The SPEAKER (Hon. J. E. Delzoppo) took the chair at 10.05 a.m. and read the prayer.

PETITIONS

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

Sexual discrimination

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The humble petition of the undersigned citizens of the state of Victoria showeth that:

whereas the Parliament of the state of New South Wales has seen fit to protect the human rights of its lesbian and gay constituents and citizens on the basis of their sexuality;

whereas the Parliament of the state of South Australia has seen fit to protect the human rights of its lesbian and gay constituents and citizens on the basis of their sexuality;

whereas the Parliament of the Australian Capital Territory has seen fit to protect the human rights of its lesbian and gay constituents and citizens on the basis of their sexuality;

whereas the Parliament of the state of Queensland has seen fit to protect the human rights of its lesbian and gay constituents and citizens on the basis of their sexuality;

whereas the Parliament of the Northern Territory has seen fit to protect the human rights of its lesbian and gay constituents and citizens on the basis of their sexuality;

and whereas the Parliament of the Commonwealth of Australia, in compliance with Australia's international human rights obligations, has seen fit to protect its lesbian and gay constituents and citizens from discrimination on the basis of their sexuality.

Your petitioners therefore pray that the Legislative Assembly as part of the Parliament of the state of Victoria move to protect the human rights of its lesbian and gay constituents and citizens — as recommended by the Scrutiny of Acts and Regulations Committee — by amending the Equal Opportunity Act 1984 to prohibit discrimination on the grounds of a person's sexuality.

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

By Dr Dean (27 signatures) and Mr Thompson (60 signatures)

Williamstown planning scheme

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The humble petition of the undersigned citizens of and visitors to the suburbs of Williamstown and Newport, sheweth a call that:

rezoning of excess railway land at Melbourne Road Newport to a 'Restricted Business Zone' would further saturate the region with vacant land of this zoning.

development of the site as a shopping centre would cause planning blight and destroy existing centres in Newport, Spotswood and Williamstown, and further that such a development would adversely affect the historic and village character of the area and thus reduce its tourism potential.

Your petitioners therefore pray that rezoning amendment L25 - Williamstown Planning Scheme be refused and the land rezoned primarily for housing.

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

By Mr Bracks (6724 signatures)

Laid on table.

PAPERS

Laid on table by Clerk:

Environment Protection Authority — Report for the year 1993-94

Equal Opportunity Board — Report for the year 1993-94


Ethnic Affairs Commission — Report for the year 1993-94

Murray-Darling Basin Commission — Report for the year 1993-94
The following proclamations fixing operative dates were laid upon the table by the Clerk pursuant to an order of the House dated 6 September 1994:

- Magistrates' Court (Amendment) Act 1994 — Whole Act (Except sections 1, 2 and 27(5)) on 24 October 1994 (Gazette No. G42, 20 October 1994)

EMERALD TOURIST RAILWAY (AMENDMENT) BILL

Second reading

Debate resumed from 20 October; motion of Mr McNAMARA (Minister for Tourism).

Mr LONEY (Geelong North) — When the debate was adjourned I was making some comments about clause 4, which allows for the expansion of the operations of the Emerald Tourist Railway Board consistent with its role as a major tourist operator.

Mr McArthur interjected.

Mr LONEY — That is right. At that stage I said the opposition fully supports that board. The clause puts the board on a footing that is much more in line with modern business practice. It will allow the board to ensure the future viability of the railway, to extend its operations, to move into other areas and, in particular, to interlink other tourist attractions with Puffing Billy.

I was also saying that although Puffing Billy is still performing very strongly as a tourist attraction, the market is becoming increasingly competitive.

The SPEAKER — Order! There is too much audible conversation. Will honourable members please lower their voices.

Mr LONEY — The board has recognised that and comments on it in its annual report.

I note that the board has already moved to extend the operation of the Puffing Billy service. As I understand it, the proposed extension of the line from Emerald Lake Park to Gembrook is partly completed. It involves the laying of about 10 kilometres of track and the construction of a timber trestle bridge. The total cost of the extension is estimated to be more than $500 000.

