clear by the honourable member for Brighton, Dr Peter Sheehan, the Director-General of the Department of Management and Budget, in a letter to the Trades Hall Council indicated that the increased benefit to the union movement would be $200 million. The Treasurer will have to explain this to the House. I am disappointed that he has been missing from the House nearly all day. He is probably finalizing the amendments to this Bill.

Is it a benefit of $100 million or $200 million to employees? Someone must be wrong. I have given considerable consideration to this matter and I believe the figure of $200 million is closer to the mark.

The Government has now acknowledged that the system will be unfunded in the short term but will be fully funded in the long term. In my view that will not happen. The base premium rates have been set for five years. What will happen after five years? It is obvious that premiums will skyrocket. The point is that future Governments will have to make up considerable ground, apart from trying to make up for the years subsequent to that five-year period. How can the scheme be fully funded when the premiums for the first year are projected at $663 million and claims paid at $650 million, leaving $13 million to administer approximately 250,000 claims and to provide reserves for future years. It is absolutely impossible, even on the Government's own figures.

While increasing benefits by $100 million—or is it $200 million depending upon what expert one listens to—and reducing premiums by $600 million, the Government also proposes to set up a network of rehabilitation and occupational health and safety centres, associated management programs as well as funding various councils, tribunals and claims agents. What is the cost of this?

The Government has also underpinned supposed cost savings, with claims that the number of industrial accidents will be reduced by 10 per cent over the next ten years. There is inconclusive evidence on how and whether this can be achieved. Cost savings are also claimed to be achieved by expanding rehabilitation services. Is this really achievable?

The interesting facts from New South Wales are that only 45 workers out of 6824 injured workers referred to the New South Wales Workers Compensation Commission Rehabilitation Service were returned to the workforce. That is a dismal record and I hope for everybody's sake that Victoria can do much better, because it is a sad state of affairs in New South Wales.

The average base premium rate for workers compensation is claimed to be 2·4 per cent, yet highly regarded actuaries have said that premiums of 5 per cent may be required to meet the commitments of the Government's scheme. If this is true, the scheme will quickly accumulate a huge deficit. The experience of the State Insurance Office, in third-party insurance in particular, shows what can happen with unfunded liabilities of approximately $700 million in 1984.

The Australian Chamber of Manufactures said that the cost of the system does not add up and employers do not believe the Government. It also said that available figures show that the Government scheme would cost the same as the current scheme, if not a lot more.

The Australian Chamber of Manufactures referred to the scheme as "half-baked", based on unfounded assumptions, and said that it has been rushed through Parliament without regard to the economic consequences simply because of the recognition of what may be a temporary majority in the Upper House. Put simply, the sums do not add up.
Last December, the Government claimed the existing scheme would cost $1200 million over the next year, whereas the proposed scheme would cost $660 million. This is a supposed saving of $540 million. The insurance industry claims, with evidence to back up its claims, that the true cost of the existing scheme in 1984 was no more than $750 million. Employers are now to pay the first week's compensation, plus medical and hospital expenses, together with substantial additional costs because of the new no-fault common law lump sum benefit. Benefits to employees have been increased substantially. Once again I ask the question, is it $100 million or $200 million? I trust the Minister for Public Works will put that question to the Treasurer when, and if, he returns to the House.

What are the effects of this measure on small business? Does the Government really care about small business? Evidently, it does not! The Melbourne Chamber of Commerce, the Victorian Automobile Chamber of Commerce and the Small Business Association of Victoria jointly placed a full-page advertisement in the *Sun* of 9 July 1985 rejecting the proposed legislation. The advertisement states, *inter alia*:

... if the Government's Accident Compensation Bill is passed, you'll be paying even more than you are at present. Hard facts provided by all non-government actuaries who have examined this issue...

Referring to the rehabilitation scheme, the advertisement states:

A similar scheme in N.S.W. only managed to rehabilitate 45 injured workers of over 7000 who entered the program. Can a success rate of around 0-75 per cent justify the enormous expense and in the creation of yet another bureaucratic empire?

As I said before, I hope Victoria can do better on rehabilitation. Regarding the supposed premium payments, the advertisement stated:

Guaranteed lower rates? Patently a sham. Look at the facts. The Government has only guaranteed the base rates. Employers will also pay for the first week's wages, medicals, the penalties and "dangerous industry" premium loadings. Further, all employee fringe benefits will be included in the premium calculations.

The advertisement concludes by urging people to make sure that the Bill is rejected and replaced by sensible reforms which will help all Victorians. I suggest that it could be added, "rather than just the greedy unions". The Australian Small Business Association has let its attitude on the Bill be well known. In a recently distributed pamphlet the association stated:

Government compo Bill scheduled to sink small business in Victoria.

The Electrical Contractors Federation of Victoria stated:

We are concerned about the accuracy of the Government's projections of costs to operate the new scheme.

We understand the Government intends that the occupational health and safety legislation is one of the means by which injuries can be reduced. In our opinion the legislation will not serve this purpose.

Whilst we commend the Government's intention, we do not accept that the reported short term gain for business can be sustained.

The Restaurant and Caterers Association of Victoria states:

We object most strongly to the draft proposed and feel deceived by the Government for the following reasons:

1. Employer to pay first 5 days and first $250 medical expenses. This will be a very considerable extra cost to the restaurateur and negate any promised "premium savings".

2. Single rate, i.e., that is 2·66 per cent for all our employees including clerical—this is most unfair.

The crunch line is:

The Government has once again caved in to the unions to the detriment of Victoria.

The Australian Hotels Association is one of the best organized and most competent organizations in Victoria and it is well known to many members of the Government. This association has flatly rejected the scheme and states:

Rather than reduce premiums by 50 per cent, employers will be faced with up to 50 per cent increases.
The association gives three particular instances: Firstly, a wage roll of $90,000, the old premium being $19,993 and the new premium $33,844; secondly, a wage roll of $100,000 with an old premium of $27,844 and the new premium of $33,900; the third a wage roll of $1 million with the old premium at $22,968 and the new premium at $33,840.

The Victorian Farmers and Graziers Association rejects and opposes the scheme. It is unlike the honourable member for Preston to interject and to ask what organization I have referred to. It may have some effect on the back-bench members of the Government party to know how they stand in the Melbourne press at present. I give quick quotes on the proposed legislation from the press. The Age of 24 May stated:

Compo Bill upsets Unions.
The Age of 27 May stated:
Unions dig in over compo.
The Age of 29 May stated:
Growing unease in unions over Government’s compo haste.
The Age of 31 May stated:
Trades Hall warning over compo changes.
The Age of 5 June stated:
Unions set to dig their heels in over changes.
The Herald of 11 June stated:
Unions warn on new compo laws.
The Age of 12 June stated:
Unions push Jolly on compo changes.

That is getting close to what has happened. The Age of 13 June stated:

Treasurer, Mr Jolly, is considering changes to the State Government’s workers compensation reforms after representations yesterday from the union movement.

The Sun of 26 June stated:
Unions to approve compo laws.
The Sun of 26 June stated:
One of the most important concessions (to the unions) is believed to be Government agreement not to reduce payment to workers where injury is partly caused by non work factors.
The Age of 8 July stated:
Move to avoid union split over compo bill.
Again, the Age of 8 July:
The State Government will try tonight and tomorrow to avoid a potentially damaging split with the trade union movement over reforms to the workers compensation system.
The Age of 9 July stated:
Teacher unions criticize compo legislation.
The Age of 10 July stated:
State Government bows to union pressure over workers compensation Bill.

That sums it up. One can see the movement over five to six weeks. The unions have continually pressured the “little” Treasurer, and he has bowed to that pressure. He is doing what the unions tell him. I turn to what some of the employer organizations have had to say in recent days. The Victorian Employers Federation stated that there is no doubt that it has grave reservations about the legislation and in fact opposes the means by which the Government has chosen to reform workers compensation.
The federation also stated:

That the State Government has decided to introduce such an incomplete reform package into the Parliament after two years of effort strongly suggests that the whole reform process has gone astray. In the opinion of the Victorian Employers Federation that happened when the State Government decided to ignore the recommendation of its own committee of inquiry, the Cooney Committee, and instituted a sole insurer system.

The State Government picked the wrong committee. The chairman voted the Government's way but the committee did not, including unionists. It is an interesting setup. The Government is disappointed with the way the committee voted. The federation further stated:

In our opinion, none of the benefits to employers and employees under the new system ultimately rest on the introduction of a sole insurer.

Referring to the costs of the system, the federation stated:

The Federation also has considerable difficulties in accepting that the Government's cost estimates for the proposed reform are realistic.

The federation believes the Bill should be withdrawn. It stated:

It is therefore our strong recommendation that the State Government withdraw the present Accident Compensation Bill and begin a series of tripartite discussions with all interested parties about the future of workers compensation in Victoria, using the recommendations of the Cooney committee as a basis for discussion.

The Bill does not have the support of employers. On this point, the VEF states:

Employers can only be expected to give their support to the proposed system if they have confidence in the system and perceive it to be fair. That is certainly not the case under the present system.

The VEF also states:

A central question to ask about the proposed system then is whether it is more likely to be perceived as fair by employers than is the existing system? While much of the answer to this question would depend upon the day-to-day administration of the proposed system, an examination of the Bill suggests that employers have every reason to believe that what is proposed will be even less fair to them than the existing system.

Referring to the sole insurer or Government monopoly, the VEF states:

It can therefore be concluded that the State Government's justification for the introduction of a sole insurer system lacks substance, or it is not that which it has stated publicly. The Victorian Employers' Federation both in terms of principle and practice strongly opposes the introduction of a sole insurer.

The Business Council of Australia also has strong reservations. For months this organization had discussions with the Government, and the Treasurer boasted about his close relationship with the Business Council of Australia. In a press release issued last Thursday, the Business Council of Australia stated:

Over the past few weeks negotiations with the trade union movement have led to continuous changes to the Government's intended position and indeed changes are still being made as a result of negotiations with the unions. The most recent changes had the effect of shifting the over-all balance of the proposed reforms between costs and benefits and the rights and responsibilities of employers and employees. As a consequence, the prospect of serious reform to the system has been jeopardized to the point that there are doubts about the legislation achieving the Government's original objectives.

The Business Council of Australia further summed up the position by stating:

In the light of last-minute changes to the Bill, adequate time should be given for a proper evaluation of the impact of the legislation in the longer term interests of the community.

It is therefore obvious that only the unions are familiar with the recent concessions and business and employers have been left out in the cold.

The Australian Chamber of Manufactures position is very clear, and I quote File of 12 July, which states:

The Government's workcare package is a cruel hoax on employers and employees. In the name of workcare the Government is promising better conditions, better health and safety at work, higher compensation benefits and higher premiums for employers.
Here is the punchline:

Employers believe their promises to be a cruel hoax. Employees can become unemployed as businesses disappear.

Therefore, I move as a reasoned amendment:

That all the words after “That” be omitted with the view of inserting in place thereof the words “this House refuses to read this Bill a second time until discussions have been held between the Government, employer organizations and the Trades Hall Council on—(a) the full involvement as insurers, of private enterprise insurance companies and the State Insurance Office in developing and operating a workers compensation scheme on a fully-funded basis; (b) the reduction in delays in hearing cases and the excessive administrative costs endemic in the current scheme; (c) the inclusion of an employee contribution in the premium income; (d) the formulation of a viable system of rehabilitation; and (e) the provision of benefits commensurate with other States.

The proposed amendment is aimed at the Government starting again and presenting proposed amending legislation to the House. This message is clear and simple and is backed by logic. The National Party wholeheartedly supports the involvement of experienced and competent insurance companies in the workers compensation area. The National Party wants a continuation of competition and freedom of choice for employers.

How could anyone argue against a scheme not being fully funded? However, this is not the case under the proposed legislation and, with the proposed scheme not being fully funded, who will pay the difference? It can only come from two sources: The employers and the Victorian taxpayer.

The National Party believes there should be a more efficient handling of claims, and I applaud the recommendation of the pre-hearing conference, which is something that should have been done years ago in Victoria, as it was in Western Australia. The previous Government neglected it in the same way that this Government has neglected it for the past three years.

Consideration should be given to employees and employers being responsible for the payment of workers compensation premiums. I have put forward the concept of a no-claim bonus, and I believe that concept should be investigated because it would introduce increased responsibility into the area of workers compensation.

The National Party applauds the concept of better rehabilitation procedures, which are badly needed. It is to be hoped that such procedures work better in Victoria than they have in New South Wales.

It should not be forgotten that traditionally Victoria has had better workers compensation benefits than other States. According to the Treasurer, those benefits will be increased by $100 million. According to Peter Sheehan, a public servant, those benefits will be increased by $200 million. From a business point of view, compared with other States, that increase will put Victoria in a bad position.

The Victorian Government should confer with the other State Governments, of which four are Labor, to ensure that similar workers compensation benefits are paid in all States. However, in this instance the Government has been stood over by the unions and has done exactly what the unions have told it to do.

In conclusion, I have three main criticisms of the Bill. Firstly, the National Party believes there should be a retention of multiple insurers, as recommended by the Cooney report, as that would have the advantage of enabling businesses to choose their own insurer. It has been proved that an efficient private company can operate with approximately half the staff of a State-run operation in a similar area.

The second criticism is that the new scheme is not self funding and future Governments will have to make a financial judgment to buy out the scheme and the money will have to be paid either by employers or by the general taxpayers of Victoria in the same way as the third-party insurance is being paid by the taxpayer because of the incompetence of the Government in not putting up premiums over the past three-year period.
It is tragic that, in introducing the scheme, the Cain Government has not learnt from some of the financial messes that have taken place in certain States of America and the western Provinces of Canada. Those States and Provinces have built up huge liabilities that have become a great embarrassment to their respective Governments.

At present, Victoria has a clean slate. Money has been put aside to meet the claims that are likely to come up in the years ahead but from now on honourable members will see a debt accumulate. The Government knows, but like all Labor Governments, it has no sense of financial management. It looks to the present with no regard for the future.

This policy has destroyed Labor Government after Labor Government in Victoria and it will destroy this Government at the next election.

My third criticism concerns the indecent haste of the Government and the Treasurer in introducing the Bill. As previously mentioned, changes in the proposed legislation were still being made last week. Desperate conferences have taken place with both employers and employees, and the Liberal and National parties were given an outline at 11.30 this morning of proposed changes to the Bill. Those changes have not been drafted in amendments and now the debate is on. The details are not there and none of the back-bench members of the Labor Party have seen the detailed amendments. One sees the ridiculous state of affairs that honourable members are expected to look at those amendments tomorrow and continue to debate the clauses on Thursday. It is a bad scheme, it is not in the best interests of Victoria and it is brought, no doubt, with the view that the Government is holding a temporary majority in another place. Perhaps the Government thinks it is politically smart!

The Labor Party will live to regret the day that it introduced proposed workers compensation legislation when it does not have the restraining influence of the two conservative parties in another place. It would have let the Government off the hook but for the first time since in office the wild members of the Labor Party have pushed it into the position of having the Bill passed. They will get it passed but the Government will suffer as will the people of Victoria.

In conclusion, there is one other desperately important matter that I wish to make quite clear: In the past three years the Treasurer of Victoria has earned himself a fairly good reputation as Treasurer. At some stage during the career of every member of Parliament and every Cabinet Minister in particular, there comes a moment of truth. That moment of truth has arrived for the Treasurer. He began with high ideals to amend the workers compensation legislation but, as the months have gone by, he should have realized that the advice he has been given by academics is not good. It is poor advice, it is bad advice and he is faced with the real problem of having committed himself to the Bill. The Treasurer has been pressured by the union movement in Victoria. In recent weeks he has given them huge benefits quite unintentionally, and he is now not only stood over by the union movement but also by the left wing and the administrative committee of the Labor Party.

The Metal Trades Industries Association, as a body, is not solidly behind the Bill. A few of the bigger companies are, but not the over-all membership.

The sad thing is that Mr Jolly, as a Treasurer and a person will be judged by the failure of the workers compensation legislation. It is a mess, it is a disaster, and he is the architect of that disaster.

It is a sad state of affairs and for the various reasons that I have outlined in the course of my address, the National Party opposes the proposed legislation and will fight it here and in another place and do everything it can to defeat the measure.

Mr MICALLEF (Springvale)—I support the Accident Compensation Bill and express my disgust at the contributions by the honourable member for Brighton and the Leader of the National Party.
Once again, honourable members have heard a selection of cliches, innuendoes and misunderstandings about an issue that is extremely relevant to a large majority of the population represented by the Labor Party—the workers.

The present system of workers compensation in Victoria is an utter disgrace and one could suggest that only a fool with vested interests would support the current situation. Employers, unions and workers are all unhappy with the present system. Employers claim that the crippling cost of the workers compensation is estimated to be three times higher than prevailing costs in other States, making it difficult for them to employ workers. In particular, cost-competitive industries such as the manufacturing industry that suffer from import competition are burdened by the extra costs brought in by higher workers compensation premiums, which make the differences between them sinking and swimming.

Currently in Victoria, 52 cents in the premium $1 is obtained by workers who are injured. This means that 48 cents goes to administration, medical and legal fees. That is almost 50 per cent of the workers compensation $1 going on administrative, medical and legal costs. The situation is totally unacceptable.

I must respond to the attack on the trade union movement. The fact is that the trade unions have been the key to the negotiations with the Government over the current Bill. Workers have traditionally joined trade unions and one of the major reasons for doing so is for the purpose of that union acting as an insurance policy in the case of sickness or disease caused by work. Why should trade unions, which have the traditional job of representing workers, not have a key role in negotiations with Government about the views of the workers they represent? It would seem to me that that would be a normal and proper practice.

Within the current Victorian system of compensation there exists the unrestricted right of employers to sack workers who are on workers compensation. The moment a worker shows any trace of being injured, when his work begins to slow down, he is sacked.

I have had personal experiences of workers in an electronics company in the eastern suburbs being sacked at 4 o'clock on a Friday afternoon. The supervisors had a knack of picking the ones who were slowing down from, say, the effects of repetitive strain injury due to fast repetitive work practices. The employers knew that eventually they would have a workers compensation claim before the company and so they pre-empted the claim by sacking the worker. That is the problem under the current legislation.

If we are able to have a system of giving workers a guarantee that they would not be sacked while they are on workers compensation, I am sure employers would do a lot more to correct the work practices that cause workers to break down in those conditions.

In some Scandinavian countries, such as Sweden and Norway, legislation prevents workers being sacked while on workers compensation. It is not understood by many people in Victoria that employers have that right. The present system is a mess and is suffering from 26 years of neglect by the conservative Government, which has allowed the situation to deteriorate. This is well documented in the Cooney inquiry which shows the shortcomings of the present system.

The delays in the current system, which the honourable member for Brighton says do not exist, actually do exist. It is a pity that he did not take the trouble to properly investigate the position as he would have found that a high percentage of claims by workers for workers compensation are denied because liability is denied.

Until recently, there was an average delay of 23 months, which is an awfully long time for workers to exist on nothing or sickness benefits. Of course, those sickness benefits must be repaid once workers compensation is granted. The worker never seems to fully recover from that position.

There are numerous examples of workers accepting lump sum payments or exemptions in an attempt by insurers to buy them off the books—if I may put it in those terms. Lump
sum payments take into account the suffering, loss of income and loss of potential income earning capacity. There are various examples of redemption payments of as little as $8000 for those who have permanently injured limbs from work-related accidents and that payment is supposed to suffice for the rest of their working lives.

I quote a case history from a document that was given to me recently by workers compensation officers of the Amalgamated Metal Workers Union some eighteen months ago. The worker was employed by Bonar Stanger Ltd of 194 Miller Street, West Preston and the document names the insurance company and the treating doctor, who was at Preston and Northcote Community Hospital. The person, who was claiming workers compensation, suffered an infection to his hand following a cut finger. He was off work from 17 July 1982 to 8 August 1982, being about three weeks. A claim for workers compensation was made during that period. On returning to work, he granted authorization for access of the employer's insurance company to his medical record. Early in September the company requested the report from the hospital. This did not include an accompanying cheque for the cost of the report and the request was returned. The requirement to pay in advance for such a report is customary practice. The insurance company would have been aware of that practice.

On 25 October, a telephone inquiry was made to the hospital as to progress and the availability of report. The hospital indicated that the request had been received a few days earlier and that the reply would be forwarded in two or three weeks. The hospital then assumed that the decision would not be made until late November of that year and if a decision was made in the affirmative payment may not be made until 2 December, twenty weeks after that worker had been off work. Therefore, for a simple clear-cut compensation claim for an infected finger due to a cut that the worker received at his job it took twenty weeks for payment to be made. That is typical of what happens in the current climate.

Difficulties also arise in the current system when workers receive permanent injuries such as back injuries. A person may receive a settlement of $20 000 to $30 000 and use that money as a down payment on a house for their future living situation and within that settlement the person's future income-earning capacity is taken into account. Therefore, the Social Security Department takes that into account when assessing them for sickness benefits and they may not receive such benefits for approximately eighteen months. They therefore have difficulty keeping up payments and so the lump sum payment under the present system does not adequately protect the worker for his future commitments.

A case history that recently came into my office deals with a worker who had a common law claim pending against his employer and was offered $75 000 for a permanent back injury. The insurance company offered a settlement of $39 000. The worker was advised by his solicitor not to accept the offer but to go to court and that he should receive much more than $75 000. Unfortunately the jury did not take too kindly to the person—he was a migrant and he did not speak good English, he did not come across too well—and the award given was $39 000, well short of $75 000 that was offered at the door of the court.

The difficulty then arises when the legal fees must be paid out of that award because the award given was less than the amount offered. Out of that $39 000 for common law settlement, he must pay $20 000 in legal fees. This indicates the extras that are loaded into the workers compensation system when legal fees of $20 000 are taken out of a $39 000 settlement. This would leave the worker with approximately $19 000 in his pocket.

The worker has a permanent injury and he is left with $19 000 to provide for him and compensate for the pain and suffering, plus loss of income and future loss of earnings.

The lump sum also arguably deters rehabilitation. The lump sum position is a definite incentive for workers to present themselves in the most unfavourable position in an attempt to boost the award made to provide for their future. That is the very difficult position that the workers finds themselves in. If the work rehabilitation program is to be successful, the system of lump sum payments that has existed in the past must be drastically altered for workers to be encouraged to enter the rehabilitation programs.
The current rehabilitation programs that do exist are ad hoc and scantily resourced. Those run by insurance companies such as the Industrial Rehabilitation Service have not got the support of workers. Workers believe the rehabilitation services are solely there to get them back to work as quickly as possible.

The current rehabilitation system is not working effectively. It is inefficient and ineffective. The proposals put forward for the Accident Compensation Commission will be welcomed in that area. The objectives and principles of the new Act will be to reduce the incidence of accidents and disease within industry. Coupled with the proposed occupational health and safety legislation, the Government believes the measure will improve the standard of occupational safety and health within industry. It will help to reduce the incidence of claims for workers compensation and will provide suitable, just and adequate compensation for injured workers.

The current level of benefits for workers is inadequate to provide a reasonable standard of living. The reforms provided will be on average 20 per cent more than those that apply at present. That is a large increase. The industry agreements negotiated by trade unions provide for a full make-up of wages for periods of between 26 and 52 weeks, although most agreements provide for a 52-week full make-up payment. The new benefits will mean less direct contributions by employers to wages during the period when the make-up provisions apply. Therefore, employers will be better off.

The major improvement is the issuing of $400 a week for regular benefits and a base rate of $196. This means injured workers will receive a reasonable wage for as long as they are incapacitated. That is in contrast to the present position where they may receive compensation up to $63,000, then revert to sickness benefits. Under the proposals, injured workers will receive 80 per cent of their earnings during the past year for the rest of their working lives.

I found some irony in what the honourable member for Brighton said in referring to the articulated clerk who may not be able to receive compensation for the rest of his or her life on potential earnings. In my own case, as an apprentice fitter and turner many years ago earning approximately 5 pounds a week, if I had been injured how would the honourable member for Brighton have assessed my potential earning capacity for the rest of my working life? It is ironical that he chose an occupation in which there are few claims. Lawyers seem to be doing much better earning a living off the system, rather than applying for compensation within the system.

Long-term injured workers will be advised at some stage by the Accident Compensation Commission to go on to sickness benefits or the invalid pension, which will mean that the Commonwealth will supply the level of benefits and the commission will provide the top-up payments for that long period of incapacity for long-term injured workers.

The replacement of the existing multi-insurer system will definitely be of benefit to the community. The 51 insurance companies operating at present have a duplication of administration and overheads, which must cause an enormous waste within the insurance industry. The single-insurer system will be far more efficient and effective.

One of the problems of multi-insurers that currently exists is that employers change their insurance companies regularly, almost as often as they change managers. Every time one notes that a new managing director has been appointed to a company, no doubt a new insurance company is protecting its interests with workers compensation. This creates difficulties for workers who have claims which may span periods in which different insurance companies were operating. It creates a real problem by aggravating the situation existing in the industry.

Those sorts of problems will disappear under the proposed legislation. There are significant benefits in having a single insurer. Large contribution levels will be delivered to workers under the proposal.
I shall quote a newsletter issued by Maurice Blackburn and Co. dated June/July 1984, which deals with the myths of compensation. It states:

The statutory rate of weekly payments of compensation is less than half average weekly earnings. The great majority of lump sum awards for permanent disabilities are between $10,000 and $30,000. The maximum possible payment is limited by law. The settlements of hundreds of thousands of dollars quoted in the newspapers are not for workers' compensation, but for common law negligence actions. These are paid for more frequently in motor accident cases than for industrial injuries.

The large lump sums one hears about that are provided by common law actions do not really exist. The average worker claiming under common law does not receive those kinds of payments. The new system will pick out of the common law component a portion that is assessed as future earnings and allow the worker to claim only for suffering and loss of work. That is a far better system which will encourage workers to go into the rehabilitation system.

The rehabilitation system will have to survive on its own merits. It will not be able to demand that workers go through rehabilitation. It will have to earn workers' respect for its approach, attitudes and responses. It will have to seek co-operation with employers in industry so that when workers are injured they will go through the rehabilitation process with the co-operation of employers, so that workers can be taken back into the workplace and properly rehabilitated. That sort of system does not exist today. With the introduction of the new proposal of four rehabilitation centres in industrialized sections of Victoria, the direction of rehabilitation will change enormously.

Much has been said about the American system. It is a highly legalistic system that revolves around common law. Lawyers take up claims on behalf of workers and receive a percentage of the award. It is common for workers compensation lawyers in America to earn between $50,000 and $100,000 from huge common law settlements. Every State in America has a different Act, and the variations are enormous.

I quote from a document called "An Interim Report to Congress on Occupational Diseases" which I picked up in the United States in 1981. It states that only 5 per cent of those severely disabled by occupational disease receive workers compensation benefits. That again proves that in the United States 95 per cent of sufferers of occupational diseases are looked after by the taxpayer out of the public purse: They receive sickness benefits under the social security system.

I suggest that the proposals concerning an Accident Compensation Commission are worthy of support, as are improvements made to the level of benefits, with the support of the trade unions. The trade unions have expressed some concern, but proper consultation has occurred. The Cooney inquiry was conducted and has made recommendations, and two years of discussion have taken place. The package dealing with workers compensation, occupational health proposals and dangerous goods will make an enormous difference to living standards and provide potential benefit to workers in this State.

Mr. GUDE (Hawthorn)—Firstly, I congratulate the honourable member for Brighton on his detailed and lucid dissertation. His assessment of the Bill far surpassed the Minister's knowledge of the Bill—not that that would be difficult. Members of the Opposition were impressed by the way in which the honourable member for Brighton directed attention to the many and varied deficiencies of the measure.

I also congratulate the honourable member for Springvale on his contribution. Unlike the muted jackals on the Government back benches, he has again broken with tradition and made a contribution. His contribution probably did not go far towards assisting in the debate, but at least he had the courage to make it.

The Bill aims to reduce injury in the workplace and we, as the Opposition and as an alternative Government, support that proposition. The case put by the Government has a number of flaws. In particular, they relate to the actuarial assessments that have been made and that cause nothing but concern. Assessments have been done by or for the Government as well as for the broad community, and those assessments vary widely.
When considering workers compensation, it is probably important to examine the
general cost of wages in the workplace. I shall draw briefly from a paper given by Alan
Jones, the Executive Director of the New South Wales Employers Federation, in October
1984, when he addressed the Federal Opposition’s national small business conference. In
that paper he stated:

Consider the gravity of our labour cost structure in this country and the extent to which we have institutionalized
greed, unemployment and business difficulty.

The paper gives a number of figures and I shall content myself with making specific
references to the summary. Mr Jones goes on to state:

Thus on this basis, on-costs have increased from 29-0 per cent of direct wages (1974) to 52-7 per cent (1983).
Workers compensation at 4-1 per cent of total labour costs is rapidly overtaking pay-roll tax at 4-2 per cent.

That is a significant increase and a major area of concern to employers. It is a subject that
needs to be tackled, and one commends the Government for at least addressing itself to
the problem or workers compensation.

Industry has shown that the Government’s case has a number of basic flaws. Given the
Government’s poor record of deceit, its financial excesses and generally poor fiscal control,
I choose—and indeed the Opposition chooses—to seek independent views and to do my
own sums.

Earlier in the debate the honourable member for Brighton mentioned a paper prepared
and released only yesterday by an independent actuary, Mr Slee. I shall read into the
record a summary of Mr Slee’s assessments:

The costing of WorkCare is a combination of understatement of the present, understatement of the benefit
increase and an optimistic “target” through loss control and rehabilitation. The costings may have been made
on the basis of Government assumptions rather than actuarial assumptions supported by data. Certainly, no
data source is given and no formal actuarial certificate is printed.

Data in my possession which I identify as the C. E. Heath portfolio and samples from other companies would
prevent me from certifying the proposed scheme as set out in WorkCare to be fully funded.

That is most important, so far as the concerns about and criticisms of the measure are
concerned. He continues:

Indeed, even after allowing for optimistic improvements in loss control and rehabilitation, I find that the
benefits proposed could not possibly be provided for less than an aggregate cost of 5 per cent of wages. My work
is a matter of public record.

Should my calculations prove to be nearer the mark than the Government’s actuaries, then certain things
could happen if the scheme is to remain fully funded (and most parties seem to agree on this point).

Either premiums must be increased
OR the excess could be increased
OR the deficit is met by general tax
OR benefits could be reduced
OR a combination of these.

The plain truth is that the perceived savings are simply not achievable if the Government
is to meet all of its obligations and its promises. I know that it cannot. The Opposition
knows that it cannot. The insurance industry knows that it cannot. The trade unions hope
it will but really know that it will not. The small business operators like the idea of a
possible short-term benefit, but they also know that it will not work for them in the longer
term if they happen, by some curious quirk of fate, to be one of the few small employers
who will or may benefit from the Bill. In the short term, we all know that it will not work.
I guarantee that the muted jackals on the Government back bench also know that it will
not work.

They do not speak on Bills these days. That is not simply because they are poor
speakers—and certainly they are that—but because they do not have their hearts in the
measure. They have no feeling for this measure and no support for it.
Mr Shell—Nonsense!

Mr Gude—The honourable member for Geelong interjects, and I invite him, for a change, to make a contribution rather than making snide interjections. The Opposition, the media, the Trades Hall Council and employer groups know that the Labor Party is divided on the issue. That is why there are so many absentees from this place and why honourable members have heard so few Labor Party contributions on this bad measure.

The small business operators know what it is like to have to fight for survival against the pressure of Government costs. They have suffered a 52 per cent hike in taxes and charges over the past three years, and they know what it is like to have to survive in the real world of the market-place. They know that it is not possible to reduce premiums on the one hand while increasing benefits on the other hand.

It seems that the Treasurer has suffered from the disease that besets all former ACTU advocates, including the Prime Minister. He, for his part, held a taxation conference in recent times and has been drowned in the middle of Lake Burley Griffin. The Treasurer in this place seems to be trying to do a loaves and fishes trick. The simple fact is that the books will not balance.

One simply cannot take more in one hand, take less in the other and have a fully-funded scheme. It is not possible to make a silk purse out of a sow's ear. The trade unions know their members will lose with the abolition of their own common law rights and the ability of the Government to manipulate the system by regulation. Honourable members should have no doubt that manipulate the system it will. Put simply, these people do not trust this tatty Premier or this Treasurer.

In all these circumstances, once the Government is entitled to act, who will be the eventual winners? Who will win? It is clear who will be the winners. The first will be the Premier and his ego. He will succeed, all right, in nationalizing workers compensation, where his father before him tried and failed. He has much to answer for in this place and out in the market-place. The little cherub, the Treasurer, will also win because he will get his grubby little hands on the premium pool, which his boss, the Premier, will use in their last-ditch attempt to buy their way back into office four years from this date.

This is a Government that looks and acts like a hubcap. It is shiny on the outside, but it is not so squeaky-clean underneath. The further the Opposition examines this Government, and in particular the Premier and the Treasurer, the more certain it is that the practice of deceit is being waged in this place against trade unionists, employers and the community at large.

It matters little to the Premier how he achieves his ambition. He is a man crazed with power. His fallback position is to blame it on the previous Government. He constantly seeks to confuse and cloud over issues with a smoke screen of rhetoric, but he cannot hide his failure, and neither can the Treasurer, who, on this occasion, will be called to account because it is his Bill and the people will not forget.

The Government makes a great deal of its so-called consultation process with business organizations. The plain and simple truth is that, on this proposed legislation, consultation has not taken place with other than a few friendlies. Consultation has not taken place in the real and the general electorate. I repeat that the business community deeply resents the Premier and the Treasurer parading around the countryside and trying to make out that the Bill has unqualified business support. Nothing could be further from the truth.

I know of in excess of 100 well-known, important reputable employer groups who were not consulted and, indeed, who never even received the courtesy of a copy of the Bill, let alone the second-reading speech. Here we have a Treasurer who has not even got his act together, who has pages of amendments to move in this place tomorrow, right on the eve of the operation date of the measure.
I shall not go to the 80 and 100 telegrams, letters and submissions I have received in regard to the Bill, because I would need a truck to transport them here. However, I should like to refer briefly to some of those I have received, because they outline in clear and unequivocal terms the way this Government ignores the people who have to pay the bill at the end of the day, the employers. Let us not forget that these are the people who risk their capital and invest their time and savings in the workplace to create employment for good decent Victorians. They are the people who pay the workers compensation bill at the end of the day, and they are the ones who have been least consulted by this tatty Treasurer.

I refer the House to a submission I received from the Housing Industry Association that was addressed to the Premier and every member of the Victorian Cabinet. The letter, dated 1 July, states:

Worker’s Compensation Legislation

The Accident Compensation Bill, due to be introduced to Parliament this week, contains two elements which cause this association to be greatly concerned:

(a) It effectively converts the independent, self-employed subcontractor into a “worker” (Clause 175).

The effect of this will be that builders will be required to pay a premium for self-employed business men who presently take care of themselves through a Personal Accident and Sickness Policy.

These are the people who are prepared to have a go, to create for themselves their own work, to generate their own business and, through growth at a later stage, employ people. These are the very people that this Treasurer, through clause 175, wishes to bring back under the proposed legislation. He is doing that in an attempt to get his hands on some additional funds. The letter continues:

The cost effect of this on housing will be to increase the price of new housing by $400 on the average house.

Let it be quite clear that this measure will have a broad effect on a great number of people in our community, not the least of whom will be young couples who seek to build their first homes. This Government will cost them an additional $400 through this proposed legislation. The letter also states:

We regret that it has become necessary for HIA to press its views in this manner, but the failure to grant consultation time prior to the legislation being introduced, despite repeated attempts last week to obtain this time, has left us no alternative.

This is the sort of activity that this Government is carrying on. I now turn to another reference, the Australian Small Business Association, which had to take the time to contact all of its members, at great expense, to draw to their attention the deficiencies of the proposed legislation, the threat that it imposes on them, and the fact that their premiums will be greatly increased. It is unreasonable that the Government would not consult with those groups and that those groups have had to go to that level of difficulty. The pamphlet headed, “Government Compo Bill Scheduled to Sink Small Business in Victoria”, states:

The Government, the Unions, and ‘Big’ Business, have finally done it. It’s not enough that you have to subsidize:

The Portland disaster.

The State Insurance Office (with a billion dollar deficit and still losing $1 500 000 per day, and a just announced increase in third party rates of 7 per cent).

The continually escalating cost of fuel (so far this year fuel prices have risen no less than ten times in Victoria).

Now you are expected to almost totally fund the new Workers’ Compo Scheme. All that’s currently being decided behind your back is how much more it will cost you.

This is the way in which this Government, this Treasurer, and this Premier say they have had consultations with the business community! It is a laugh, it is charade, and it is very serious. This Government and this Premier have a great deal to answer for. They know that the proposed legislation, as outlined, will not be capable of total implementation. They know that most employers will not obtain real increases in their payouts for actual compensation.
The first week is not covered by the Bill. Employers will have to pay for that, they will have to record it, and they will have to administer it. That will cost them money. This Government does not care about that. Medical benefits in the first week are not covered. Employers will also have to pay for that, record it and administer it. This is another set of examples of how this Government is seeking to impact on the business community.

I shall quote to the House comments from two letters that I received from businesses. The first business to which I refer has asked me to protect its name because it is concerned about the prospective vindictive nature of this Treasurer and this Government with respect to the way in which it would affect its premiums. The letter states:

As per our telephone conversation on Monday regarding the new workers' compensation scheme, it appears from a copy of the M.T.I.A. material furnished by an associate, that according to Appendix A, page 2, my company will be classified by either Industry Code Numbers 2162 or 2163 with premium rates struck at either 3·23 per cent or 3·8 per cent according to our specific activity at any time. (Our activities fall between these categories).

This rate, even at the lower figure, is some 50 per cent higher than the actual net premium being paid under the existing scheme, with the higher rate equating a 75 per cent increase. In the four years we have been operating actual premiums paid against wages and salaries to the—

Mr SHEEHAN (Ballarat South)—On a point of order, Mr Acting Speaker, the honourable member for Hawthorn is reading from a letter and I ask that he table it if he is going to continue to quote from it.

The ACTING SPEAKER (Mr Kirkwood)—Order! Does the honourable member wish to table the letter?

Mr GUDE (Hawthorn)—At the outset I indicated that I would respect the wishes of the employer concerned. I am quoting from a letter that has been signed. If the Government does not want to hear the truth, that is all right.

Mr JOLLY (Treasurer)—On a point of order, Mr Acting Speaker, if the honourable member for Hawthorn persists in quoting from the letter he should make it available to the House. That is the standard practice and it should be followed.

The ACTING SPEAKER—Order! Is the honourable member for Hawthorn prepared to table the letter?

Mr GUDE (Hawthorn)—I am not prepared to table the letter.

The ACTING SPEAKER—Order! That being the case, I ask the honourable member to cease quoting the letter.

Mr GUDE—I had anticipated that this may occur and, on that basis, I have another letter which I am quite happy to table. The letter is from the Flim Flam organization—the singing telegram people. The letter is dated 16 July 1985 and is addressed to Dr Dennis Sams of the Accident Compensation Commission. It states:

For the total wage bill for 1985-86 for Flim Flam of $120 000, we have been given a new classification of 2·66 per cent under the heading of Entertainment. That now represents an annual premium of $3192.00. If we were forced to include travel reimbursements as well which our performers are paid for the use of their cars, then the total premiums would probably be in the vicinity of $4023.00. These travel reimbursements are not part of the employees' wages but we are forced to include them as part of our pay-roll tax deduction at present.

Under the old system of workers compensation where we dealt with individual insurance companies, our annual premium over the last five years has averaged out at about $700 to $1000 but certainly never more!

Now, this new system instituted by our fair-minded Government of Victoria assures most businesses that they will be either better served, or only minimally worse off under the new scheme.

I fail to see how a 400 per cent increase for a small business such as mine which has won an award in 1981 for outstanding achievement from the State Government, can be considered to be either fair or acceptable.

Employers remember the taxation explosion and the rip-off of 52 per cent that has occurred over the past three years. They know how the licence fees have been increased—some in the order of 2000 per cent. They know how land tax is biting into their profit margins.
I know of a business in the electorate I represent whose rates payable to the Melbourne and Metropolitan Board of Works are increasing by approximately 80 per cent. Employers know how the Government has expanded and seeks to expand its pay-roll tax grab and they know the Government will not lower pay-roll tax exemptions for small businesses. They are not about to be fooled by the Treasurer, the Premier or the Government and they will have their say at the first opportunity, and I refer to the by-election in the Nunawading Province. Their second opportunity will be at the ballot-box when the Government will pass into oblivion and the Opposition will take the Treasury benches.

Owner-operators and direct selling agencies know how the Treasurer seeks to rope them in to the pay-roll tax area; they are aware of his insatiable appetite. The Opposition has received copies of the report of the Building Industry Implementation Committee and knows about the way in which the Government is seeking to develop yet another internal revenue-raising agency—another way to milk the cow dry.

Small businesses in Victoria know that the new criterion of wages has been increased and broadened by the Government to make the premium base larger. That means that they pay more, and they are aware of that. Small businesses know they will have to employ additional people to fill out the plethora of forms and returns imposed by the Bill and its sister measure, the Occupational Health and Safety Bill.

Small businesses do not like the role of de facto tax collectors; they do not like being a de facto Government agency—they resent it. They do not respect a monopoly that has been foisted upon them and they do not believe in the dead hand of nationalization. Small businesses resent the continuous and growing intrusion of the Government into areas best carried out by private enterprise.