That in itself places greater strain on the board and, in particular, on the Puffing Billy Preservation Society. In the past they have been very effective in raising funds to keep the railway line going. Despite the fact that a considerable amount of money that needs to be raised, I am sure they will again be successful. I am certain they will get broad community support and will be able to raise the money to complete those extensions.
The extension of the line is important for two reasons. Firstly, as I commented earlier, it provides a fresh and longer route for the railway in what is an exquisitely beautiful scenic area. It will enhance the railway in a way that is consistent with its current operations. It will also benefit the economics of the region. By going through Gembrook it will effectively take tourists into the hinterland of the Westernport region, thus further opening up opportunities for operators of tourist attractions. So the extension will not only provide a fresh attraction for Puffing Billy but also be of benefit to other operators in the Westernport area by bringing tourists to them.

Track construction issues, particularly in the environmentally delicate area between Emerald Lake and Gembrook, require a sensitive approach and a willingness to consult with the people who are affected. The record of the Emerald Tourist Railway Board indicates that it will pay due attention to the issue. I understand that to date it has been extremely diligent in informing and listening to communities who live along the path of the proposed route.

A second aspect of the expansion of the board's operations is the provision of maintenance and consultancy services to other railway operations. That is important for a number of reasons. Firstly, it will allow the Puffing Billy Preservation Society to continue to develop its skills and expertise in servicing rolling stock. It means there will always be work for it to do, and it will enable it to make sure its skills are constantly being honed and assessed, which will benefit the railway itself. It will also ensure that other historic railways around the state have access to the advice and skills necessary to keep them operating safely and profitably.

There are a number of other historic railways operating throughout the state that require this sort of support, but they do not have the same profile and are not as economically viable as Puffing Billy. One of those is the Drysdale-Queenscliff railway, which is down in my area, the Geelong area. In some respects it is similar to Puffing Billy, and historically it has always been a tourist area.

Mr Brown interjected.

Mr LONEY — They are very good people, as the Minister for Public Transport says, and they operate a very good railway tourism service. I have had the opportunity to travel on it a number of times. The service is important to the area. Another one is the Castlemaine-Maldon historic railway, which will similarly benefit from the ability of the Emerald Tourist Railway Board to provide consultancy advice and maintenance services.

I note that its 1994 annual report shows that for the first time the Emerald Tourist Railway Board is involved in a major locomotive rebuilding project for an outside organisation. In the past the board has been involved only in rebuilding and renovating projects associated with its own line. But it is now working on the John Benn, a former West Melbourne gas works locomotive. It is currently in the board's workshops for major work prior to its going into service on both the Coal Creek and Puffing Billy lines. That sort of work will ensure those valuable skills will continue to be honed. The other significant effect of allowing the board to expand its services to other groups is that it will provide a continuing revenue stream for the tourist railway. That will be used to ensure the future viability of Puffing Billy.

I also note that the annual report highlights the importance to the railway of volunteers, which is not uncommon for tourist attractions of this type. I can think of many others. For example, many volunteers were involved in getting Sovereign Hill up and running. Many of our major tourist attractions across the state rely heavily on volunteers. I also note in the board's annual report a number of references to volunteer-contributed hours. A quick count reveals that the total contribution of voluntary hours was more than 12,500; that says much about the way people regard this tourist attraction and the commitment they are prepared to make to ensuring the continuance of this great service. That considerable commitment illustrates the attachment that the people of Victoria have to Puffing Billy.

Although I do not wish to dwell at length on the one issue that may attract comment about the bill, it does contain a provision to alter or vary section 85 of the Constitution Act. Over the past two years we have seen a vast number of those provisions included in bills introduced into the house. In one way or another amendments to limit the jurisdiction of the Supreme Court continue to remove the rights of people. However, the remaining measures are good and the opposition fully supports them.

The annual report of the Emerald Tourist Railway Board suggests that the last financial year was somewhat disappointing, which was attributed to a number of factors. The annual report states:
The 1993-94 financial year has been a somewhat disappointing year for the railway from a patronage viewpoint. During the 12 months the railway carried a total of 200,448 passengers, a decrease of 10,416 passengers or 4.9 per cent on 1992-93.