Examples of Government intrusion abound. Small businesses have genuine care and concern for their employees and for the lot of their families at the end of the day. It is the nature of small businesses. They resent the way in which the Government is foisting upon them a trade union safety police force. The goal is clear; the Government will take control of the workplace out of the hands of the owner who invests his life blood in his business and will transfer it into the hands of the unions. I quote Mr John Halfpenny who, when commenting on the Occupational Health and Safety Bill, stated, “We now have legitimized strike pay.”

The Opposition agrees with the need to develop a better compensation system. It agrees that the Cooney report contained many good suggestions which, if introduced, would have significantly reduced the cost of workers compensation in the State. Premiums would have been reduced and there would have been a better, faster and more efficient system of claim processing without the need for nationalization.

I shall quote a list that has been compiled of some of the areas in which the Government has generated a new and increased bureaucracy: The Accident Compensation Commission; authorized agents; the Accident Compensation Appeals Tribunal; conciliators; the Supreme Court; the Magistrates Court; a registrar; rehabilitation services; the Motor Accidents Board; financial counselling services; medical practitioners; self-insurers; actuaries; the Victorian Accidents Rehabilitation Council; rehabilitation medicine; rehabilitation research facilities; rehabilitation education facilities; rehabilitation community groups; advisory committees; the Self Insurance Review Tribunal; a complaints investigator; the Trade Union Rehabilitation Advisory Committee; the compensation ombudsman; the pay-roll tax office; and the Occupational Health and Safety Committee.

Clause 101 deals with the notice of injury and claim for compensation and clause 102 deals with the form of notice of an injury. The clause provides that where an employer has received notice of an injury that may exceed the liability of the employer, he must notify the commission.

Clause 103 deals with the form of a claim and clause 104 deals with the service of a claim. Forms, forms, forms—that is what the Government is about. The Government is
concerned with forms and information for workers. The employer must maintain a summary of the requirements for making claims and of the benefits available.

Clause 106 provides that the employer must maintain a register on which workers may enter details of injuries. It is interesting that when one reads a clause concerned with employees, the verb is "may" and yet when one reads a clause concerned with employers, the verb is "shall". They are little words which are used in the appropriate places to suit the Government.

Clause 108 provides that the employer is to forward claims to the commission within five days of receiving them. It would be nice if the Government settled any outstanding accounts within five days! That is not the case and, in many cases, one is lucky to have accounts settled in two years.

Clause 122 provides for the notification of an employee's return to work. The employer is to notify the commission when an incapacitated worker who is receiving payments returns to work or if the weekly earnings of an injured worker change. The Bill contains 22 similar clauses which deal with forms, regulations, costs and requirement on employers.

I estimate that, at the very least, an employer employing fifteen to twenty employees will have to employ an additional half a person to deal with those requirements. The additional cost of keeping up to date with the forms will be $25 000 to $30 000, and this cost must be added to the workers compensation premiums.

Mr Speaker, the Government will live to rue the day this measure was introduced.

Mr McNAMARA (Benalla)—I commend the contributions made by the Leader of the National Party and the honourable members for Brighton and Hawthorn. They adopted a constructive approach to this important Bill. Workers compensation has been of concern to all businesses and, I am sure, to many employees. However, there have been many undesirable aspects associated with workers compensation.

Questions have arisen about whether enough was done in the area of accident prevention. I have statistics, with which I shall deal later, demonstrating the improvements that have been made in this area.

The cost of workers compensation has escalated. In Victoria, workers compensation premiums are three times as high as those paid by companies in other States. Employees have been concerned about the excessive delays in the settlement of their claims. It is not unusual for a claim to take two years to be resolved. Yesterday the honourable member for Mildura told me that he has a constituent involved in a workers compensation dispute that is still unsettled, and yet the accident occurred nine years ago. More work needs to be undertaken on rehabilitation. We must examine also the benefits paid to workers because that has been a major cost and is reflected in the high premiums for workers compensation insurance. Some of the Victorian benefits are 50 per cent in excess of benefits received in other States.

In recent years two major Government inquiries have been established to address these problems. In 1976 the Harris inquiry was set up by the former Liberal Government. In 1984 the Labor Government established the Cooney inquiry. The Government hand picked the members of the Cooney inquiry to reflect its own political prejudices. Mr Cooney is now Senator Cooney; he is an Australian Labor Party Senator in the Federal Parliament. We know where his political allegiance lies!

The recommendations in the Cooney report received the general support of most employer groups and most members of Parliament. It is worth examining the various recommendations made in the report and to highlight the recommendations that have been dealt with and some of the crucial recommendations that have not been accepted.

One of the aims was to try to reduce the over-all administrative expenses. The first step was the proposal for the abolition of lump sum payments for permanently incapacitated workers. That recommendation was picked up in the Bill. If the premiums reflected the
full cost of moving towards a pension system, the National Party would support it. Since
the scheme is not fully funded, it will create real problems in the future.

The Cooney report recommended that the 7 per cent stamp duty on insurance premiums
be phased out. Last year the Government earned $26 million from the stamp duty on
insurance premiums. It was estimated that the phasing out of that stamp duty would cut
workers compensation costs by 5 per cent. The Government accepted that
recommendation. This was a proposal the National Party put forward prior to the election.

The report suggested also that tough action was needed to end the widespread insurance
evasion by employers. Some employers were not paying the proper premium rates and, in
isolated cases, were not insuring workers at all. That practice added to the over-all burden
on those employers who were playing the game fairly. That area needed urgent examination.

The report suggested also that strict licensing requirements be instituted for insurance
companies to limit the number of new insurance companies in the workers compensation
field. In general terms, the National Party approves the supporting of private insurance
companies. The Government has taken it a step further and totally banned private insurance
companies from workers compensation. It also proposes to try to reform what Mr Cooney
quoted as the ideological hospital and medical practices which he stated allowed hospitals
to charge more for workers compensation cases and which saw doctors charging more for
people covered by workers compensation. If that practice was widespread, it was
unsatisfactory.

Honourable members are aware of certain insurance activities, for example, in the panel
beating industry. If one takes a car to the panel beater, the first question one is asked is,
"Is the car insured?" One knows one will be quoted a different rate for the repair of the
vehicle if it is insured.

If that tendency developed in the medical area, it should be examined and avoided. Mr
Cooney referred to hospitals charging, on average, 41·6 per cent more for compensation
cases and that doctors' consultations were $4 more than the Medicare rebate when they
dealt with patients on workers compensation.

The Cooney report also recommended that the Hospitals and Charities Act be reformed.
The report opposed proposals that would drive private insurers out of the workers
compensation field. It is interesting that that is one of the major proposals of the Cooney
report. However, the Government did not adopt that recommendation. It is interesting
also that the inquiry found that the Government proposal for a State fund on a pay-as­
you-go basis would result only in short-term savings and would eventually cost as much
as the current scheme.

Unfortunately, the Government has once again not heeded the advice of the Cooney
inquiry. The State is to continue an unfunded scheme which, initially, will provide some
extremely attractive rates but the whole scheme is phoney, a charade. The present levels
cannot fund the existing cost of the proposed scheme. I shall go into detail on that point
later.

According to the Cooney report, the further impact of forcing private insurers out of the
proposed scheme would be the elimination of competition which keeps premiums down.
The National Party recognizes the importance of free enterprise to provide competition.
The Cooney report stated that there would be a disruption to the Australian capital market
if private insurers were forced out. That is interesting, especially when one considers that
Victoria's whiz-kid of a Treasurer claims that Melbourne should continue as the financial
capital of South-East Asia.

If the Government is concerned about Melbourne remaining the financial capital, why
will it allow a disruption to the Australian capital market which will have severe
implications on the importance of Melbourne as the financial centre.
The Cooney report also stated that the proposed scheme will also discourage industrial safety. That subject was debated by all honourable members during the last week of sitting when the Occupational Health and Safety Bill was before the House. The Bill integrates those three aspects, prevention, compensation and rehabilitation. The Cooney report suggested that by not allowing private companies into the workers compensation system, industrial safety will be discouraged. That seems to go against every premise of the Government.

The Cooney inquiry also suggested that the proposed scheme will force up interest rates and increase job losses. Again, they are two areas which the Government has claimed are of top priority. It appears that the Government has read the Cooney report with its single ideological eye and has forgotten about what is in the best interests of all Victorians. All honourable members recognize that workers compensation in Victoria was beginning to grow like a cancer in the development of business and that something had to be done to bring insurance premiums more into line with other States. It is hoped that by streamlining the workers compensation system that will be achieved.

Many areas could be considered in workers compensation to cut costs. Savings could be made in administrative areas and reductions could be made in medical costs and legal fees by avoiding the adversary concept which exists in the present system. The Cooney report recommended that step and fortunately the Government accepted it. On the one hand the Government has cut back in some areas to recover substantial savings but, on the other hand, it has handed out some excessive bonuses to the trade union movement. The Treasurer has tried to play down that aspect.

The underlying concern of the Government was to cut the costs of workers compensation premiums in Victoria compared with other States. The Treasurer stated that the proposed system would provide an additional $100 million to the various employee groups. The honourable gentleman seems to have understated that figure by 100 per cent. I have a letter from the Department of Management and Budget which is addressed to Mr Peter Marsh, Assistant Secretary of the Victorian Trades Hall Council. It was signed by Dr P. J. Sheehan, director-general of that department. Obviously the letter is confidential but, unfortunately for the Government, it surfaced in Parliament. The letter does not state that the benefits to Victorian employees will be a mere $100 million; it states they will be $200 million. What falsification by a Treasurer who has lauded around the countryside that Victorians should not worry that the cost will be a mere $100 million in additional benefits to employees.

Earlier, the Leader of the National Party stated that the proposed legislation was all about the credibility of the Treasurer; his credibility is going down the gurgler! All honourable members have been told that the Treasurer is a whiz-kid who has set the State in a new direction through modern financial management and other trendy financial formulae. In fact, the Treasurer is bankrupting the State. He has already sold Victoria’s railway rolling-stock, hocked the State through incredible overseas borrowings and is returning to lease-back programs. The costs to the Government are going through the roof.

What are the people of the State seeing for that? Damn little in the way of substantial benefits! The community is suffering from a continuing tax hike.

Prior to the State elections the Leader of the Opposition was able to highlight the many hundreds of taxes and charges that have been increased by the Labor Government during the past three years. It is horrific to consider what the Government could do if it were allowed to run loose for another four years with the control of the Upper House. I am sure the electors in the Nunawading Province will see through this flimsy Treasurer. The Treasurer says that he will tell it as it is, yet the Director-General of the Department of Management and Budget refutes the Treasurer’s claim in a letter to the Victorian Trades Hall Council. The proposed workers compensation scheme will cost the State plenty to administer. Many of the Treasurer’s figures are completely up the spout.

The Premier and the Treasurer stated that $1200 million would be spent in compensation premiums. They are a little bit out. The actual figure for 1984 was $742 million. They were
close; they were only $458 million out! One should expect a little better from honourable persons who are supposed to be running the affairs of the State. The Treasurer is not collecting the lunch money at the local primary school; he is running the financial affairs of the State. The Government based its savings in the workers compensation scheme on the projection that it has $1200 million to spend and it stated that it would save the community $600 million. There is only $142 million left to spend. That would not even pay the wages of those involved in workers compensation let alone pay the benefits. If the Government continues along that path there will be no benefits to the workers unless the Treasurer breaks another promise.

The Treasurer promised that he would keep the workers compensation premiums below 2.4 per cent of the average wage and that no one would pay more than 3.8 per cent of wages. What a phoney. Anyone could show a reduction in the premium rate by swapping the benefits from a lump sum payment system to a pension system. That is simple.

The average age at which a worker has an industrial accident is 43 years of age. He will be on a pension until he is 65 years of age. The average person will be on a workers compensation pension for 22 years.

In round figures, if 1000 accidents occurred, under a lump sum system the 1000 people involved in those accidents would be paid out and finished with. With a pension system, that would be 1000 this year, 1000 next year and 1000 each year thereafter until a maximum is reached in 22 years' time.

It was suggested by the shadow Treasurer, the honourable member for Brighton, that the debt on the current level of premiums in ten years' time will be $8 billion. This is the package that the Treasurer is trying to sell to the public. The Government is following the same track it followed with the State Insurance Office on third-party insurance. The Treasurer is offering a benefit and he is holding the premium rate down for political reasons. The debt is accumulating. In the third-party insurance area, the debt is increasing by $2 million a day.

If the Treasurer thought he was running up a debt at a record rate with third-party insurance, he will certainly break all records with the proposed workers compensation system. It will amount to $8 billion in ten years' time. How is Victoria going to pay for it? The Treasurer cannot sell the railway rolling-stock because he has already sold it. He will probably put the State into hock to the maximum with overseas borrowing and servicing these pay-back payments. The State is slipping away. Assets have been building up in Victoria for the past 30 or 40 years but in a short period the present Government is putting the State into hock.

Details have been provided by the Insurance Council of Australia of an employers workers compensation premiums comparison. I seek leave to incorporate this document in Hansard.

The SPEAKER—Order! I have examined the document and it is suitable to be incorporated in Hansard. Is leave granted?

Mr JOLLY (Treasurer)—Yes, leave is granted.

Mr McNAMARA (Benalla)—This document shows a number of companies and it is interesting that the premiums paid by these companies will certainly not decrease even in the initial period of introduction of the Bill. On the contrary, their premiums will go through the roof. I shall leave it to honourable members to study this document at their own convenience.

Leave was granted, and the document was as follows:
EMPLOYERS WORKERS' COMPENSATION PREMIUMS COMPARISON

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Renewable Premium</th>
<th>Government Premium</th>
<th>Increased Wage Base + 5 Day Excess</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company A. Textile Finishing Embroidery</td>
<td>$28,379</td>
<td>$50,150</td>
<td>$65,208</td>
</tr>
<tr>
<td>Company B. Wholesale Plastic Goods</td>
<td>$921</td>
<td>$1,729</td>
<td>$2,247</td>
</tr>
<tr>
<td>Company C. Machinery Manufacturers and Distributors</td>
<td>$3,045</td>
<td>$3,940</td>
<td>$5,122</td>
</tr>
<tr>
<td>Company D. Confectionery Manufacturers</td>
<td>$4,551</td>
<td>$9,948</td>
<td>$12,932</td>
</tr>
<tr>
<td>Company E. Electrical Contractors</td>
<td>$14,448</td>
<td>$15,010</td>
<td>$19,513</td>
</tr>
<tr>
<td>Company F. Fruit Packing</td>
<td>$2,835</td>
<td>$3,727</td>
<td>$4,846</td>
</tr>
<tr>
<td>Company G. Installers</td>
<td>$896</td>
<td>$1,227</td>
<td>$1,595</td>
</tr>
<tr>
<td>Company H. Service Station</td>
<td>$491</td>
<td>$665</td>
<td>$864</td>
</tr>
<tr>
<td>Company I. Engineers Electrical</td>
<td>$559</td>
<td>$793</td>
<td>$1,032</td>
</tr>
<tr>
<td>Company J. Association</td>
<td>$1,594</td>
<td>$1,702</td>
<td>$2,213</td>
</tr>
<tr>
<td>Company K. Retail Butcher</td>
<td>$117</td>
<td>$102</td>
<td>$133</td>
</tr>
<tr>
<td>Company L. Religious</td>
<td>$1,002</td>
<td>$1,163</td>
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<td>Company M. Club</td>
<td>$6,333</td>
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<td>Company N. Club</td>
<td>$1,297</td>
<td>$1,178</td>
<td>$1,532</td>
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<tr>
<td>Company O. Importers</td>
<td>$7,826</td>
<td>$11,704</td>
<td>$15,215</td>
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<tr>
<td>Company P. Sales</td>
<td>$1,217</td>
<td>$1,183</td>
<td>$1,538</td>
</tr>
<tr>
<td>Company Q. Pastrycooks</td>
<td>$1,905</td>
<td>$1,690</td>
<td>$2,198</td>
</tr>
<tr>
<td>Company R. Packing</td>
<td>$7,639</td>
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<td>Company S.</td>
<td>$3,437</td>
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<tr>
<td>Company T. Retail Clothes</td>
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<td>$286</td>
</tr>
<tr>
<td>Company U. Hotel</td>
<td>$7,095</td>
<td>$7,388</td>
<td>$9,605</td>
</tr>
<tr>
<td>Company V. Motor Wreckers</td>
<td>$1,065</td>
<td>$1,674</td>
<td>$2,176</td>
</tr>
</tbody>
</table>

Mr McNAMARA—These figures paint a horrifying picture and show the falsity of the argument put forward by the Treasurer that Victoria will be so much better off under this system.

The workers compensation package hangs together by a thread in three areas: Prevention, compensation and rehabilitation. The Treasurer has acknowledged that the scheme is not fully funded but he is hanging his hat on two points. The first of those is that the rate of
accidents will drop dramatically. I do not believe that is possible. In fact, a substantial drop in the rate of accidents has already occurred over recent years. The only publicity received from the Treasurer has shown a continual growth in the rate of accidents. The reality is that claims over the past two years have dropped by 12.5 per cent. That shows that industry is already doing something to reduce accidents. That is logical because it is in the financial interests of all industries to do whatever they can to reduce the rate of accidents for their own productivity.

The other point upon which the Treasurer relied related to rehabilitation. I presume the Treasurer is modelling the proposed system on that of other States, especially New South Wales.

The Treasurer is saying, “No”. Obviously he heard the comments made by the Leader of the National Party earlier this evening and he does not want to model the system on the New South Wales system because he can now see that that system is a complete farce. Last year, 7000 workers were referred to the rehabilitation commission and only 45 were rehabilitated. These were the two points on which the Treasurer hoped to make the package stay afloat. This scheme is destined to actually destroy Victoria.

The National Party's proposal will ensure that the Bill is fully funded and that premiums reflect the total benefit provided by the scheme. It will also provide for private companies to be involved in the underwriting, as suggested by Senator Cooney, as he is now known, as well as consultation with all groups in the workers compensation area.

The consultation carried on by the Treasurer has been extremely selective. In fact, he has been prepared to consult with most people, that is, most people who would agree with him. If someone did not agree with everything the Treasurer has proposed over the past six or eight months, that person was not invited back to the select club to take part in consultation.

Unfortunately, this is what the Treasurer describes as widespread consultation. It is an absolute farce. Members of the National Party had a high regard for the Treasurer but it is becoming patently clear to everyone that not only is the Government's financial situation going down the gurgler but the reputation of the Treasurer is going down the gurgler too.

As well as the changes to the workers compensation system, occupational health and safety and dangerous goods measures are being considered during this sessional period. The Government is setting up three new service delivery agencies: The Occupational Health and Safety Commission which will be responsible for the reduction of accidents and diseases; the Victorian Accident Rehabilitation Council which will develop and oversee a new system of public and private sector rehabilitation—and it is to be hoped it will achieve a greater success rate than has been demonstrated by its counterpart in New South Wales—and the Accident Compensation Commission which will collect premiums, assess claims, pay benefits and manage the scheme.

The measures also provide that the various institutions will have equal employer and employee representation plus Government nominees.

One pleasing aspect is that the proposed legislation moves away from an adversary framework. It is to be hoped that that will lead to a commensurate decrease in legal costs and will speed up decision-making. As I have said, one of the major concerns in the past has been the time taken to settle claims.

Higher charges will be incurred by employers who will have to provide the first five working days' wages lost, up to $400, and medical expenses up to $250. The Treasurer is considering the possibility of allowing employers to buy out of that first week's liability with a premium surcharge.

The measure will swap from lump sums to weekly pensions but that will only forestall the day of reckoning and will provide massive premiums for the future.

The area on which they focused was rehabilitation and prevention and I doubt whether there is scope for massive reductions in prevention above what has been achieved in
recent years. It is to the credit of employers, employees and private insurance companies that a reduction of 12.5 per cent has been achieved in the number of claims for the past two years.

I was delighted to second the amendment of the Leader of the National Party and to highlight the concerns on which the National Party has focused. The National Party believes genuine discussion should take place on a tripartite basis between Government, employer organizations and the Victorian Trades Hall Council; this has not existed in the lead-up to the introduction of the Bill into Parliament. The full involvement of insurers—of private insurance companies and the State Insurance Office should be invited, which should lead to the developing and operating of a workers compensation scheme on a fully-funded basis.

There needs to be a reduction in the delays of the hearing of cases and the excessive administrative costs that are endemic in the current scheme. There needs to be an inclusion of employee considerations in the premium income and a formulation of a viable system of rehabilitation.

Finally, the benefits should be commensurate with those that exist in other States and not as now exist, with benefits in excess of 50 per cent of those in other States. That is consolidated further in the Bill by the increase in the maximum amount in the table of maims and by extending the table of maims.

The present Bill will be horrific for the people of Victoria if the Government enacts the Bill in its present form. The National Party urges the Government to consider those points put forward in the amendments proposed by the Leader of the National Party.

Mr RAMSAY (Balwyn)—I commend to the House the contributions made by the honourable member for Brighton in leading the debate for the Opposition. His was a long contribution taking several hours to present, but it was thoroughly researched and the points made were ones this Government, indeed the Parliament, should carefully consider before proceeding to a vote on this important piece of proposed legislation. I congratulate the honourable member for Brighton on the work he did and I commend to you, Mr Speaker, the details that he provided.

With the honourable member for Brighton, I welcome the idea of reforming the system of workers compensation in Victoria. The present system is inadequate. In raising some of the difficulties that exist in the present legislation it should not be thought that the Opposition is opposing the idea of workers compensation reform. The system does need reform, but hopefully it will be capable of reformation with the support of all parties involved. When I say, "all parties", I mean not only the unions and employers but the whole Victorian community. As a community we want to see anybody who is injured or becomes ill in the course of their employment being properly looked after, and adequate steps being taken to restore them to health as quickly as possible. They should not suffer hardship as a result of any loss of income during the time of their illness or indisposition. That is an objective to which the Liberal Party subscribes, and as such I find myself in full support of the stated objectives of the Bill as included in clause 3. They are:

(a) to reduce the incidence of accidents and diseases in the work place;
(b) to provide suitable systems for the effective rehabilitation of injured workers;
(c) to provide suitable and just compensation to injured workers;
(d) to speedily and efficiently determine claims for compensation and deliver compensation to injured workers; and
(e) in this context, to reduce the cost to the Victorian community of accident compensation.

The Liberal Party has no quarrel with those stated objectives, but there is a large question mark or quarrel with the Government about the implication of those objectives as expressed in the proposed legislation.
An analysis of the proposed legislation indicates that highly questionable results will occur at the end of the day in the achievement of those objectives. Will the incidence of accidents and illness be reduced because of the proposed legislation? I doubt it. Will there be a suitable system of providing an effective rehabilitation of injured workers? That is very uncertain. Is just compensation being provided in the proposed legislation? Many people would think not. Will it work speedily and effectively and will it reduce the cost to the Victorian community? The question mark is even larger.

Workers compensation legislation in Victoria has a long and interesting history. It goes back to 1914 when, on the seventh occasion on which a proposal to introduce workers compensation in Victoria was brought before Parliament, the Bill was passed. In that original Act provision was made for the payment of, by today's standards, modest benefits to workers in respect of injuries or death by accidents arising out of and in the course of their employment. That definition of circumstances when compensation was to be attracted remained in the Act for several decades.

In 1946 a significant change occurred and the definition was amended to read that compensation was payable in respect of injury or death by accidents arising out of or in the course of employment. An additional provision was made for the payment of compensation of a person injured in the course of a journey accident; namely, a person travelling to or from his place of employment.

A number of changes have been introduced almost every decade since the 1940s that slowly and surely have changed the nature of workers compensation in the State until we have the very complex and, in many ways, inefficient and unsatisfactory law that presently exists.

In 1953 the words "by accident" were removed from the definition so that it became a question of payment of benefits in respect of injury or death arising out of or in the course of employment. In 1965 this definition was enlarged, again to include any recurrence, aggravation or acceleration of injury or disease where that employment was a contributing factor to such recurrence, aggravation or acceleration.

That 1965 amendment was a major move forward in terms of the social nature of workers compensation legislation. It increased enormously the number of claims for assistance that could be made under the Act.

Ten years later, in 1976, Judge Harris conducted an inquiry into the Victorian legislation and he made the observation that the workers compensation legislation in Victoria had become a very complex and inefficient form of social security handing out benefits in an uneven manner.

It was that situation, addressed by the Government in the late 1970s, that looked to bringing some amendment to that definition of injury so that the costs of the system could be contained to some extent by ensuring that the benefits paid out under the system were in fact paid to those people who were genuinely injured as a result of a workplace accident or disease.

Some honourable members will recall the arguments that occurred at that time and the final provision that was introduced into the legislation by the 1980 amendment where the definition of injury was again further amended to include the words "exacerbation or deterioration" along with "occurrence, aggravation or acceleration", and the limiting fact that employment was to be a contributing factor to a recognizable degree.

It is uncertain whether those words, "to a recognizable degree" placed any constraint on the number of claims that were coming into the system, but it is of interest that those words have been dropped from the definition of injury that is proposed in the measure.

In fact, the definition of injury is reverting to the definition as it existed in the pre-1980 Act, more or less as introduced in 1965 with one further amendment.
I am outlining the history of amendments to the legislation to show that to be introducing amendments in 1985 in itself is not so unusual—there has been a constant evolution of workers compensation legislation in this State. What is different about the 1985 amendments introduced by this Government is the incredible manner in which the Government has gone about the routine. Honourable members may recall some two years ago an inquiry that was set up which came to be known as the Cooney inquiry after the chairman of that inquiry, Mr Barney Cooney, and the Cooney report became the basis on which this Government proposed to introduce workers compensation reform.

From the Government’s point of view the Cooney report was not good enough. No attempt was made to act on the amendments suggested by Mr Cooney and his colleagues. The Government’s reaction was to set up its own further inquiry to examine the Cooney report. That inquiry came up with some entirely different proposals that were first announced to the community last December and became the basis of the Government’s election platform in respect of workers compensation reforms, which became the subject of an undertaking given in the Governor’s Speech as being the major piece of legislation for this Government during the autumn sessional period of Parliament. That undertaking became the subject of a statement by the Treasurer on 22 April when he saw his plans for introducing the measure in autumn falling in a heap because of difficulty he was apparently having, particularly with the trade union movement. He ducked and weaved a little and said, “We will bring it in at the end of the session, perhaps the last week of May or the first week of June”.

The undertaking given by the Treasurer again proved to be an embarrassment in the fullness of time because at the end of May there was no proposed legislation before the House other than a last-minute procedural move by the Government to introduce the Bill for its first reading but to allow no time for a second reading or the tabling of the proposed legislation.

It was an extraordinary procedure that was adopted by the Government, it would seem, because of trade union pressure. The trade union movement was not satisfied with what it understood the Government was doing with this proposed legislation. Threats were made that industrial action would be taken if the Government proceeded with the measure. The Government then proposed to circulate a draft Bill in the name of draft proposals, and that was done in the first week of June after the second reading of the Bill had been set down for 2 July.

So it was not until 2 July that the House finally received the Bill. Even now, although the House has not been officially advised, strong rumours are flying around that the Government will bring in not a few technical amendments but hundreds of further amendments. The pressure that the Government is putting on this House to pass the measure in the course of two or three days when several hundred amendments are to be moved really is asking too much.

I invite the Treasurer when summing up at the end of the second-reading debate to state just how many amendments he expects the House to deal with, and I invite him to look to the forms of the House and ask himself whether in all conscience he can ask the House to accept a Bill so heavily amended in the Chamber, particularly when one examines the history of the way in which the proposed legislation has been changing week by week and almost day by day over the past few months. The Government is scratching to produce a legislative measure in the form it desires. Obviously, it is a major reform. It is a significant document in itself, encompassing some 275 clauses and 213 pages and, now, some hundreds of amendments are proposed.

If Parliament is obliged to see this proposed legislation forced through with truncated discussion, it will be a sad day not only for the Government but also for the State of Victoria. If the Treasurer has not got the legislation right at this point, another few hundred amendments brought in and debated in a hurry will not make it right. It takes time. If his only reason for doing this is his concern about possible opposition to the measure in another place, he should give thought to getting the measure right and into a form that has
I direct the attention of the House to four aspects of the Bill. The proposed measure means the end of private insurers in the business of providing workers compensation insurance. Workers compensation is employers' liability legislation. The employer was, until now, the insuree making sure that he or she would be able to care for the worker in case of injury. It is the end of private insurance for workers compensation insurance. A large section of the insurance industry will be nationalized.

The second major feature of the measure is a significant expansion of benefits to claimants and a number of concessions to the trade union movement. A third significant aspect is an endeavour to spell out in legislation a system of rehabilitation in the workplace or, in case of a workplace injury, of the people involved and their rapid return to work.

The fourth aspect is a claim—and I cannot put it higher—that there are significant savings to employers on the cost of insuring against the cost of workers compensation. These claims are more theoretical than actual and, judging from a number of the actuarial analyses the Liberal Party has had done, particularly those referred to by the honourable member for Brighton, the claimed savings to employers are very largely illusory.

The Bill is a conjuror's trick. By the simple process of nationalization and a reorganization of the system, workers will receive higher benefits and employers will be faced with a significant reduction in costs. If that is to be the system, something must give.

The Government knows it will not work. After a few years down the track, when the cost of providing these increased benefits is known as a fact rather than fiction and the amount of money being paid by employers at these lower premium rates is also known, the figure will not add up any more than third-party insurance premiums add up in an attempt to adequately meet the cost of third-party insurance in Victoria.

Someone has persuaded the Government that private insurers have created a costly and inefficient workers compensation system, but nothing could be further from the truth. Considerable advantages can be gained by having competition, and any employer who has to pay the bills would know that. Service industries are used to minimize costs. There is not one instance in history where one could prove the end of private enterprise and the creation of a Government monopoly has reduced costs.

What checks on costs are contained in the measure? Absolutely none! The Accident Compensation Commission will be a law unto itself on how much money it will spend. No organization will be competing with it. No alternatives will be available for employers when the day comes for their levy to be increased. Nothing in the system will reassure employers that real savings in the long run will be made.

The honourable member for Springvale spoke earlier about a single insurance system being efficient and effective. One can examine the third-party insurance system where the State Insurance Office has a monopoly and one can ask whether it is efficient and effective. Some honourable members may point to Queensland and say that it has a monopoly on workers compensation. However, one cannot compare the two States. Queensland is in a completely different situation and one cannot compare the cost burdens imposed on employers by the proposed Victorian legislation. The Treasurer is aware of that and has only to look at the way the workers compensation system is used to help run Victorian hospitals. If one were to compare that with Queensland, one would see the immediate difference.

I shall now turn to the expansion of benefits that are apparent in the measure and the concessions to the union movement that the Government has made. In some ways the process that the Treasurer adopted in drafting the proposed legislation shows the real danger that has been allowed to develop. The Treasurer has spoken proudly of the fact that the general levy of benefits is to be increased by 20 per cent. This will include a new maximum pension of $400 a week or 80 per cent of pre-accident earnings—a figure which
has grown since the first proposals were mooted earlier in the year—and the new $196 minimum pension with additional benefits for dependants.

The new table of maims not only has higher figures for specific injuries or impairments but also an interesting range of new possibilities for lump sum payments in addition to weekly benefits for such conditions as an impaired back with a possible payment of anything from nought to 60 per cent of $61 750. The fact that it is available over such a wide range will lend to the system a new area of disputation. It will involve the adversary situation where legal minds will argue, supported by medical evidence, to what degree a claimant's back is impaired.

Substantial extra benefits for the claimants and a substantial number of areas for litigation and disputation will be built into that system, which will all add to further costs. However, these matters have been introduced after recent discussions the Treasurer has had with the Trades Hall Council.

The honourable member for Brighton raised a number of matters earlier in the debate. One concerned where the definition of injury has been amended and the deletion of the words "to a reasonable degree" was made. Those words were in the draft proposals on 2 June but were not contained in the Bill on 2 July.

Legal aid for workers will now be available from the employer levy. The accountability of employees has been reduced. No evidence can be given from the Rehabilitation Commission concerning an employee's state of health without his consent. This is a significant concession to employees and removes any hope that the Accident Compensation Commission might have had of obtaining a frank and honest report from the Rehabilitation Commission about the real state of condition of any employee.

The Rehabilitation Review Committee has also been abandoned. Penalties for refusing rehabilitation have been removed. The employer's right to initiate a medical check is no longer contained in the Bill. The employer's right to call for a review of weekly benefits has been removed.

There is no constraint in the new system to prevent the malingerer or dishonest person from making a claim on the system. In raising that issue, I am not suggesting that all workers who seek benefits are being dishonest. Of course, they are not. However, if a system is not secure against the dishonest person or malingerer, it will not be well-managed and will be open to abuse. It will also end up costing the community millions and perhaps billions of dollars. However, that is the situation that has been created by the Government.

The Bill offers far more generous benefits to injured workers. Amendments made at the behest of the trade union movement have made it a soft option for unions while employers are being quietly lulled with the short-term claims that there will be a significant saving to them. The new premiums for some industries are amazingly encouraging. Spectacular reductions in premiums will occur and the Government has indicated that these premiums will be fixed for the next five years at least. However, employers are beginning to query that situation.

The removal of the first five days of any claim from the area of insurance and the removal of the first $250 from any insurance makes these payments the liability of employers. This is a significant cost removal from the system but it is a cost that remains for the employer.

The employer will be liable to pay workers compensation if the commission is slow in paying under the arrangements and, if the employer does not pay, a penalty is provided.

The administrative nightmare that employers, especially those in small businesses, will face is something to which the honourable member for Hawthorn referred earlier in the debate. It is an administrative nightmare that the Treasurer should have taken into consideration far more thoroughly than he has done to date. Indeed, the honourable gentleman has claimed that this will be a fully-funded system over a ten-year period.
Mr Jolly—Correct.

Mr Ramsay—The Treasurer interjects by saying that that claim is correct. The only way in which that claim could be correct is if in ten years' there is a major jump in the levy charges or the Treasurer or his successor is obliged to withdraw a large sum of money from the Consolidated Fund. That is the only way in which the Treasurer can claim that his ten-year fully-funded concept is correct. It is a dishonest use of words to describe it in that way.

The Bill is an unrealistic proposal, which comes near to being labelled a sham and a hoax. The question remains: Who will pay? It is for this reason that I support the reasoned amendment moved by the Leader of the National Party. Although I do not support the full details of the amendment, I, too, call on the Government to withdraw the Bill until such time as there have been discussions between the Government, employer organizations and the Victorian Trades Hall Council.

Employer organizations have not been fully consulted during the so-called consultative period. There have been one or two groups that have been “in” with the Government, but the large majority of employer associations have been left well and truly on the outer and those organizations are now writing to honourable members and telexing the Treasurer, saying, “For goodness sake, stop before you go any further with a Bill that simply will not work in the best interests of Victoria”.

Mr Hayward (Prahran)—The main issues in the Bill have already been canvassed thoroughly by speakers on both sides of the House. Although I do not want to repeat the matters which have been discussed earlier, I should like to examine some of the practical aspects of the Bill, based upon personal experience in manufacturing industry.

Looking back over the years I spent in manufacturing industry there is no question in my mind that workers compensation was the greatest worry that manufacturing industry had, and that worry was caused largely by the enormous escalation in the cost of workers compensation premiums.

An analysis of those workers compensation costs revealed the interesting conclusion that, despite conventional wisdom, it was not the lump sum settlements which were the biggest cost elements in the total cost, it was the fact that people were away from work for too long.

The most effective way to reduce the cost of workers compensation is to get people back to work quickly. An examination of rehabilitation revealed that one could not effectively rehabilitate a worker until that worker returned to work. In some circumstances rehabilitation treatment was necessary so that the worker was capable of some type of work. However, the most effective way of getting a worker well again was to get that person back into the work environment through that person working on a duty different from that which he had previously undertaken but which would have a rehabilitative effect.

Another strong recollection I have is that malingering was a very minor factor in the area of workers compensation as well as in the cost factor. With rare exceptions, people did not want to malinger but wanted to return to work.

The real tragedy is that once a person has been off work for a while his frame of mind makes it difficult for him to cope again and to come to terms with work.

There could be no question that workers compensation in Victoria is in need of reform. However, “reform” rather than “revolution” should be the means by which changes are effected. Reform could have been achieved in a much more satisfactory way than by the revolutionary approach adopted in the Bill.

For example, with regard to getting people back to work, one of the main reasons why people do not return to work quickly is because of the way in which doctors provide certificates. A person will often attend a doctor’s surgery to obtain a certificate, but the doctor will not even see that person and will issue the certificate either through the nurse
or the receptionist. It is in such an area that I believe reform could be achieved. Such reform would have a significant effect on costs.

For example, rather than having certificates provided by any medical practitioner, after consultation with the various parties involved, panels of doctors who really understand the position could be established. Those doctors would be dedicated to helping the individual return to the work force in the interests of both the individual and the firm.

Rather than reform such as that, Victoria faces the prospect of the establishment of a large bureaucratic structure which will destroy itself. I refer to the establishment of the proposed Accident Compensation Commission, the functions of which are set out in clause 20. Clause 23 refers to the board of management and so on. Thereafter follows the establishment of an appeal system, conciliation and so on.

The establishment of these various commissions and tribunals will impose enormous costs, which will have to be paid for either through increased premiums or ultimately by the taxpayer. Perhaps more importantly, enormous problems will be created for business through the complex administrative procedures that are incorporated in the Bill and which will add to the administrative costs of business.

It is interesting to analyse the various practices proposed under the new system. I have undertaken such an analysis from a practical point of view by looking back to the time I spent in business and the way in which I would have faced up to the situation outlined in the Bill.

So far as the employer is concerned, one of his major responsibilities is in the premiums area. He must register and then provide monthly returns—presumably to the pay-roll tax office, although this is unclear from the material which has been provided. Also the Accident Compensation Commission is involved from an early stage in assessing the category into which the employer should fall and this again is fed back to the pay-roll tax office, then that office sends out a monthly account to the employer, which the employer pays. In other words, in the area of revenue from premiums a major amount of work has to be done by business.

With regard to the claims area, there will be a claim form which must be filled out in triplicate and, of course, there are two types of claims. There is the major section of the claims—which represents the excess area of about 70 per cent—in which the employer acts as his own insurer. This involves the first five days' incapacity payments and the first $250 of medical expenses. Under these circumstances, the employer must firstly make some decision as to whether the claim is eligible. This is something which the employer has not been faced with before and one could well ask how the employer does this. If one is a large organization such as Ford Motor Co. of Aust. Ltd or General Motors-Holden's Ltd, of course there must be a section which deals with these matters. If one is a small firm one would not have such a section and it may well involve one adding additional personnel to one's staff to deal with the administrative aspects of it or it may involve one in the cost of employing consultants.

If the employer accepts the claim, he must begin payment and, at the same time, he must advise the claims administration agent. The employer must maintain a register of these claims and at the same time the claims administrative agent must maintain a register and so there is a duplication of files and administrative procedures.

However, if the claim is denied, the employer advises the Accident Compensation Commission and the commission can then either overrule the employer's decision to deny the claim and it can pay the claim or instruct the employer to pay the claim or the Accident Compensation Commission can confirm the denial of compensation, advise the worker and then refer the matter to the tribunal.

I am going into this matter in detail because it is important to understand the practical aspects of the matter from the businessman's point of view. To consider the other section of the claims, the so-called non-excess claims, which have been estimated at 30 per cent of
total claims, as soon as a claim is made by the worker, the employer must advise both the Accident Compensation Commission and also the agent. Within 21 days the agent must advise the worker whether the claim is accepted or denied. If the claim is accepted, the agent advises the employer to commence payments and, ultimately, the agent reimburses the employer from the Accident Compensation Commission account.

If a claim is denied, the Accident Compensation Commission can again have the option of overruling the agent's decision or it can confirm the agent's decision. If the commission confirms the decision, the matter is automatically referred to the Accident Compensation Tribunal. The operation has many facets from the point of view of the employers, the agents and the commission. The system will involve a complicated process of administrative arrangements and will add greatly to the cost faced by a firm.

Overseas experience has shown that many administrative problems are inherent in a State-run accident compensation system; for example, the West Virginia State Fund. In West Virginia the unions became extremely concerned about problems within the system. They said that those problems are often extremely harmful in terms of cost and in terms of the well-being of the individual because a bureaucratic State-run system does not always pay proper attention to the needs and requirements of the individual workers. In a report from the United Mine Workers of America on the West Virginian system, it was said that "a great deal of horrendous, colossal administrative problems were created". The report paraphrased a quote by Sir Winston Churchill by saying, "Never have so few done so little in so short a time to produce so much chaos for so many".

A State-run system has the potential for incurring administrative problems. Administrative problems have already surfaced in the State Insurance Office. A few years ago the State Insurance Office was a highly responsive organization that could deal with problems, but now the administrative problems are setting in. It is difficult to overcome the bureaucratic problems which have built up in the State insurance system. The same administrative problems will inevitably build up in the proposed workers compensation system.

Those bureaucratic problems will not only create additional costs for the employers and their firms but also they will create problems for the individual workers. I can understand why the Government has headed down this route because it sees it as a quick "fix", a way of quickly overcoming the present problems of the workers compensation system, but in effect the real problem is that it will establish a new bureaucratic welfare system. I am not criticizing the need for a welfare system in a modern democracy, but that welfare system has already been established under Federal legislation. It is undesirable to establish a new type of bureaucratic welfare system at a State level. The problem will be that progressively the liabilities faced by the taxpayer will be increased.