This decrease can be attributed to a number of factors such as increasing competition for the recreational dollar and whether, for example, the week between Christmas and New Year saw a fall of 4,091 passengers on budget which was primarily due to the weather over that period.

The railway also saw a decline in international group tour numbers which decreased from 32,915 in 1992-93 to 24,660 in 1993-94, a fall of 8,255 or 25 per cent.

The annual report clearly illustrates the need for the changes proposed in the bill. Although we have a significant tourist attraction in the Puffing Billy railway service, we need to continually review our approaches to it to find mechanisms by which it can move forward. The bill does that.

It will allow the railway to move forward into a new era, and to do things it was not allowed to do in the past. It will be able to operate in a manner basically not restricted by the cumbersome reporting mechanisms required previously by the minister. All those factors will help it overcome the small difficulties it has had during the past year.

I also make the point that there is no thought of complacency on the part of the board, which is perfectly aware of what is occurring in the tourism field, of the need to remain competitive and to drive forward. The board is addressing those issues and moving on.

Puffing Billy is a tourism icon in Victoria. It is a vital part of the integrated tourism network in Victoria and will remain so well into the future. We need it; we need to protect and enhance it at all times. The opposition is pleased to support the amendments which it anticipates will assist in ensuring a viable future for Puffing Billy so that it continues to provide enjoyment for Victorians as well as national and international visitors of all ages for many years to come.

Mr McARTHUR (Monbulk) — I support the bill and also welcome the support of the opposition. The only disappointing note was the mention made by the honourable member for Geelong North about the section 85 statement, which I will return to later.
discussions about the possibility of running Puffing Billy on Christmas Day in the future.

Therefore, the service is available to local, interstate or international visitors on almost every day of the year. It runs two trains a day during the week, departing from Belgrave at 10.30 a.m. and 2.30 p.m.; on Saturdays, three services, departing at 10.30 a.m., 12.30 p.m. and 2.30 p.m.; and on Sundays, four services, departing at 10.30 a.m., 12 noon, 1.45 p.m. and 3.15 p.m. There is plenty of opportunity for people to get a ride on Puffing Billy. It is not just a weekend treat but, because of its extensive timetable, something the whole community can enjoy.

A ride on Puffing Billy is not particularly expensive. A child pays $8.50 and an adult $15. A family ticket for two parents and three children costs $43. A trip on a steam-powered narrow-gauge railway is a fantastic treat and experience. There are not many examples in Victoria of narrow-gauge railways; they are usually associated with Queensland railways. Such a ride is a treat for everybody and is well worth the time taken for the ride.

The other issue of importance to Puffing Billy is the great train race, which takes place in April each year on the Sunday before Anzac Day and which is growing in popularity. Every year approximately 1800 to 2000 runners take on Puffing Billy in a race from Belgrave to Emerald — about 14 kilometres. Recently, the runners have been gaining the advantage: last year some 300 runners beat Puffing Billy home. The 14th annual train race is on 23 April next year. Perhaps some honourable members may like to write that date in their diaries and enter the race, because it would not do them any harm to take a jog from Belgrave to Emerald. Perhaps I shall see the honourable member for Geelong North there next year.

People love the sound and the sight of Puffing Billy, and the idea of taking part in a footrace against a train incites considerable enthusiasm in the community. As I said, approximately 2000 people will turn up next year to take on Puffing Billy, and about 15 per cent of them will beat it home to Emerald.

As the honourable member for Geelong North has pointed out, the bill will aid the operation of the Emerald Tourist Railway Board, sharpen its commercial focus and assist it to independently run Puffing Billy. The amendments will provide for the better operation and altered composition of the board. Previously no member of the staff, the board’s employees, could be appointed to the board. That will now change, and up to two members of the board may be appointed from the board’s staff.

In addition, there has been a limitation on the board’s ability to enter contracts. The board has had to seek the agreement of the minister for any expenditure above $20 000. That limit will be raised to $200 000. The limitation was far too restrictive: the board could not even purchase a motor vehicle for the use of its staff without first obtaining the approval of the minister. The increase in the limit to $200 000 recognises two things: firstly, the board’s successful management of the operation in the past; and secondly, the need for the board to be commercially independent and have more flexibility.

The honourable member for Geelong North also referred to the limitation of jurisdiction under section 85 of the Constitution Act. The Age referred to that on 17 October in an article entitled ‘Ruling court out of line’. It states in part:

What may at first seem trivial, if not ridiculous, has a serious intent. If your wandering child is run over by the constantly tooting train, you cannot sue for damages on the ground that there was no fence to prevent the accident.

The Age story implies that the limitation of jurisdiction is excessive and will provide an immunity against people taking action against Puffing Billy and the Emerald Tourist Railway Board. That is far from the truth. The section 85 exemption in the bill is very limited. It relates only to actions taken because there is no fence along the railway line. The board will still be liable to action if it is negligent or deficient in its management. The provision removes the ability to sue on the ground that the line is not fenced. That is neither excessive nor extraordinary; it is a simple and limited exemption.

I am disappointed that the honourable member for Geelong North chose to make an issue of it. In his earlier contribution he said the aim and the clauses of the bill were supported by the opposition. In fact, last night he waxed lyrical in support of the bill, but someone must have whispered in his ear overnight because he changed his tune. It was unnecessary to criticise that aspect.

The bill is significant because it enhances the ability of the Emerald Tourist Railway Board to run a much loved Victorian institution. Anything we can do to
assist the operation of Puffing Billy should be supported by the house.

Puffing Billy is unusual in that it does not attract any recurrent government funding, although from time to time capital grants are made available. It continues to make a profit because of its ability to both attract people to the railway and operate and manage its affairs effectively. It made a profit again last year, in spite of the fact that passenger numbers were slightly down. It continues to attract more than 200,000 people each year and continues to be an effective and well-run operation. People such as David Eaton make a substantial contribution to the tourism industry both at the local level and on the state scene while being involved in the management of Puffing Billy. Their work and efforts should be supported by all members of this place.

The bill will go a long way towards assisting the continued and successful operation of Puffing Billy, particularly given the extension of the track from Gembrook to Emerald. Only two weeks ago the first train for 42 years crossed the road at Cockatoo. By the time these extensions finish, the track will have an extra 12 kilometres of line, and the railway will be an even more significant tourist attraction for the community and state.

The bill deserves everyone’s support because it will be of substantial benefit to the community.

Mr CARLI (Coburg) — I support the bill. The government often claims the opposition is too critical and opposes most government measures. But as the Leader of the Opposition pointed out, during the past two years the opposition has supported the majority of the bills introduced by the government. I support this very good bill, which will enhance an already fine tourist attraction in Victoria.

The operation was established by steam engine enthusiasts in 1955 and has come a long way since. The area not only maintains a narrow gauge railway line but is one of the major tourist attractions in Victoria. Over the past few years the number of people taking a ride on Puffing Billy has reached over 200,000 a year. It is among our most successful tourist attractions.

Our society has a great passion for the steam engine. Recently a steam engine was run on the Upfield line. That was coordinated by a number of groups that are in support of maintaining the Upfield line. The train was packed. For the whole day on trips between Spencer Street and the various stations along the line there were nothing but enthusiastic passengers. The steam engine is and will continue to be a tourist attraction in this state, none more so than Puffing Billy.

People in this house have said that I never venture beyond the tramlines. Not long ago I decided to pack a picnic lunch, grab my partner and two-year-old child and go to Belgrave for a ride on Puffing Billy.

An honourable member interjected.

Mr CARLI — It was my big adventure beyond the tramlines. I prepared the picnic basket and made sure I had all my provisions. I even brought extra money in case I had to stay in a hotel overnight. Off I went! I had not been to Belgrave or Puffing Billy since I was eight or nine years old. The ride was a fabulous experience. It has come a long way. There have been significant improvements over that time, and the importance of this bill is that it allows for more improvements.

It is important to note the functions of the Emerald Tourist Railway Board. As clause 4 of the bill notes, the board is responsible for the preservation, development, promotion, operation and maintenance of the historical narrow-gauge steam railway and for carrying out other operations consistent with that railway.