Recently I attended a conference of public accounts committees which was held in Adelaide. During that meeting there was a review of State financial arrangements. I raise the matter to indicate the problems faced by State Governments and how this particular type of problem is associated with the workers compensation system. Papers that were presented at that conference by senior people who are deeply involved in Commonwealth–State relations clearly indicated that the future outlook for the States is for great financial stringency. Arrangements have now been put into place which will severely limit the growth in funds that will flow from the Federal Government to State Governments.

If a situation exists where liabilities are being built up, when the Government plans its Budget it will have to meet these built-up liabilities before consideration can be given to any other elements or factors in the Budget. That applies whether they are built up under the workers compensation system or whether they are built up because of increasing transport deficits. Again I have had the opportunity of studying some of the projections for the transport deficits in future, about which I am sure the Government is extremely concerned. Another problem is the payment of interest charges—another authority has estimated that by 1995 these will approximate $1000 million a year for the Victorian
Government. Other problems are liabilities in third-party insurance and the known problem of growing liabilities under the accident compensation system.

The fact that those enormous contingent liabilities will have to be met will mean that inadequate funds will be available to provide the essential services that the community needs for the support for those in real need. It is interesting to consider the proposed legislation in the broader, long-term context. In my opinion, in the past 40 years since the second world war, there has been a build-up of what I would call a bureaucratic civilization. That is not my own phrase. It is a phrase that was coined by Professor Richard Blandy, the Director of the National Institute of Labour Studies located at Flinders University, South Australia.

The real danger in the system is that people do not matter and that people tend to be pawns in a bureaucratic game. With this Bill the Government has taken us to the pinnacle of this type of bureaucratic approach. The underlying characteristic of the Government is its bureaucratic approach to problems. The Government is out of tune with the values of people. People are increasingly realizing that the bureaucratic approach does not meet their needs. They increasingly regard bureaucratic structures as irrelevant to their aspirations. People want to count as individuals, not just as cogs in a bureaucratic system.

The bureaucratic approach is epitomized in this Bill and other Bills that have come before Parliament in recent times which are yesterday's solutions. It is no longer adequate, suitable or appropriate, whenever a problem arises, to believe that it can be solved by setting up a huge new bureaucratic system, which adds complications and costs to what is involved, with the individual at the end of the line as just another cog in a wheel. We are about to enter a new age. It will be the age of the person. The character of the Government, with its bureaucratic approach, will ultimately be its downfall.

In summary, from a practical point of view based on my own experience in business, I believe the approach in the Bill will add complexity and costs to the whole structure of business. This cost will be most heavily felt by the small business sector. The system will build up huge new contingent liabilities for the State, which will be, to a degree, met in higher premiums and ultimately by the taxpayer. The Government regards it as a quick solution to its problems and has pushed to one side the fact that ultimately the taxpayer will be left holding the baby. It will probably be realized when the Labor Party is no longer in government and some other party will have to carry the problem. That is the real nub of the matter. To be completely frank, it worries me to think that another Government of another complexion in later times will be landed with all these problems.

Regardless of which Government is in power in Canberra, limited funds will flow from the Federal Government to State Governments. The problem of servicing the debt will continue as the deficit escalates rapidly. I am sure one of the biggest worries facing the Treasurer today is that of the transport deficit. Problems also exist in funding the liabilities of third-party insurance. That is being added to in Parliament this week by the introduction of this measure, which puts forward new liabilities for our children and grandchildren to eventually meet.

In the future tremendous problems will exist in the community to provide essential services and support for people in need. Increasingly, individuals will be under pressure in the future.

When a future Government approaches its Budget planning it will first have to allocate a large proportion of its revenue to the liabilities that are being created today. It should have been possible for these problems to have been solved in a less bureaucratic and more sensitive way and one that did not create problems for future generations. Instead, the Government has gone down the quickest and easiest route of setting up a new bureaucracy for which future Governments will bear the cost. Even more worrying is the fact that our children and our grandchildren will have to pay. That is a tragedy for the future of Victoria.
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.

ADJOURNMENT

Amusement parlours and pinball machines—Mooroolbark police station—Auction Sales Act—Border anomalies re sporting clubs—Land tax assessments—Zoning status of “port-related uses” land—Bingo inquiry—Use of land behind Kalinda Primary School—Transport Workers Union ban in Malvern—Sorrento ferry service

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

That the House do now adjourn.

Mr REYNOLDS (Gisborne)—I raise a matter with the Minister for Local Government. It follows a question I asked the Premier this morning regarding the report of the inter-departmental committee that was investigating or inquiring into amusement parlours and pinball machines. This morning the Premier knew nothing of the matter I raised. He was not even aware of the Government committee or its responsibility and he did not even know where the report was. How naive and innocent the Premier is and how stupid he thinks we are! I daresay he treats his own party in the same manner.

My information is that Cabinet has considered this report on three separate occasions and has done absolutely nothing. It has now been referred to an obscure back-bench committee which has very little knowledge of the subject. There is currently before the Parliament a Bill designed to amend the Lotteries Gaming and Betting Act. No doubt this report, which took many months to complete some fifteen months ago, would greatly assist debate on the Bill. It has cost much Government money to compile.

The report has been highlighted in recent weeks and was brought to the attention of the public by two important happenings. The first is the New South Wales police investigation into organized crime in the amusement machine industry. That has uncovered documented evidence of links with one of America’s leading mafia families. That investigation has also found evidence that organized crime figures are franchising criminal schemes in Australia’s amusement machine industry.

The second reason was because of a report of a court case held earlier this month where a Government employee of the Department of Social Security pleaded guilty to 55 counts of forgery, 55 counts of uttering and one count of imposition, meaning he took advantage of the Commonwealth Government and stole an amount in excess of $18 000 to feed his gambling habits. The bulk of the $18 000 was swallowed up in seven months by gambling on poker and video machines at the back of a Carlton coffee lounge. As I understand it, one friend saw him gamble away $1000 on three separate occasions.

The report will show evidence that these amusement parlours are centres for organized crime and prostitution. Evidence was given in the inquiry, and it is incorporated in the report, of the soliciting of juvenile boys and girls for the purposes of prostitution. The spectre of illegal gambling was raised and evidence was presented of burglaries and breakings and enterings committed by juveniles wanting to obtain money for gambling purposes.

No doubt the inquiry and report cost the taxpayer a considerable amount of money, but it has not yet been released. It must be too embarrassing and has probably been placed in the “too hard” basket.

I ask the Minister for Local Government to give the House a firm assurance of the availability of the report. I ask him to make it available on a confidential basis to the Leaders of the opposition parties.

Mr HILL (Warrandyte)—I raise a matter with the Minister for Police and Emergency Services. As part of the Government’s program of increasing police strength throughout
Victoria, extra police were assigned recently to the Mooroolbark police station. That station accommodates the Criminal Investigation Branch which serves a wide area from Lilydale to Croydon. Already the accommodation provided for both the uniformed branch members and members of the Criminal Investigation Branch is grossly inadequate. The extra police who have been assigned to the station is exacerbating the accommodation problem.

Criminal Investigation Branch members are particularly disadvantaged in that building. As the Minister for Police and Emergency Services knows from his recent visit to the police station, there is little room for storage of goods or for interviewing purposes, let alone work space for individual members.

The Mooroolbark police station was quite adequate when it was built, but growth in the area has been explosive and the accommodation is now plainly inadequate.

As the Minister knows, the police in the Mooroolbark and Croydon communities are held in high regard and their services are in constant demand. They deserve better accommodation. The Minister has already done much to improve resources in the area, for example, the Croydon police station is being extended and, on a recent visit, the Minister indicated that there were plans to make that police station a 24-hour station.

The needs of the Mooroolbark community and the police must be met. I ask the Minister to indicate to the House what action he is taking to alleviate the problem of accommodation at the Mooroolbark police station.

Mr CROZIER (Portland)—I raise a matter for the attention of the Minister for Police and Emergency Services, and I refer him to the comments of Sergeant Cameron Clarke of the livestock squad of the Victoria Police, concerning the Auction Sales Act, as reported in last week's Stock and Land.

In that article, Sergeant Clarke pointed out that a recent Supreme Court judgment had highlighted a serious deficiency in section 38 of that Act, which requires that a licensed auctioneer cannot receive and sell livestock on behalf of anyone he has known for less than twelve months, unless the vendor provides a reference by way of a signed certificate.

Where such a certificate is necessary, it is an offence for the proceeds of the sale to be received by the auctioneer without it. In this case, an auctioneer apparently did sell some 300 stolen sheep. However, as he neither received the sheep nor paid the proceeds of the sale, he could not be convicted. The sheep were evidently delivered in the middle of the night and received by an employee of the auctioneer, not the auctioneer himself. Further, the auctioneer did not pay the proceeds of the sale to the vendor—a stock agent did so.

I point out to the Minister that this case clearly illustrates that, until the Act is amended, stock agents and licence auctioneers——

The SPEAKER—Order! The honourable member for Portland appears to be asking for legislation to be amended. If he is doing so, he is out of order in raising the matter on the motion for the adjournment of the sitting.

Mr CROZIER—I take your advice, Mr Speaker. I naturally wish to bring this matter to the attention of the Minister and, having explained the background, I simply conclude by asking him to confer with his colleague responsible for the administration of the Auction Sales Act with a view to rectifying the deficiency.

Mr JASPER (Murray Valley)—In the absence of the Premier, I raise a matter of concern with the Minister for Police and Emergency Services. It concerns another border anomaly that has come to my attention in recent times. Members of Parliament who live along the border between Victoria and New South Wales would be particularly aware of the vast number of border anomalies that exist.

In Victoria, sporting clubs can be incorporated under the Associations Incorporation Act, which protects members of clubs in all their operations and also members of their
committees. Many sporting clubs operate in associations or leagues which compete not only in Victoria but also in New South Wales.

When sporting clubs compete across the border, however, they do not have the protection of the Act, and I have received correspondence from the Sports Federation of Victoria Incorporated, which highlights this problem as being particularly prevalent along the border between Victoria and New South Wales, as well as between Victoria and South Australia. A representative from the federation highlighted the problem with the Kerang football club in notes that were provided to the Department of Sport and Recreation. The problem also exists with regard to the Murray league. Those are two leagues within the Murray Valley electorate that compete across the border.

I again raise the point that the officials and other people operating within a sporting club are protected under the Associations Incorporation Act, but once they compete as a club across the border in New South Wales, they do not have the same legal protection.

I understand that the New South Wales Government is considering legislative measures. I request the Premier to take up with the Border Laws Anomalies Committee the need for complementary legislation in New South Wales which will be operative for Victorian sporting clubs when competing in New South Wales and, conversely, when New South Wales clubs are competing in Victoria. The Sports Federation of Victoria Incorporated has detailed several solutions to the problem of protecting sporting clubs operating along the border, but specific action needs to be taken through the Border Law Anomalies Committee to assist those sporting clubs.

Mr GUDE (Hawthorn)—I refer to the Treasurer a matter of land tax assessment and a letter that I have received from a constituent which I shall make available to the Treasurer. The problem arises where the constituent bought and sold properties and, as circumstances would have it, both properties ended up in his hands as at 31 December, which is the date for the assessment of land tax. It would appear that the Act is quite rigid in respect of assessments as at 31 December. If the constituent had been in the process of buying and selling in November, for example, he would have owned only one property as at 31 December and he would have been assessed for land tax on only one property. The case to which I refer is further complicated because one of the two properties is owned jointly by the constituent and his wife.

I refer this anomaly to the Treasurer and request that he examine whether some discretion is available in those circumstances. Some discretions do exist under the Act but they do not appear to apply to this circumstance. Although not many people would be affected by this anomaly, a sufficient number of people are in this circumstance which warrants consideration.

Mr COOPER (Mornington)—The matter I raise for the attention of the Minister for Industry, Technology and Resources concerns two large parcels of land on either side of the Frankston–Flinders Road in the Hastings–Bittern area owned by BHP and currently zoned for port-related uses. Recently, sources from the Ministry of Transport divulged in the electorate that I represent that the owners have been negotiating with the State for some eight months through five Ministries—planning; industry, technology and resources; transport; employment and industrial affairs; and housing—on rezoning the land from port-related industrial to residential.

I am informed that the Hastings council first heard about these negotiations on 12 July. Currently the Minister for Planning and Environment is considering the possibility of widening the definition of port-related land to include industrial uses that are not necessarily port related.

In view of the Government's statement prior to the last election that it would do everything possible to encourage industry and to create jobs, I should like to know whether the present negotiations are in total conflict with the Government's election promise. More and more people in the electorate of Mornington and in the Westernport area are
becoming aware of this issue, and they are beginning to question whether the negotiations that are being carried out in secret are a sell out of industrial land and of future job creation programs in Westernport.

I urge the Minister to advise the House about these negotiations and their purpose and whether the peninsula is experiencing another broken Labor Party promise.

Mr WEIDEMAN (Frankston South)—I raise with the Minister for Sport and Recreation the report of the inquiry into the bingo industry in the State.

I am aware that the Department of Sport and Recreation has made inquiries throughout the State and has received submissions on this subject. I ask that the Government take immediate action on the conclusions of the inquiry.

It was recently brought to my attention that the Werribee Football Club has a problem with the privatization of bingo in the city. In the electorate I represent, there is one private operator who now operates in Dandenong and Moorabbin as well.

Honourable members will recall that, many years ago, private operators operated bingo games in tents and halls and they would sell their tickets and take home enormous amounts of money. I am concerned that that type of operation is now rampant in Victoria.

A bingo game has some 250 tickets worth 20 cents each, there are 30 games lasting 3 hours. That represents $3000, of which an average of $2100 is paid out in prizes. Of the remaining $900, approximately $500 is taken up with rent for the equipment, purchase of tickets and so on, which leaves some $400 for the club or charity. If one or two games are run each week, a charity can be in a strong position.

The hospital at Frankston receives some $50 000 or $60 000 a year from bingo games. A private operator can make up to $350 000 a year.

Section 6f (3) of the Lotteries Gaming and Betting Act states that:

Any person who pays any salary, commission or other remuneration to any other person for the services of that other person in conducting or promoting or assisting in the conduct or promotion of any bingo game or session of bingo games shall be guilty of an offence and liable to a penalty of not more than $1000.

On 26 June 1984 a local paper in the Werribee area published an article headed “Eyes down for bingo battle”. The article states:

Werribee is set for a battle between private entrepreneurs and local community groups over who will control bingo in the town.

The private entrepreneurs, former Raffles and Bingo Permits Board Inspector Frank Joel and his wife Jill, will run a major bingo centre in the Werribee Plaza Shopping Centre now under construction.

The Werribee Football Club made a submission to the Raffles and Bingo Permits Board pointing out that it had done extremely well from conducting bingo games. I ask the Minister to examine the problem because it is out of control. The Government should act promptly; otherwise the same problems that occurred many years ago will occur again.

Mr PERRIN (Bulleen)—I direct the attention of the Minister for Housing to an article that appeared in a local newspaper circulating in Nunawading. It refers to comments made by Mr Bob Ives, the Labor candidate for Nunawading Province. Mr Ives was commenting on land that was to be sold off by the Urban Land Authority—41 house lots attached to the Kalinda Primary School. The Government is no longer planning to sell the land and will declare it as parkland.

That is an interesting situation. I am pleased that the Minister has been generous, but I point out that there are three parcels of land in the electorate I represent that are in exactly the same situation. I want to know whether this is simply an election stunt perpetrated by the Labor candidate for Nunawading Province.

A parcel of land in Reynolds Road, Templestowe, is owned by the Ministry of Housing but, if it were to be subdivided into 100 lots, it would bring $5 million to the coffers of the
Government. There are two other parcels of land in the electorate that are supposed to be school sites. One is in Porter Street and the other in Smiths Road. Both are in the hands of the Urban Land Authority, similar to the Kalinda situation, and together on the open market they would sell for $5 million. Therefore, there is a total value of $10 million for land in the electorate I represent.

The Government has a policy of flogging off everything it can get its hands on and another $10 million worth of land for a railway line in Doncaster was sold by the Government. Before the 1982 election the Labor Party promised to purchase a parcel of land in Bulleen Road, Bulleen, which is generally described as White’s land. Although the Government promised to turn it into parkland, it broke its promise and now a housing estate will be built close to the Yarra River.

If the Government is concerned about conservation and putting aside land for our children and future grandchildren, these parcels of land should be closely considered. If the Minister is fair dinkum, he should examine whether there are double standards and indicate whether this is an election stunt. I ask the Minister to forgo the $10 million for these three parcels of land in the electorate I represent and to give an assurance tonight that they will not be sold by the Ministry of Housing and the Urban Land Authority, and that they will be kept as parkland, as requested by a petition lodged with Parliament containing more than 1000 names. I ask the Minister to either put up or shut up.

Mr LEIGH (Malvern)—I raise a matter for the attention of the Minister for Transport. The Minister would be aware that a few weeks ago the City of Malvern had a ban placed on it by the Transport Workers Union because the council took action, after two years of negotiation by one of its committees, on whether truck traffic in Wattletree Road should be reduced or whether the road should remain an arterial road.

The council changed its position between the Friday and the Monday and the union lifted its ban. That is as a result of blackmail by the Transport Workers Union, but the council took the attitude that many businesses were suffering. I do not attack the council for that decision because it was obviously in a difficult situation.

The Minister for Transport did nothing but support the union, which can only be described as a bunch of thugs and blackmailers. The union has representatives high in the Labor Party so I am not surprised that the Minister took that attitude.

The Minister stated that nothing would occur for four weeks while an investigatory committee, after doing nothing, would decide what should be done. What recommendations does the Minister believe the committee will make? Will traffic be diverted at night? There is a truck route less than a quarter of a mile away and Wattletree Road has not been capable of carrying the traffic load. Will the committee make a recommendation to the Malvern City Council within the next three weeks and what recommendations does the Minister believe will be made?

Dr WELLS (Dromana)—I refer to the Minister for Police and Emergency Services, who represents the Minister for Planning and Environment in another place, the problem of planning in the Sorrento area of the electorate I represent, which is an area that is undergoing rapid tourism expansion at this time.

It has a passenger ferry service from Queenscliff to Sorrento. Approval has been given for a vehicular ferry service along the same route. A catamaran passenger service from Melbourne to Sorrento has also been approved. I understand a hovercraft passenger service from Melbourne to Rye or Sorrento may also have been approved. I seek the Minister’s confirmation of that fact.

There is a need for a new boat launching ramp and provision for parking in the area. Discussions are advanced for a new boat harbour in the region. There is a need for parking and access road development in the area.
It is a small area of land and the problem for the people of Sorrento is the question of planning. They want good development. They know Sorrento has a valuable contribution to make to the tourist calendar of Victoria. However, present development appears to be running out of hand. Decisions are being made here and there in a willy-nilly fashion. The Shire of Flinders is not being consulted.

I ask the Minister to establish urgently a planning committee comprising representatives from the Shire of Flinders, the Ministry for Planning and Environment and the Ministry of Transport to protect the area and the entrepreneurs involved as well as the future of the people in the area and its contribution to tourism in Victoria.

Mr JOLLY (Treasurer)—In relation to the alleged anomaly in respect of the land tax problem for a constituent in the electorate of Hawthorn, I shall contact the Commissioner of Taxation, have the matter investigated and inform the honourable member for Hawthorn of the outcome of that investigation.

Mr SIMMONDS (Minister for Local Government)—The honourable member for Gisborne referred to amusement machines and a report which was compiled by a committee under the chairmanship of Mr Dolph Eddy. The report was compiled on the basis of being a report to the Minister for Local Government. It has a degree of confidentiality which ought to be preserved. I shall examine the report and ascertain whether there is any scope for providing information to the honourable member.

Mr ROPER (Minister for Transport)—The honourable member for Malvern again referred to truck usage in Wattletree Road. As honourable members would be aware, since the matter was raised in the debate on the motion for the adjournment of the sitting some weeks ago, the Malvern council decided to take unilateral action. I am pleased it saw sense and decided to change that approach. The suggestion that the Transport Workers Union is comprised of thugs and blackmailers is really quite appalling.

The honourable member for Malvern has a great career in this place; he has helped in gaining record victories for honourable members on this side of the House and, no doubt, will continue in that great performance.

He has asked me to predict what a committee, which has been set up to examine the matter, will have to say in three to four weeks. I should like to be able to foresee the future; it may help me to understand the oddities of the honourable member for Malvern! That is not what is occurring in this instance and the matters are being examined properly.

The City of Malvern has taken the proper action that it was required to take and we shall see what will occur with respect to the traffic in Wattletree Road.