Puffing Billy is a major tourist attraction. Those responsibilities entail not only selling souvenirs and maintaining a venue for tourists, but also controlling noxious weeds, setting environmental controls along the railway line, coordinating volunteers, training people in many capacities for the running of the railway and, increasingly, as the bill suggests, providing consultancy services to other railways and tourist railways throughout the state and no doubt throughout Australia.

The board has also been looking at extending the Puffing Billy line. It has been extended considerably since the last time I was there over 20 years ago. Basically, the big area of expansion of the track is at Gembrook and towards Lakeside. Even though I have no idea where these places are and have not yet looked at the map, I take it that these are important expansions. The honourable member for Geelong North commented that this will bring tourist opportunities beyond just the Belgrave area. Obviously it is an important node for tourism in the state, and its expansion must be supported in all ways. This bill does that.
EMERALD TOURIST RAILWAY (AMENDMENT) BILL

The bill increases the flexibility of the board and allows it to bring in the experts necessary to improve performance. In terms of a general move towards public sector reform, even increasing the flexibility of the Emerald Tourist Railway is important. That allows Puffing Billy to be more competitive as a tourist attraction, because clearly it is in competition with other tourist attractions throughout Australia and increasingly internationally as Australia becomes more and more integrated as part of a global economy and as its tourist industry becomes more internationalised.

Clearly the ability of the board to be more flexible and businesslike, to be able to sell its service as a focus of tourism, is critical. It is part of, if you like, the globalisation of tourism. It is part of our making tourism a far more competitive area of our economy.

I do not underestimate the importance of Puffing Billy as one of Victoria’s tourism highlights. Clearly it has to be sold, particularly to international visitors, as part of a package. Also it is of enormous importance for tourists within Victoria and from other states. The number of people who use the tourist railway demonstrates how successful it has been. The fact that it runs 364 days a year indicates the dedication of both the paid workers and the volunteers who make the whole operation viable.

When I first read the bill I felt somewhat concerned about the change to section 85 of the Constitution Act, but I have since considered other similar legislation. As has been stated in the house, it is clearly about limiting actions in the Supreme Court only on the ground of fencing. The amendment does not take away the right to legal action or common-law action for negligence; it is merely on the count of that action resulting from the railway line not being fenced. That is a clearly justifiable amending of section 85. It is not at all an extraordinary thing for this sort of bill. I welcome it as a necessary change to the legislation. It clearly puts the legislation in line with similar legislation and similar tourist railways.

The future of the railway is clearly rosy. The freeing up of the rights of the statutory authority, the Emerald Tourist Railway Board, clearly can only spell success for the future. I am pleased to be able to support the bill. I am also pleased to have been on Puffing Billy recently. It has come a long way.

The steam engine is an area of interest. There will always be steam train buffs. The steam train will remain such a drawcard. Steam train buffs will continue to be drawn to Puffing Billy. Apart from the number of people employed in the running of the operation, Puffing Billy will continue to draw on volunteers, on people who look at the steam engine as a great thing. It will remain an area of attraction for tourists.

The bill makes it possible in the future for the railway to broaden its scope and appeal, to become a node for tourism and a major drawcard, not only bringing benefits to the area but also spilling over to other tourist attractions in that part of Melbourne. It is clearly to be commended. I will be more than pleased to have another ride in a year when I take my child yet again to enjoy the wonders of the steam engine and the wonders of the forest in our eastern suburbs.

I commend the bill and am pleased to be a part of an opposition that clearly sees the need at times to support legislation that is of benefit to the state and our economy.

Mrs HENDERSON (Geelong) — I am also pleased to support the Emerald Tourist Railway (Amendment) Bill. In doing so I would like to take a walk down history lane to look at the closure and revival of the Puffing Billy railway line.

The Gembrook railway celebrated its 50th birthday on 18 December 1950 with the decoration of locomotive no. 8A, which hauled the usual Monday car-goods run. However, traffic was declining even further, with goods totalling little more than 3000 tons per annum and the yearly passenger tally about 3000, most of whom travelled only the first 3 miles as far as Belgrave.