However, I should point out that any trucks that are diverted from Wattletree Road will use other transport routes. There will still be the same requirement for through traffic and deliveries in the Malvern area. One must protect the interests of everyone and not just those of the honourable member for Malvern.

Mr MATHEWS (Minister for Police and Emergency Services)—I shall bring to the attention of the Minister for Planning and Environment in another place the issue of planning for the Sorrento area which was referred to by the honourable member for Dromana.

I will direct to the attention of the Minister for Housing the Urban Land Authority landholdings raised by the honourable member for Bulleen.

I shall bring to the attention of the Minister for Sport and Recreation the matter of the bingo industry raised by the honourable member for Frankston South.

I shall bring to the attention of the Minister for Industry, Technology and Resources the matter of a land transaction in the Frankston area which was raised by the honourable member for Mornington.
Similarly, I shall bring to the attention of the Premier the border anomaly, which was raised by the honourable member for Murray Valley.

I thank the honourable member for Portland for directing to my attention the remarks made by Sergeant Clarke of the Livestock Squad in regard to the Auction Sales Act. I will certainly follow up that and ensure that any necessary action to rectify anomalies is taken.

The honourable member for Warrandyte referred to overcrowding at the police station in Mooroolbark. Honourable members will be aware that over the past three years the effective strength of the Victoria Police Force has been raised by 714. An amount in excess of $65 million has been outlaid for police capital works in Victoria, including the upgrading of existing police accommodation and the provision of new police accommodation. That represents an increase of 139 per cent over the previous three-year period. Despite that large increase, we continue to have accommodation problems and those are nowhere better exemplified than by the situation in Mooroolbark where police accommodation provided some years ago in a modern and efficient police station has been outstripped by the increase in police strength which is required for that particular district.

As a result of the representations which have been very ably and energetically put forward not only by the honourable member for Warrandyte but also by his associate, the former member-elect for Nunawading Province, Mr Bob Ives, I have given directions that additional police accommodation should be sought in the area on a leasehold basis.

It is intended that the divisional office and the Criminal Investigation Branch, which are both currently accommodated at the Mooroolbark police station, should be moved out to this leasehold accommodation so that additional space will become available for the uniformed police there.

An amount of $80,000 has been set aside in the 1985-86 Budget to make that move to leasehold accommodation possible and to meet the necessary fit-out costs for it.

I have no doubt that as a result of this move the current pressure on the police at Mooroolbark will be significantly eased and that a better working environment will be provided for them.

The motion was agreed to.

*The House adjourned at 12.4 a.m. (Wednesday).*
Wednesday, 17 July 1985

The SPEAKER (the Hon. C. T. Edmunds) took the chair at 11.6 a.m. and read the prayer.

**ABSENCE OF MINISTER**

The SPEAKER—Order! I advise the House that the Minister for Employment and Industrial Affairs will be absent for question time.

**QUESTIONS WITHOUT NOTICE**

**BUILDERS LABOURERS FEDERATION**

Mr GUDE (Hawthorn)—I refer the Premier to the statement made today by the Federal Minister for Industrial Relations that Federal legislation against the illegal activities of the Builders Labourers Federation may not come before Federal Parliament for at least a month. Will the Premier assure the House that the Bill proposed by the State Government will be introduced into Parliament and will go through all stages before Parliament rises for the winter recess?

Mr CAIN (Premier)—I believe I answered that question yesterday. If the honourable member for Hawthorn and the minders of the Leader of the Opposition will allow the Leader of the Opposition to be in the House a little later in the proceedings, he will be made aware of the formal steps that will be taken in this regard.

**MUNICIPAL OFFICES**

Mr ROSS-EDWARDS (Leader of the National Party)—I refer to the many statements made by the Minister for Local Government which made it clear that he intended to reduce the number of municipal councils in Victoria in the not-too-distant future. Could the Minister advise the House whether the reduction will be during the course of this Parliament, assuming that this Parliament goes its full course.

Mr SIMMONDS (Minister for Local Government)—A report of the Victoria Grants Commission on the restructure of local government is being released today. The details of that report will give a substantial endorsement to the Government's program of reducing the number of municipalities in Victoria.

Victoria has more units of local government than New South Wales, despite its smaller population. The City of Melbourne has more municipalities than the City of Sydney. More importantly, the funding of local government is becoming more dependent upon grants from both State and Federal bodies to the extent that is disclosed in the report. In fact, some 42 municipalities in Victoria effectively derive only 30 per cent of their expenditure from rates.

That is to say that municipalities are dependent and almost entirely lack the capacity to make decisions on their own economies; they are dependent upon the Victoria Grants Commission and other bodies. It means that the variety of services available, particularly in those 42 small municipalities, are rather limited. The cost to the residents in the small municipal units is quite heavily enforced in the report.

The report points out, for example, that in respect of plant and equipment, the per capita cost in the 42 small municipalities with populations of 2000 persons or fewer is about $196 a year. At the other end of the scale, the per capita cost in municipalities with in excess of 75 000 persons is less than $15.
The situation that has occurred in local government has been shown in various reports since 1863, such as the report of the Stuart Royal Commission of that year, the Mohr commission of 1962, and the Voumard committee of 1972, which all cast doubt on the ability of the existing local government structure to cope with demand. There is a need for more viability and more independence in local government to increase its capacity to play a role in conjunction with the other two tiers of government at State and Federal levels.

The report which is to be released today will be an important tool in allowing debate and enabling an understanding and appreciation of the need for restructuring to occur in the community. When one examines the details of the report, one finds that there is a great variation in the delivery of health and welfare services as a result of disproportionate funding by particular municipalities. This means that the capacity of municipalities such as those in the Bendigo area to enter into commercial arrangements is inhibited because of the lack of unity in local government in those areas.

Honourable members interjecting.

Mr SIMMONDS—The amalgamation of the Koroit shire is the first to have taken place in Victoria in some twenty years. The problem for local government is that the people who represented or dealt with the issues of local government in the past 27 years, who now sit on the other side of the Chamber, ignored the plight of local government. They ignored the fact that local government needs to be given assistance to carry out its proper functions. I know that the most recent former Minister for Local Government of the former Liberal Government, who now resides on the other side of the Chamber, would say, if he were permitted to do so, that he totally supports the proposition of the restructuring of local government. That honourable member, like honourable members on this side of the House, is aware that failure to grasp the nettle on this issue will mean the continuation of the situation where ratepayers in Victoria are paying disproportionate amounts for rates and are receiving disproportionate services.

The Government's form of restructuring is totally supported by the report of the Victoria Grants Commission which points out that, in economic terms, failure to deal with the issue over the past 100 years has rendered local government impotent and incapable of being brought into the twentieth century in the manner in which the Government proposes.

I commend the report to all honourable members as a basis of reform for local government, which will bring it into line with the economic development which this Government has introduced in Victoria and which the Commonwealth Government has introduced in Canberra.

APPRENTICESHIP SCHEME

Mr MICALLEF (Springvale)—Can the Minister for Education provide to the House details of improvements, including the provision of places, to the Victorian apprenticeship system?

Mr CATHIE (Minister for Education)—As the Premier and the Treasurer conclusively demonstrated, Victoria is leading the economic recovery in Australia.

Honourable members interjecting.

Mr CATHIE—It is all very well for members of the Opposition to criticize the economic achievements of the Government, but it is part of the Governments' over-all economic strategy to stimulate jobs, particularly for young people.

One of the clear indications of the success of the Governments' policy is the large increase in apprentice places available this year. Those increases are reflected in high areas of growth in the economy, especially in the building, hospitality and motor car industries. They are also reflected across the whole range of apprenticeship positions in the State.
The Government has had to find additional places, resources and teachers within the technical and further education sector in order to meet the increasing demand for first year apprenticeship places. The increase is such that the number of persons currently seeking apprenticeships is running at approximately 30 a day or 150 a week. The Government is now reaching the record intake of 1978, when there were 11,776 new apprenticeship places. The current figure represents an increase of 3,285 apprentices over the intake last year.

The Government has a clear commitment to the Youth Guarantee Scheme. The Government will offer all young Victorians between the ages of 15 and 18 years full-time education, full-time employment, full-time training or a combination of each of those.

The fact that the Government is having such success in offering jobs to young people and providing additional schooling, which is needed by young people, shows the success of the policies and programs of the Government despite the constant criticism by members of the Opposition.

BUILDERS LABOURERS FEDERATION

Mr KENNETT (Leader of the Opposition)—Given the Premier's commitment that the proposed legislation dealing with the Builders Labourers Federation will pass through both Houses before the Parliament rises for the winter recess and in order to prove the bona fides of the Government, I ask the honourable gentleman whether he will give a guarantee at this moment that the proposed legislation will receive the Royal assent within seven days of it passing through Parliament.

The SPEAKER—Order! The Leader of the Opposition has asked a question relating to the action of the Governor, over which the Premier has no control. I ask the Premier to answer the part of the question that is appropriate to his responsibilities.

Mr KENNETT—On a point of order, Mr Speaker, may I rephrase the question so there is no doubt about the way in which it should be answered by the Premier?

The SPEAKER—Order! I shall allow the Leader of the Opposition to rephrase the question.

Mr KENNETT—Thank you, Mr Speaker. I ask the Premier whether he will now give a guarantee that he will submit the proposed legislation dealing with the Builders Labourers Federation to the Governor in order to seek Royal assent within seven days of it being passed by Parliament.

Mr CAIN (Premier)—The Leader of the Opposition obviously has great difficulty in discerning the distinction between the roles of the legislature, the Executive and the judiciary.

Honourable members interjecting.

The SPEAKER—Order! I advise the House that I shall call the Premier when the House comes to order.

Mr CAIN—The Government's position on this issue has been made abundantly clear to the people of the State and to those who can read, including the honourable member for Gippsland West.

We have made it clear that we will act in accordance with the undertakings given. The Builders Labourers Federation is a federally registered union and I understand the Federal Government will be taking action. Any action we take will be complementary to that. The Minister concerned is in Canberra today discussing the proposed legislation with Mr Willis of the Commonwealth Government and Mr Hills of the New South Wales Government. We will act according to what is required to ensure that this State plays its part in the action that is being taken jointly by the Governments.
The Government will determine at the appropriate time the way in which that process will unfold. Today I shall give notice of the proposed legislation and the House will deal with it in due course. I shall make clear the position of the Government.

Honourable members interjecting.

Mr CAIN—Obviously honourable members opposite were in a Government that bent over and paid millions of dollars to the BLF with respect to the Loy Yang project, cost this State untold millions of dollars and were in league with a series of builders who did deals on the side. That is true. I understand the embarrassment of honourable members on the Opposition side of the House when they have brought home to them the activities in which they have been involved over a long period.

That is the legacy we inherited with that union and the industry. For two and a half years this Government was tolerant. It enjoyed the best industrial relations record of any State in the country. When one compares the figures of days lost in this State with the period under the previous Government, one finds the difference is staggering. We have industrial sanity in the State.

There was one exception, and that was the Builders Labourers Federation which, for the reasons I have outlined, took the line that it was different from anybody else. For two and a half years this Government resisted that difficulty and the pressures that were put on it not only by them, but also by a host of people who wanted to tell this Government how to conduct a criminal trial. We resisted that and were not prepared to be involved in political interference in any trial in this State; nor will we in the future.

When the trial was over, the jury had made its decision and the judge had passed sentence, some people said they were unsatisfied with the result. Then they walked off 50 State projects—projects that this State Government had set in motion for the economic growth of this State. That is what this Government is about. We do not want to take punitive action if it is not necessary. We have an obligation to ensure that economic growth goes on. The 50 projects included schools, hospitals, TAFE colleges and all the buildings the previous Liberal Government did not want to build. That is why the State was run down when we came to office.

That is what the Government is about and that is what this issue is about. That is the constant stand this Government has taken. I should have thought that, rather than making nonsensical, derisive and scurrilous remarks, the Opposition would be supporting the Government. If the Opposition were genuinely concerned about the development of the State, it would back a Government that is going about this issue in the only way it can go about it, and that is by a recognition that this action can be demanded only by the two Governments involved, supported by other persons. That is what is occurring and that is what this Government will do.

Mr RAMSAY (Balwyn)—I refer the Premier to page 2455 of Hansard of 1 July 1982 where he said:

My Government’s position on this matter is clear. We oppose deregistration of the BLF ... deregistration ... is a confrontationist tactic which resolves nothing.

What has caused the Premier to change his mind; and does his Government have the support of the Victorian Trades Hall Council and the Australian Council of Trade Unions for its newfound position?

Mr CAIN (Premier)—I wonder where the honourable member for Balwyn was when I answered the last question. He is ignorant and stupid. I notice that the Liberal Party is to change its preselection process because it is not satisfied with the quality of the people it is getting. It is high time it did so. A greater load of intellectual misfits I have never seen. The honourable member for Balwyn asks a stupid question like that, and last night the honourable member for Brighton read a speech from a book. I wonder what sort of people the Liberal Party is bringing into this place.
Honourable members interjecting.

Mr CAIN—The Liberal Party said it had improved the quality of its members last time, but they are now worse than ever.

The SPEAKER—Order! I ask the Premier to answer the question.

Mr CAIN—The honourable member for Balwyn has been here long enough to know better.

I was not prepared to proceed with an abortive, nonsensical process which had been commenced by the former Government, without the necessary backing. Circumstances have changed, and my Government is doing the job properly.

GRAIN HANDLING REVIEW GROUP

Mr W. D. McGrath (Lowan)—My question is directed to the Minister for Transport. Following the Canac report recommendations being made public and the subsequent establishment by the former Minister of Transport of a review committee, comprising Government departments, unions and the grain industry, can the Minister explain what progress has been made by that review committee and indicate when its report will be received?

Mr Roper (Minister for Transport)—I am well aware that future grain handling arrangements are both topical and extremely important to our rural industries. The recently formed Grain Handling Review Group is making good progress and anticipates producing an interim report by the end of August this year.

As the honourable member suggests, the group is broadly representative; it includes representatives of the Ministry of Transport, V/Line, the Victorian Farmers and Graziers Association, the Australian Wheat Board, the Australian Barley Board and the Grain Elevators Board. That group is currently reviewing the findings of the Canac Report, which made some major recommendations about the future transport of grain in this State. For those who are not aware, Canac is the consulting arm of the Canadian national railways.

Recognizing the need for intensive consultation on this matter with local government authorities, with grower organizations and with the community generally, I shall circulate widely the recommendations of the review group so that all interested parties—including unions, councils, local bodies and farmer groups—will have a chance of commenting on the report. It is suggested that some two months will be allowed for that comment to be made. I am sure many honourable members will want to have an input.

The Government has been involved in detailed discussions between the Road Construction Authority and local government authorities who are concerned that increased road paving costs may occur. That report will also be made available to me and to the community at the end of August.

Once that review has been completed and public comment has been made upon the review, it is intended that a report will come to me and then to the Government for decision.

The group is nearing its completion of the strategy and I hope that as a result of the work that it is doing and as a result of input received from interested groups, including farmers, employer and employee organizations, that those responsible for deliveries will be able to continue the high standard of delivery of wheat and barley through the Grain Elevators Board, V/Line and the two main ports involved, namely, Geelong and Portland.

I am pleased with the progress that is occurring in developing the new arrangements and policies. I am also pleased with the arrangements that are being made for the coming wheat crop although I am sure that all honourable members share my concern that that crop might not be as large as might be expected.
PROPOSED SALE OF PUBLIC UTILITIES

Dr COGHILL (Werribee)—Is the Premier aware of future proposals to sell off Government enterprises? If so, can he inform the House of the effect such sales will have on the economy?

Mr CAIN (Premier)—I am aware of those sorts of proposals, in particular a resolution of the national conference of the Federal Liberal Party.

Mr Williams—What does that have to do with us?

Mr CAIN—It has a lot to do with the Liberal Party.

The SPEAKER—Order! I advise the honourable member for Doncaster to cease interjecting.

Mr CAIN—I understand the recommendation was to sell off public utilities and public enterprises. That seems to be a philosophical commitment, a whim of the heart, of the Liberal Party.

An Honourable Member—What about the trams?

Mr CAIN—I shall come to the trams in a minute, if the honourable member is so interested in them. The Government is totally opposed to the selling off of a public utility just for its own sake. That policy could only benefit those who would control such instrumentalities. Members of the National Party who represent rural areas should be wary of getting into bed with a lot who want to do that. They should be wary indeed.

Inevitably those utilities that are sold to private enterprise operate in only the profitable areas. Many would say that unprofitable enterprises are being controlled by the State for the benefit of rural areas which would not receive those benefits if the assets of that public utility were sold to private enterprise. The State has some first-rate examples of efficient public utilities. I reject the statement that every private enterprise is efficient and that every public enterprise is inefficient. That is absolute rubbish. I hope that suggestion is rejected right throughout Parliament. The Opposition should not listen to the resolution of the Liberal Party's national conference in this regard.

Only yesterday there was an extremely good example of Victoria's success in the light rail tender in Hong Kong which involved the Metropolitan Transit Authority. That is a joint venture and the authority was a key factor in securing the tender because it has an expertise in that area matched by only one other organization in the world. That is a tribute to the expertise, the dedication and the capacity of the people who work in that public utility. That shows what the Minister for Transport was able to achieve in securing the Hong Kong contract through a public enterprise.

In today's Business Age, two Federal Ministers commended the tenacity and resourcefulness of an Australian consortium in winning a $200 million contract to develop phase one of a 34-kilometre light tram/rail network into Hong Kong New Territories. I should have thought that the honourable member for Doncaster, who is more experienced than most of his colleagues—if not his experienced colleagues at least his less intellectually capable front-bench colleagues—would have rejected the notion of selling public enterprises after the pasting that the Liberal Party received during the last election when it pursued the nonsensical privatization notion. I should have thought that that was enough to turn it off.

Before the last election the Liberal Party said that it was going to sell the gaols, the State Bank, the State Insurance Office and the courts. That was just for starters! On a serious note, I do not think anyone took them seriously and I am glad they did not.

Mr Speaker, the Leader of the Opposition is expert at demeaning his office because he does it day after day and week after week.

The SPEAKER—Order! The Premier should speak on the question.
Mr CAIN—There are more minders than there are members of the Liberal Party. They surround him in a phalanx—like the old Roman soldiers—to look after the tongue.

I believe the people of this State need and deserve services from Government agencies, which were grossly neglected for 27 years, and the Government is going to continue to provide those services.

BUILDERS LABOURERS FEDERATION

Mr STOCKDALE (Brighton)—The Premier has stated that he now has support which was lacking when he withdrew from the deregistration proceedings against the Builders Labourers Federation in 1982. The Federal Government was a party to those proceedings at that time. I ask the Premier: Whose support does he now claim to have which he states was lacking in 1982?

Mr CAIN (Premier)—I can conclude only that my remarks about the capacity of the front bench of the Opposition are well borne out. I should have thought that even the honourable member for Brighton would have understood that what is contemplated by the Federal Government in regard to legislation is a different process to what was undertaken in the courts before.

PETITION

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

Skye Road, Frankston—Traffic problems

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

The humble petition of concerned parents of present and future students of John Paul College, McMahon’s Road, Frankston, sheweth that the lack of a pedestrian controlled cross walk in Skye Road, Frankston, near McMahon’s Road, creates a very serious potential traffic fatality situation especially to students on their way to and from school.

Your petitioners therefore pray that you urgently request the Frankston Council and the road traffic authorities to continue to research, together with representatives of John Paul College and parent representatives, the traffic problems on Skye Road and to resolve the situation as soon as possible, before a fatality occurs.

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

By Mrs Hill (504 signatures)

It was ordered that the petition 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:

Parliamentary Committees Act 1968—Report of the Minister for Transport as to action taken with respect to the recommendations made by the Social Development Committee in its final report on road safety in Victoria.

Statutory Rules under the following Acts:

Administrative Appeals Tribunal Act 1984—No. 280.
Industrial Training Act 1975—No. 274.

Town and Country Planning Act 1961:

Bacchus Marsh—Shire of Bacchus Marsh Planning Scheme, Amendment No. 28.
Buninyong—Shire of Buninyong Planning Scheme, Amendment No. 27.
Flinders—Shire of Flinders Planning Scheme 1962, Amendment No. 186.
TRANSPORT (VICTORIAN PORTS AUTHORITY) BILL

Mr ROPER (Minister for Transport) moved for leave to bring in a Bill to establish a Victorian Ports Authority, to abolish the Port of Melbourne Authority, the Port of Geelong Authority and the Port of Portland Authority, to provide for the reconstitution of the Marine Board of Victoria, to repeal the Port of Melbourne Authority Act 1958, the Port of Geelong Authority Act 1958, the Port of Portland Authority Act 1958 and the Harbor Boards Act 1958, to amend the Transport Act 1983, the Marine Act 1958 and certain other Acts and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

NATIONAL TENNIS CENTRE BILL

Mr TREZISE (Minister for Sport and Recreation) moved for leave to bring in a Bill to establish a National Tennis Centre Trust to administer a national tennis centre and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

URBAN LAND AUTHORITY (AMENDMENT) BILL

Mr WILKES (Minister for Housing) moved for leave to bring in a Bill to amend the Urban Land Authority Act 1979 and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

ACCIDENT COMPENSATION BILL

The debate (adjourned from the previous day) was resumed on the motion of Mr Jolly (Treasurer):

That this Bill be now read a second time.

and on Mr Ross-Edwards's amendment:

That all the words after "That" be omitted with the view of inserting in place thereof the words "this House refuses to read this Bill a second time until discussions have been held between the Government, employer organizations and the Trades Hall Council on—(a) the full involvement as insurers, of private enterprise insurance companies and the State Insurance Office in developing and operating a workers compensation scheme on a fully funded basis; (b) the reduction in delays in hearing cases and the excessive administrative costs endemic in the current scheme; (c) the inclusion of an employee contribution in the premium income; (d) the formulation of a viable system of rehabilitation; and (e) the provision of benefits commensurate with other States".

Mr KENNNETT (Leader of the Opposition)—In commencing my remarks on what is obviously an important, and in the opinion of the Opposition, disastrous measure, I join with the Leader of the National Party in congratulating the honourable member for Brighton on his contribution in this Chamber yesterday. It is interesting to note that both the Premier and the Treasurer, who is responsible for the Bill, now supported by some of the underlings on the back bench of the Government, have either resorted to personal criticism or vitriol in putting down the substantial contribution made by the honourable
There is no doubt his contribution was well researched and will stand in the public record for years to come. The proposed legislation is being forced through Parliament at a time when the Government has a unique control of both Houses, and it will be costly for the people of this State, both financially and socially and, more importantly, in terms of employment.

The Opposition made the point clearly yesterday that it supports genuine reform of workers compensation. Any Government, regardless of political flavour, must be prepared from time to time to run some degree of risk for major reform. On this occasion the Government is not running a reasonable risk. Without doubt it is putting the whole State and its future at considerable risk. On the work done by the honourable member for Brighton, which he categorized clearly, it is obvious that it is a risk at those levels that we simply cannot allow to take place. If the Government had not been so dishonest and naive in putting its case before the election and claiming that, on the one hand, it intended to lift benefits and on the other hand, reduce premiums by 50 per cent, we may not be in the trouble in which we find ourselves today where, after many weeks and months of discussion by the Government with some sections of industry and union groups, tomorrow we will be confronted with up to 300 amendments.

The consultation process that results in measures being continually delayed and then requiring amendments in Parliament must raise serious doubts about the ability of the Government to grasp the nettle. Had the Government said it would move towards a reduction in premiums of about 15 or 20 per cent, or even up to 30 per cent as suggested in the Cooney report, we may not be in the mess in which we are today.

The commitment to guarantee reductions of up to 50 per cent is totally dishonest and naive. It is on that basis that the proposed legislation will fail. In more recent times the Government and the Opposition have received representations from a wide range of industries indicating that the measures will offer no reductions to them. Because of the low scales they are on at present, by the nature of their businesses and employees' work or because they may be able to negotiate particularly good deals with those with whom they are dealing in the private sector, they are better off under the current system than they will be under the new proposal.

It is becoming apparent day by day that in many cases businesses will not benefit. Some will lose substantially. The tragedy of the situation is that it all goes back to the promise made by the Government before the last election. The Opposition is not opposed to genuine reform. As I said, had the Government not made extensive and irresponsible claims, the House today would perhaps be debating a Bill on which there was universal agreement and which offered genuine reductions in premiums. There may even have been some increase in benefits, but to make the claim that there would be a 50 per cent reduction, and trying to match that by an increase in benefits of up to 20 per cent will make the Bill unworkable. I am sure the initial genuine intent of the Government when it struck out to tackle this hard issue has, to some degree and in many ways, been destroyed. If only the Government had initially been realistic, the House could be in a strong position today to bring about genuine reform.

As the honourable member for Brighton said, honourable members on the Opposition side of the House support the basic recommendations of the Government's Cooney committee. Because of the commitments made by the Government under electoral pressure, the recommendations of its committee, which could have brought about genuine reform, have now either been ignored or totally rejected. There are differences in approach between Labor Governments right around Australia. It is of concern to the Opposition that because so many businesses are working in several States of Australia, we should be striving to bring about a degree of unanimity so that if a business operates in this State and has branches or factories in New South Wales, there is a common denominator in facing the massive problem being confronted by industry under the guise of workers compensation.

The New South Wales Government has treated this issue more realistically and more fairly than the Victorian Government. The way in which the Treasurer has handled the
negotiations has led to a situation in which the House will have to deal with up to 100 amendments tomorrow. Although we have been given a summary of what is contained in the amendments, to this stage we have not seen them in detail and will not be able to finalize our position on them until we see them.

Because of the nature of the Bill and some of the basic fundamentals contained within the measure, we have no alternative. I say that with considerable regret because I am sure all of us wanted genuine, well-thought-out reform to occur. The Government was well on the way to doing that. For that I give it credit.

The Government threw away that chance under electoral pressure before the last election. The Opposition has no alternative, because of the various clauses in the Bill, but to oppose it as strongly as it can. The Liberal Party has no doubt that on its return to Government it will have to correct much of the damage that has been done.

The honourable member for Brighton, who is going to make a first-class Treasurer on the Liberal Party's return to office, will bring into that office and into Parliament experience in private enterprise, which has been so sadly lacking by the current incumbent of that position. To answer the interjection, it has a lot to do with the Bill because this proposed legislation has the opportunity of not only assisting employees in our society, but also employers and Parliament would not be debating the measure today if the Bill had done that.

One of the difficulties has been that the Treasurer has never had to earn $1 from his own investment dollars, unless it has been at the races, based on utilizing private enterprise skills. The Treasurer has been involved in the trade union movement and now in the political arena. It is because of the lack of understanding and because of the promises made before the last election and the breakdown in communication and consultation with the various groups that this Bill has been introduced into Parliament in an absolute mess.

The honourable member for Brighton pointed out clearly that the Opposition is fundamentally opposed to a system of nationalization of any industry. That is the difference in philosophy between our political opponents and ourselves and there is no way we are going to resolve that difference.

I make the point again that, in New South Wales, a Labor Government had the knowledge and the work experience to realize the importance of private enterprise and to allow private insurance companies to remain within that business. In Victoria, the Government is more socialistic and is more committed to its ideology than any other Labor Government anywhere in Australia and, therefore, regardless of the necessity to involve the private sector to ensure that this scheme works, the Government, particularly the Treasurer, through lack of appreciation and understanding of the private sector, has moved to exclude them.

The Liberal Party fundamentally opposes any legislation which seeks to remove from the private sector work done by the private sector and which brings it into the public arena to be dealt with by bureaucrats.

The Treasurer made great play during the debate yesterday, through interjections from time to time, about how well the scheme is going to work and how inefficient the private sector has been. Just as a comparison and to put it on the record, if the Government has so much knowledge and ability why is it that on our assessment of entries in the Government Gazette from 16 January 1985 to 3 July 1985, the Government has spent a total of $498 550—almost $500 000—in employing private consultants to tell it how to run a Government scheme? Surely there is a basic and fundamental contradiction. Most people understand that, in any service, because of the balance in favour of the private sector as opposed to the public sector—which is certainly starting to equate a lot more—most of the experience on a whole range of issues exists within the private sector.

If the Government and the Treasurer had all the answers, how and why did they have to spend so much money going to the private sector to obtain advice. I do not have to go
through the names of the private consultants, but among them are Ian Malcolm John Baker, now on the Government pay-roll, who received $21 000; Computer People and Richard Cumpston, who received $50 000; IBIS, which received $80 000, and the list goes on and on. I am endeavouring to make it clear that the Government is removing from the private sector, as part of its nationalization program, the involvement of private enterprise because the Government says it can run the scheme better; but it does not know how to run it better and it therefore accepts advice from the private sector.

The honourable member for Brighton made it quite clear yesterday that any form of Government involvement in almost any industry does not over time prove to be more efficient in terms of costs or services than those services provided by the private sector where there is competition.

A State monopoly of any sort is the beginning of disaster, not only financially, but also for service. Workers compensation is a combination of service and cost. It is a service to those who are in the work force, be they union members or non-union members and it is a series of costs to those who have to pay for it. The two come together in determining the confidence for employment scales and structures in this State.

In Canada, where there is a monopoly State-run system, they now have one of the most embarrassed financially disastrous unfunded deferred liability systems that one could possibly pull out as an example anywhere in the world. Look at the Treasurer's handling of the State Insurance Office in compulsory third-party insurance! If the Treasurer cannot even run the State Insurance Office which is continually operating at losses in excess of $500 million, how is he in God's name going to run a nationalized workers compensation scheme that will ultimately result in huge losses? It has to result in huge losses if the premiums are dropped by 50 per cent in many cases and benefits are increased by 20 per cent.

What the honourable member for Brighton said yesterday was that even on the very best figures provided by the Government, in ten years' time the loss will be $4 billion. That is not the worst situation because, on the figures provided, the Government loss could be $8 billion. How much longer is the community to allow politicians, regardless of their political flavour, to introduce legislation backed with expensive publicity campaigns to bring about short-term gains for electoral purposes, as they see it, but which will build up a huge deferred cost that the people of the State will ultimately have to pay?

There is no doubt that the deferred losses of $1.6 billion of the State Insurance Office is the direct result of the incompetence of the Treasurer. The deferred losses in workers compensation, based on this proposed legislation, in ten years' time and on 1985 figures, will be at best $4 billion and may blow out to $8 billion or even more.

Is there not some degree of responsibility that should bind all Parliamentarians together to ensure that if schemes are to be introduced there must be a financial balance whereby the community receives the benefit of those services.

What right does Parliament have to say that the grandchildren of today's community will have to inherit the debts that will result from this proposed legislation from which those future generations will gain no benefit? It is immoral.

There is no way the State will be able to afford it. One has only to study the public sector superannuation scheme. Again, that is an unfunded scheme. It is causing this State huge financial problems in the short term and, in the long term, it will cost the community most dearly. Again, social welfare operates on an unfunded basis. At a Federal level over the past twelve years it has increased from 18 per cent of the gross national product to something more than 29 per cent of the gross national product, and it is continuing to rise. No provision has been made for it.

The Liberal Party disagrees with nationalization. One must realize that at the fundamental core of nationalization is competency of Government administration, this
Government and past Governments—whether a Liberal or a Labor Party Government—and a Government's ability to run any Government authority or agency responsibly and effectively, I do not know of any Government authority or agency that deals with huge amounts of public money that is run efficiently and, ultimately, has not cost the community dearly.

Whatever the political persuasion of the Government, there is not one example of efficiency through Government monopoly because politicians by their very virtue will try to defer increasing costs to gain short-term community support; ultimately, the community pays.

The Liberal Party opposes the proposed legislation because of its nationalization aspect, its cost and the enormity of its deferred liabilities. The Liberal Party also is concerned at the lack of accountability in the measure, and the honourable member for Brighton will move amendments to the Bill to try to insert accountability into it. If not, the same circumstances will occur with workers compensation administration as have occurred with the State Insurance Office.

For example, after the financial year just ended—as at 30 June 1985—it will not be possible for Parliament and the people of Victoria, to whom Parliament is answerable, to obtain any sort of accountability from the Government for that financial year just ended until 1986—nine months after the end of this financial year—because the Government knows of the huge financial losses of the State Insurance Office. It is an embarrassment to the Government.

Parliament cannot continue to have reporting procedures that do not make available to the public of Victoria information on just how a Government program is proceeding. The Government is not dealing with its own money—it is dealing with the money of the people of Victoria. Consequently, there must be in legislation—and in this Bill if it is to be rammed through Parliament this week and next week—provision for regular accountability to ensure that the public does know what is going on in public administration.

I shall give the House another example of the effect of the Bill on the public. It will affect businesses. Certainly, some businesses will do exceedingly well from the measure because their workers compensation costs are high and the Treasurer has promised that those costs will be reduced. However, because the proposed scheme will be an unfunded scheme, and although a large company—for example, Ford Motor Co. of Australia Ltd—will be able to save $10 million a year, if that company's claims experience means that the premiums the company pays are less than the claims experience of that company, the rest of the community will have to subsidize that company. There is no provision in the measure to direct that a company such as Ford Motor Co. of Australia Ltd at least pays a premium commensurate with the claims experienced by the company. Hence, the rest of the community will pay for it.

Ultimately, small business will pay because, more often than not, small business has been sold down the tube in many cases by this Government and by some employer groups. Small businesses will have to pay ultimately for the workers compensation premiums of large companies like the Ford Motor Co. of Australia Ltd. When the Liberal Party returns to office, it is determined to ensure that the premium payment of any company is such that it is substantially more or even slightly more than the company's claims experience, and adjustments will have to be made. Why should the people in the community who are not involved in employment or who are not employers or who are small businesses, subsidize others? Those other companies may have very good industrial safety records—I am sure the Ford Motor Co. of Australia, Ltd has a very good industrial safety record—but other companies without a good industrial safety record will end up with a huge financial saving on premiums subsidized by the community, but with no accountability.

The Liberal Party is strongly concerned about the way in which small business has been dealt by the measure and by some employer organizations that claim to represent small or medium-size businesses but which have let small business down. I understand that
employer groups have got to work with Governments of the day. I have said it before and I shall say it again: There are certain things industry groups and small business must recognize when they are dealing with socialist Governments, and that is that socialist Governments are no friends of the private sector—they are no friends of those people in the community who run risks, who employ people and who create opportunities for all employees.

A condition imposed on negotiations that have extended over many months has been that employers must maintain confidentiality if they are to have discussions with the Government. Many employer groups believed their contributions to the Government have been worthwhile. They believed they were achieving concessions to bring about a valuable legislative measure. Today, they have found out that they have lost out entirely. I shall mention only two organizations. One is the Business Council of Australia.

I have always been concerned at the performance of some of those in the Business Council of Australia who have been either at the tax summit or the economic summit. They have worked so hard with the Labor Party Government of the day on those issues as they have with this Government on workers compensation legislation that they have ignored the fact that any deal with a socialist Government, particularly where there is a union input, which is understandable, results ultimately in the unionists winning. This legislative measure proves that point emphatically.

The track record of the Business Council of Australia needs to be reviewed if it is to have a realistic function in the future. One has to go into discussions with socialist Governments with one's eyes wide open and be prepared to stand up for fundamental principles. If one is prepared to sell out on nationalization as a principle, one can bet one's life that along the way one will have to sell out on many other principles.

The second organization to which I refer is the Metal Trades Industry Association of Australia. It has worked very closely with the Government ever since these workers compensation discussions began and now it finds that having done all the work for the Government, 50 per cent of its members are reporting back to it that their premiums will rise.

Surely employer groups have been through the hoops enough times to recognize that unless they stand firm on their principles and unless they are prepared to fight for those principles, ultimately they will be destroyed. This Bill will destroy dozens of small businesses which are currently members of the Metal Trades Industry Association of Australia as it will destroy dozens of other businesses because the union muscle and the pressures that are brought to bear will be intolerable.

This measure had the opportunity of receiving the support of all political parties in both Houses. The Government fouled it up. There is no doubt that the unions have won the battle and that the unions are the great beneficiaries. I give the unions credit because the union movement stands firm. It fights for its principles without qualification and it rarely gives in, whereas employer groups, because they are divided, invariably lose. They have no one else but themselves to blame.

This Bill is too important just to be left to employer groups. The Opposition has been consistent, ever since this measure was first mooted, in its opposition to it and, to be honest, the Liberal Party has been left by those in the private sector like shags on a rock—until recently.

The Victorian Chamber of Manufactures has written to the Opposition—and has included copies of letters sent to the Treasurer—expressing concern about the proposed legislation and stating that it does not want the measure to proceed.

Small business, such as Mary Kay Cosmetics Pty Ltd, do not want the Bill to proceed. If I had more time, I would read the damning comments made by that organization. The Victorian Employers Federation does not want the Bill to proceed, but it has been involved in late discussions. The Executive Director of the Victorian Automobile Chamber of
Commerce does not want the measure to proceed, but the chamber has worked so closely with the Government on the proposed legislation for such a long time that it is now too late to do anything. The Treasurer has closed the door on its representations as the unions have achieved what they want.

The measure is historically damning and it will be seen as "Jolly and Cain's folly".

Judging from the manner in which the Bill was presented to Parliament and the people of Victoria, I do not believe the proposed legislation can do anything other than drive employment and industry out of Victoria. It will ensure that your children, Mr Deputy Speaker, and my children, end up with one huge deferred liability which they will have no capacity to pay. The measure will ensure that Victoria loses the capacity to create the necessary wealth to provide a secure and economic environment.

The Opposition will use every possible tactic to ensure that the proposed legislation does not proceed through Parliament. The measure should not be allowed to pass. The Government has had every opportunity to make it good legislation, but it has sold itself short.

Mr WALSH (Minister for Public Works)—I support the Bill and congratulate the Treasurer on the excellent job he has done in presenting it. I also congratulate the staff involved in compiling the proposed legislation. I support the Bill in the interests of Victorian workers and employers.

Government members are totally in support of the measure because they are aware of what people have had to put up with under current legislation. Many criticisms have been made about the existing workers compensation system not only by the union movement but also by employers.

The Bill has the support of unions, business sections and the community. One need only examine what has occurred over the years with workers compensation—

Mr Stockdale—What business support?

Mr WALSH—The Metal Trades Industry Association. I do not intend to read my speech from a book, like the honourable member for Brighton did, which bored everyone to tears. Apparently the honourable member is still using the same actuaries, economists and accountants that the previous Liberal Government used for 27 years, which sent Victoria bankrupt. That is why Victorians rejected the Liberal Government in 1982, this year, and will reject it again at the next election.

There has been a tremendous demand for workers compensation reform and even before the Bill was printed—when the Government announced it would reform workers compensation—the Opposition was critical. Before the election, the Opposition was totally opposed to any reform. The Opposition did not care what happened to workers or the business sector in Victoria. Many criticisms have been made by unions and employers about workers compensation over many years.

It is extremely important that the proposed legislation passes through all stages of debate and is put into operation as quickly as possible. One has only to examine some of the reports carried out by governments. Honourable members would remember the Harris report into workers compensation carried out in 1976–77.

Judge Harris was commissioned to conduct a report into the workers compensation system and, on completion, the report proposed a number of wide-reaching changes to workers compensation.

What happened to that report? Where are the results?

What did the previous Government do about the recommendations? The Liberal Government failed to act. It made a marginal adjustment to legislation and then did nothing else with the report. The Liberal Government shirked the issue of reforming workers compensation, but the Cain Labor Government will not shirk the issue.
The Government intends to make huge changes, such as those being made today, to reform the workers compensation system in Victoria. I have had personal experience as a union official with workers compensation issues.

I have seen people suffering while on workers compensation because they wanted to go back to work but were not able to do so. No rehabilitation system was available to assist them in going back to work. It is a great shame to see that occurring. I am sure the proposed legislation is a step in the right direction to remedy that situation.

The electorate of Albert Park is a strong working-class electorate and I often have people who are on workers compensation come to me complaining about the benefits they are receiving and the high commitments they have which they cannot fulfil. It is a scandal that any government does not attempt to do something about that situation.

Employers are also raising with the Government the high premiums they have to pay for workers compensation. It is time significant changes and reforms were made to workers compensation. I am proud to have been associated with the reforms contained in the Bill.

One need only examine the system currently operating to realize the deficiencies in benefits for injured workers. An incapacitated worker can receive up to $191 a week to cover total loss of earnings, which is well under the poverty line. There is an extra amount for the spouse and first child under 16 years, a second child and so on. The maximum that an injured worker can receive is $248.

The payment of benefits can only reach $67,364, under current legislation. An injured person can soon run out of money over a long period if, for example he loses both legs, and is not able to make a common law claim. That person has extreme difficulty in being able to manage economically and suffers from the injury in the long term.

The Government proposes to increase the benefits to an upper limit of $400 a week and to have a minimum of $196 a week for workers without dependents. Many Victorians have accidents, do not report them, stay at work and suffer from an injury. They do not have the injury properly treated because of the low wages they would receive when on workers compensation under the existing provisions.

Mr Hann—Can you give any examples?

Mr WALSH—Yes, and these changes will be of significant benefit to the worker. I will examine the benefits for the workers and also employers.

I am concerned for those workers who are injured and I am concerned at the high cost of workers compensation premiums that employers have to pay. I am also concerned that some employers have evaded payments for workers compensation. Once the Bill is passed, those persons will no longer be able to evade those payments.

I shall give the House an example of the extent of workers compensation payment evasion. Nineteen employers were assessed by the Building Industry Inquiry Implementation Committee. It was discovered that approximately $1,136,942 had been evaded in workers compensation premiums between 1 July 1984 and 30 June this year. That is a staggering amount when one considers that that level of avoidance was detected by only a small team of investigators. That level of avoidance also contributes to the high cost of workers compensation premiums that employers face and that is a major problem which the Bill will rectify.

Even though a major amendment was effected last year to the Workers Compensation Act which reduced the time taken in processing a claim for workers compensation, there are still major problems. Some employers are admitting liability and the employees affected are having their cases heard under the 21 days dispute settlement procedure before the Workers Compensation Board. However, many injured workers are still waiting for employers to admit liability and, therefore, they have to wait on a decision to be made by the board. Some claims are taking a long time to be heard.
Mr Hann—You should have increased the number of boards. You have been in office now for three years.

Mr WALSH—I am pleased to take up the interjection and discuss the need to increase the number of workers compensation boards. When the Government acted to insert the 21 days dispute settlement procedure, the National Party and the Opposition delayed that amendment coming into effect by ten months and this caused many delays. The Government did everything it could to reduce the delays but the National Party and the Opposition acted irresponsibly and frustrated the Government’s attempts in another place.

Under the proposed legislation injured workers will be guaranteed payment within 21 days of acceptance of a workers compensation claim. Any denied liability claims will automatically be brought before the proposed Accident Compensation Commission for consideration. The present waiting period for a contested workers compensation claim of two years will be cut to a maximum of three months, which will represent a vast improvement for those persons who are suffering work-related injuries.

Once the Bill is passed, an injured worker will lodge a workers compensation claim with the employer, who in turn will forward the claim to the proposed Accident Compensation Commission and the worker will be in receipt of payment within five days. Employers also have a right of appeal against any decision by the commission. The Bill, when passed, will streamline workers compensation claims and the delivery of payments to workers will be greatly accelerated.

Many workers have criticized the Government for the delays in payments of workers compensation. However, the Government has acted to speed up the payments of workers compensation benefits.

The Workers Compensation Act does not contain any provision covering rehabilitation. There is no provision for doctors, employers and insurers to assist in the rehabilitation process of injured workers. The Opposition has criticized some aspects of the Cooney report. However, rehabilitation is one of the matters referred to in the Cooney report. There is a need to rehabilitate those workers who are injured in the workplace and it is the objective of the Government that, within five to ten years, a full rehabilitation program can be offered to each worker who suffers a substantial injury.

I know of workers—and I believe honourable members would, too—who have been on workers compensation for a considerable period and who have become extremely frustrated and upset at their inability to return to work. This has caused problems in the domestic area, which in turn has forced those workers to seek refuge in alcohol as an escape from their problems. In many cases injured workers on workers compensation have nothing else to do but go to the pub. They have not had a chance to be rehabilitated and they have turned to alcohol to escape the boredom. It may be that the Government should examine using the drug and alcohol programs to help rehabilitate these workers as part of the general rehabilitation process. I have seen many families break up due to people on workers compensation turning to alcohol as an escape.

I wish to refer to the cost of workers compensation premiums. The Bill, when passed, will lead to an average reduction of 50 per cent in the cost of workers compensation premiums to employers. The level of premiums will be related directly to the safe working performance of industry. A system of penalties and bonuses will provide incentives to industry to improve safe working practices.

I refer honourable members to the present cost of workers compensation premiums paid as a percentage of an employee’s earnings. For example, in the hospital area, 4·77 per cent of an employee’s earnings goes towards meeting the cost of workers compensation premiums. Under the proposed system, 2·09 per cent of an employee’s earnings will be
used to meet the cost of workers compensation premiums, which is a saving of 56·2 per cent.

In the clothing and manufacturing area employers are now paying 7·75 per cent of employee earnings; under the Bill they will pay 2·66 per cent, which is a saving of 65·7 per cent.

Honourable members on the other side of the House have referred to restaurants, hotels and accommodation areas. The percentage of savings in that area will be as high. They are now paying 8·42 per cent of employee earnings and under the proposed legislation they will pay 2·66 per cent, which is a saving of 68·4 per cent.

Road freight transport employers are now paying 15·45 per cent of employee earnings and under the proposed legislation they will be paying 3·23 per cent, a saving of 79·1 per cent. In the building and construction area—honourable members know how high the premiums are in this area—they now pay 19·10 per cent of employee earnings and under the Bill they will pay 3·80 per cent, a saving of 80·1 per cent.

In the motor vehicle manufacturing area they are paying 22·26 per cent of employee earnings; under the new system they will pay 3·80 per cent, which is a saving of 82·9 per cent.

In some cases employers will be paying less than 50 per cent of what they are now paying. This will be a great saving for employers and they are happy about that. I am certain that once the Bill is enacted and is put into operation the employers who have reservations about the Bill will be more than happy.

There should be a saving to industry of some $600 million annually, which should lead to improvement in the economy. The Government has used better actuaries, economists and accountants than the Opposition has used. The Government also predicts that another 25,000 jobs will be created because of the savings in premiums. This is what the Government has been doing in the past three and a bit years.

I do not believe the Opposition has done its homework on the proposed legislation. It made up its mind in December after reading the Green Book, when it said, "This is too good, we are not supporting it; we must oppose it". The Opposition is full of knockers; it does not want any progress in this State at all. It is totally opposed to any legislation that would improve Victoria, that would help the employers and the unions and therefore help the economic situation. This sort of improvement has been going on for approximately three years and the Opposition should settle down, carefully read the 213 pages of the Bill, and consider the amendments, which will be in the interest of employers.

Finally, earlier I said that the Government has been fortunate to have a Treasurer of the capability of our present Treasurer. If the State were living under the regime it had three and a bit years ago, probably there would have been a higher unemployment rate and we would have had nothing like this proposed legislation to help employers. The Opposition does not care about that; it believes it should rule for ruling's sake and not for the sake of Victorians. I commend the Bill to the House.

Mr HANN (Rodney)—The proposed legislation typifies the fundamental difference in philosophy between the Labor Government with its socialist tendencies and the opposition parties, which so strongly support free enterprise.

Over the years it has become obvious that there is one issue that certainly raises emotions within the Labor Party—that is workers compensation. On every occasion when Bills dealing with workers compensation have been debated in the House, Government members—this also happened in the days when the Labor Party was in opposition—become highly emotional. One can understand that because all members of the House strongly support the need for an adequate workers compensation scheme that will properly recompense workers injured in the workplace or families of workers who have lost their
lives. A scheme is needed which provides real and proper benefits to workers and to their families and loved ones who may be left behind.

The basic difference in philosophy is: Who should run that scheme? Should the Government of Victoria run that scheme in a Government monopoly or should the private insurers under the private enterprise system run workers compensation? The National Party would argue strongly on the basis of past experience with a number of similar government monopolies, both in Australia and in the United States of America, that the most effective way to operate these types of schemes is through the private enterprise system. One need only look at the worst possible example of a Government monopoly—third-party insurance. It is impossible to get any answer from the Treasurer on the extent of the debt imposed on the State of Victoria by third-party insurance, with the taxpayers picking up a massive bill. Ultimately it will be passed on to the motorists of Victoria.

It is interesting to consider from practical experience the record of the State Insurance Office in workers compensation. In my experience in dealing with constituents' problems I find that the State Insurance Office premium levels are far in excess of those of private companies.

I can give an example of a small country abattoir that was seeking workers compensation insurance. It was quoted $58,000 by the State Insurance Office. When the proposition was put to a private company, the figure quoted was $32,000, a drop of more than $20,000. That is an example of the premium quote by a Government-run institution operating in the area of workers compensation. There was a difference of more than $20,000, which is something like a 40 per cent reduction, in the premium charged by a private enterprise insurance company.

One alarming aspect of the Government's proposal to change the workers compensation scheme and place it under a Government monopoly is the enormous disparity in the figures. On the one hand, the Premier and the Treasurer are suggesting that current levels of premiums are approximately $1250 million and, on the other hand, the insurance industry claims that the premium level is $750 million; so there is a disparity of approximately $500 million. If one listens to the Minister for Public Works suggesting that there will be a saving of $600 million in premiums as a result of changes presently before the House and if one looks at the fact that the premium level is now $750 million, surely there is no way that the Premier can suggest that that can be dropped back to $150 million. One can argue that, from figures put forward by the Premier and the Treasurer, they have already managed a reduction of $500 million by a sleight of hand. They took what they believed to be the top of the range of workers compensation premiums and did not take into account the fact that the percentage figures quoted for workers compensation in various levels of industry are not the actual figures paid by employers.

If the company or the individual has a good employment safety record, no-claim bonuses are provided. From my own experience as a small employer, a large disparity exists between the annual premium where there has been a claim, and the annual premium where there has been no claim and one has the benefit of a no-claim bonus. That must be built into the system and it must move freely.

The other basic weakness in the existing system is the fact that employees make no contribution to premiums. It is one of the reasons why the National Party, in the amendment before the House, has proposed that the whole issue should be investigated. The big problem with the current system is that employees have no concept or understanding of what workers compensation is actually costing employers.

The reality is that there are abuses of the system by employees, simply because they are not aware that it is costing the employer such a large amount of money. These abuses are not only increasing the base premium, but also are taking away the benefits of the no-claim bonuses that would otherwise apply.
Over a number of years now the National Party has explained that there would be real benefits in employees making a contribution. One needs to keep in mind that employee contributions could have been built into the wage structure. It would have provided a much clearer general understanding of how the workers compensation system is operating. A significant change will occur—from a private enterprise system using the existing insurers to a Government monopoly.

It is interesting to note some examples of insurance in the United States of America, and particularly the workers compensation scheme that has been operating in Ohio. A critique on this compensation plan was prepared by the American Insurance Association. The study revealed a number of key deficiencies that will relate to the Victorian plan in years to come. They are:

First of all, there was a failure to adhere to proven actuarial standards;

I suppose one could argue that that presently applies in relation to the third-party industry in Victoria.

Secondly, there was a failure to operate in a financially responsible manner;

Thirdly, there was a history of financial mismanagement;

Fourthly, audits were unable to be completed because of lack of internal control;

Fifthly, “pay-as-you-go” is a challenge to the economy of the State;

This is a matter that was addressed by the Leader of the Opposition this morning. If it proceeds with the workers compensation scheme in its present form, the Government is burdening our children and future taxpayers with massive debts. The scheme is not fully funded.

Sixthly, inefficient claims handling;

That will be obvious from the massive size of the new bureaucratic body.

Seventhly, employers deciding compensability causes problems;

Finally, abuses in medical care.

Taking this point further, the American Insurance Association claimed that the Ohio plan has had a history of financial mismanagement leading, at various times, to fund deficits reaching a peak of $1.3 billion. It was generally believed that the Ohio Plan was operating at a substantial deficit. That is the very situation that worries the National Party in Victoria if the Government proceeds with the current scheme. The American Insurance Association also claimed:

The pay-as-you-go funding in Ohio’s workers compensation system challenges the very economy of the State. A 1979 Conning & Co. study entitled “Financial consequences of pay-as-you-go insurance funds” drew a number of conclusions regarding the pay-as-you-go system as listed hereunder:

1. These systems operate as a disincentive to business growth in the State.
2. At first, they appear less expensive but turn out not to be when annual financial requirements rise quickly to the level of fully funded plans.
3. These plans are eventually settled with a huge liability.
4. Such funding fails to disclose true costs of current liabilities which may be concealed for many years.

That is one of the real dangers to the Parliament.

5. These systems are more prone to inflationary strains than are other systems.

There is no doubt that the Victorian Government is basing the system now before the Chamber on a concept similar to the one that has failed badly in Ohio.

Criticisms of the present workers compensation system have emerged. Members of the National Party have certainly been vocal in their criticism of the high premiums, the inefficiencies and the long delays in settling claims. As a member of Parliament, I am aware of a number of examples where people have spent 2, 3, or 4 years trying to settle claims, and in some instances it has been even longer.
Government departments tend to be as slow as any firm in meeting their commitments. A good example of a case of which I am aware that should have been settled easily and quickly, but was not, involves the State Electricity Commission. It dragged on for a long time.

Other areas of concern have related to abuse of the medical system—doctors who tend to be too free in granting workers compensation claims and also in granting lengthy periods of time away from work.

One of the features of the Queensland system is that there is an independent medical board that monitors the records of doctors and, if there is an obvious trend showing a specific doctor or a group of doctors are tending to be generous in workers compensation claims, it is checked out. This system seems to have significantly reduced the number of doctors that abuse the system.

In Victoria, some lawyers and legal firms specialize in workers compensation. I know from experience that some of the Labor lawyers have had the largest businesses in that area and, of course, the legal system has been soaking up substantial funds involved in workers compensation. I have experienced only one claim in the twelve or fourteen years that I have been paying workers compensation. It certainly makes one conscious of the need to settle claims quickly to avoid the problems for individuals of a delay before it is settled. The one claim with which I was involved took considerable time and, from that point of view, I strongly support the proposition by the honourable member for Benambra that one should expedite the settlement of claims, where they are accepted as legitimate claims, so that the benefits can come through quickly.

I am extremely nervous about the proposal that the employer must meet the first week’s wages in workers compensation claims because the small benefits, particularly for small employers, that would be gained by the reduction in premiums will be quickly offset by having to meet the first week of wages and up to $250 a week of medical expenses. That is most unreasonable.

As the honourable member for Benambra points out, it is up to $650 per week compared with the premium, at the present time, of not more than $1000. If that is reduced, it must be reduced a long way before one would gain a benefit, if one is to meet that liability.

It is interesting to note that the Government claims that it has had the support of the employer groups. From the best information available to the National Party, that is not true. It has certainly had consultation with the major employer groups in Victoria but, because of the way the Government has been rushing the measure through Parliament, those groups have indicated to the opposition parties that they cannot give support to the Bill.

In a letter dated 17 July, the Chief Executive Officer of the Australian Chamber of Manufactures, Mr Brian Powell, pointed out to the Treasurer that he cannot give support to the proposed legislation in its present form. He also stated that the Government should delay the Bill to allow further consultation to ensure that it ultimately becomes an effective piece of legislation. I believe it is important for this letter to be placed on the record. It states:

Dear Mr Jolly,

Thank you for your letter of 15 July 1985 responding to employer’s concerns with the Accident Compensation Bill and in which you seek the Chamber’s support for the Bill now that it reflects the Government’s agreement with the Trades Hall Council.

My letter to you of 15 July raises other issues of concern not covered in your response. While some of the amendments you have proposed reflect the concerns we have conveyed to you, notably:

- 5 year guarantee industry levy rates;
- review of rates (including bonus/penalties) at 12 month intervals to facilitate annual budgeting; and
- adjustment of “dangerous industries” penalty to a more practicable level,
the substance of your response does not allow this Chamber to indicate support for the Bill in its present form.

In summary, you propose to expand greatly the liability of employers, require them to pay an excess which is open to future increase, and remove them from the opportunity to defend their interests in conciliation proceedings or before the Tribunal. The splitting of employers' liability to pay compensation from the employment where the injury occurred could cause employers to incur a liability to pay for injuries which arose under earlier employments and suffer penalty levies for doing so.

For workers, you propose to increase benefits, add lump sum benefits under the Table of Maims, retain the right to pursue common law actions for pain and suffering and permit lump sum redemptions of benefits.

It is inequitable in our view that workers will not be subject to close medical supervision or rehabilitation requirements. Workers will be able to refuse offers of suitable employment unless they are to get higher pay, but employers will have to pay penalties of five times their levy if they refuse to re-employ workers already on compensation. In other words, an employer must make an offer of higher pay to a worker on compensation for the employer to avoid a penalty levy and for the worker to risk reduced benefits for refusing such an offer.

I note that after six months you have still not resolved the issue of a satisfactory bonus/penalty system. Further, I note that you have not defined "cost of claims" in the penalty levy clause. An employer and an industry will soon find themselves in the penalty levy category or dangerous industry rate should this include the cost of claims paid during the year and not just new claims arising and paid during the year.

These are matters which I believe should be resolved before the passage of the legislation.

This was put to the Treasurer this morning. The letter continues:

You will recall also, our concern about the certainty of assumptions underlying your costing and consequently our concern about the potentially severe damage which could be caused to the Victorian economy should your calculations be wrong. There have been suggestions that "administrative measures" would be taken in that event, but I believe that the potential consequences could require more far-reaching action. We have no confidence that this would not result in increased cost to employers.

Therefore, I ask you to reconsider the haste of the passage of legislation in light of what I believe are serious deficiencies and which pose real economic risks.

I can understand, and indeed support, the motivations which lay behind the Government's decision to move to a rehabilitation based scheme to overcome the deficiencies of the present system. However, the changes which have emerged and which still seem to be emerging to the Bill before Parliament, in my view are of such a fundamental nature as to alter, in a most substantial way, the thrust of the original proposals outlined in the Government’s Green Paper.

In these circumstances, I believe there is an imperative need for the community, particularly including employers, and the Government to reappraise these proposals and to weigh their merit against the risks to which I have referred.

I would therefore urge you to provide that opportunity by not proceeding with the passage of the Bill for the time being and thus delay the operation of a new system until all these issues have been fully addressed.

In pressing this course, I acknowledge that the Government has provided consultative opportunities, however, these discussions have not resulted in widespread support for the proposals.

I am taking the liberty of making copies of this letter available to the leaders of the Parliamentary Opposition.

Yours sincerely,

Brian Powell

As indicated in that letter, the Government is rushing the Bill through Parliament without the support of major employer organizations in this State. The danger of doing that is that legislation will be placed on the statute books of the Victorian Parliament which ultimately will bankrupt the State. I predict that the only method the Government has of avoiding that dilemma is to move towards a national compensation scheme. That, of course, would cost the Victorian and Australian taxpayer many thousands of dollars more than the existing compensation schemes.

One must be highly suspicious of the Government's action in forcing this Bill through in such a hurry. On no other occasion in the twelve years I have been a member of Parliament can I remember the Government introducing an important Bill and allowing only two weeks for debate. The Government originally proposed to introduce the Bill on 7 May 1985 but was unable to do so because it failed to reach agreement with employer
groups and, more importantly, with the unions. The Government continued negotiations and the Bill was introduced only two weeks ago.

Many hundreds of employers throughout Victoria have not had an opportunity of examining this Bill but have had to rely wholly on the employer organizations, groups and associations to represent their views. Those groups have expressed their opposition to the Government's haste with this Bill. The Victorian Employers Federation expressed similar concerns to those expressed in the letter from the Australian Chamber of Manufactures.

Not one member of Parliament would disagree that the workers compensation scheme should be improved and that methods of rehabilitation should also be examined. Compensation should certainly be available to persons who are permanently disabled or to the families of those who have lost their lives. However, many of the workers who have suffered injuries need rehabilitation.

One of the problems in the community is the reluctance of employers to re-employ a person who has been injured. The simple reason is that the situation might recur and cause a new liability for that employer. That has been a disincentive to employers to re-employ a person who has been injured, especially if the injury is of a serious nature.

Like the Minister for Public Works, I have also spoken to people in my electorate office who have pleaded for employment. Many people are extremely anxious to go back to work but they cannot obtain employment because of injuries previously received. Nothing in the Bill will correct that situation. The Bill provides for the establishment of the Accident Compensation Commission but it does not provide for a rehabilitation commission. No incentive is provided to assist people to be rehabilitated back into the work force.

Some measures exist to attempt to force employers to re-employ injured workers. That does not solve the problem because what is needed, in many instances, is an alternative employment opportunity to the one offered by the former employer. Our community has not come up with a system that provides an alternative employment opportunity.

It is not only in the workers compensation area but also in the motor accident area that people are disabled and unable to be re-employed productively. The same reluctance by employers is met by people injured in motor accidents.

One should be extremely suspicious of the Government's haste to push the Bill through. The National Party believes it would be preferable to delay the measure and allow further time for consultation so that the Parliament would ultimately have a Bill which is in the best long-term interests of the State and employers and employees alike.

For that reason, the Leader of the National Party has moved a reasoned amendment and if the Government were prepared to accept this amendment, the National Party would give the Government an assurance that it would proceed with haste to put alternative legislation through in the early stages of the spring session of Parliament, a matter of a few weeks away.

The National Party is proposing, by its amendments, that the Bill be not read a second time until discussions have been held between the Government, employer organizations and the Trades Hall Council.

The sitting was suspended at 1 p.m. until 2.4 p.m.

Mr HANN—Before the suspension of the sitting I was talking about the philosophical differences between the Labor socialist Government and the private enterprise Liberal and National Party opposition. The proposed legislation is fundamental to that whole issue because, in effect, the Bill sets up a bureaucracy. I am certain there will be absolute chaos in the early stages of the introduction of the workers compensation scheme.

I cannot see how small business people can possibly cope with the change in the system whereby they will have to make payments on a monthly basis. That will add enormously