In December 1952, for the third time in 20 years a landslide blocked the line beyond the water tank between Selby and Menzies Creek. The track was soon cleared, but in August 1953 another slide at the same place covered about 100 yards of track with earth and rock to a depth of several feet. Although efforts were made to clear the line train services were subsequently abandoned and the three engines — nos 3A, 6A and 8A — remained in their shed at the lower terminus.

The railway was officially closed from 30 April 1954 on the recommendation of the Joint Transport Research Committee. Three days before the official closing a petition containing 14000 signatures pleading for the restoration of the narrow-gauge service to Gembrook was presented to Parliament. The petition, which was sponsored by the
Gembrook Railway League, was 586 feet long and weighed 30 pounds — the second heaviest petition ever presented to this Parliament!

I am pleased to say that it was not long before Puffing Billy was running again after the Melbourne Sun in December 1954 arranged with the Victorian Railways to provide free rides for children to Belgrave. Later that month the Sun sponsored a second similar timetable, not only for all Victorians but also for anyone visiting the state.

The railway was given an extended lease of life by the formation in 1955 of the Puffing Billy Preservation Society and has since grown to be one of Victoria’s premium tourist attractions. In 1975 the Emerald Tourist Railway Act established the Emerald Tourist Railway Board to preserve and continue the management and operations of the unique Puffing Billy railway line.

This bill redefines the responsibilities of the Emerald Tourist Railway Board to enable it to pursue wider business objectives. It also ensures that the board can appoint as members people with the experience and expertise to assist in the management and redevelopment of the railway line. It also provides for the board to have increased autonomy to manage and regulate its affairs and will extend the board’s exemption from the provisions of the Fences Act 1968.

This legislation demonstrates the government’s strong commitment to the growth of the tourism industry. I congratulate the Emerald Tourist Railway Board for its dedication in ensuring that Puffing Billy remains one of Victoria’s unique tourist attractions. We have seen enormous growth in tourism in Victoria over the past 18 months and a significant increase in the number of international and interstate visitors to the state.

The bill provides an opportunity to achieve a much more viable operation of Puffing Billy to enable it to continue as one of Victoria’s unique tourist attractions. I am delighted that this railway, which was established nearly 50 years ago, has given Victorian families and families visiting the state an opportunity for great pleasure through their participation in this worthwhile and viable tourist attraction. I commend the bill to the house.

Mr MACLELLAN (Minister for Planning) — I thank honourable members who have supported the bill. The bipartisan support that has been shown for the bill makes me brave enough to advise the house that there are a number of planning difficulties which arise from the operation of Puffing Billy. The popularity of Puffing Billy in part creates some of the problem because as it attracts more support it creates car parking problems, and some properties close to the line are a difficulty.

I advise the house that it is the intention of the government to provide some capital funding to Puffing Billy to enable it to acquire at a price equal to the Valuer-General’s valuation of some of the properties. Obviously the vendors of the properties will require more than the Valuer-General’s valuation and the Puffing Billy support group will have to make up the difference between the market value of the target properties and the Valuer-General’s valuation.

The Puffing Billy operation deserves the support of the government, and I am pleased to do that. As the local member, I thank all honourable members who have contributed to the debate and congratulate Puffing Billy’s management and voluntary supporters for the work they have done in keeping it going for so many years as a premier tourist attraction.

Mr McNAMARA (Minister for Tourism) — I thank the honourable members for Geelong North, Monbulk, Coburg, Geelong and the Minister for Planning for their support of the legislation.

The Emerald tourist railway, better known as Puffing Billy, has made a significant contribution to tourism for more than 40 years. It attracts more than 200 000 visitors each year and is an important part of the tourism infrastructure of this state.

I particularly commend the comments of the Minister for Planning, who has had a long involvement with Puffing Billy as a local member representing the area in this house. I also note the support of the Minister for Public Transport for Puffing Billy. Although the Department of Transport has not been administering the line it has played a significant role in providing assistance to the Emerald Tourist Railway Board.

The legislation will broaden the activities of the board, improve its operations and develop its status as a modern tourist attraction. The Emerald Tourist Railway Board has provided assistance to other tourist railways and has used its expertise in undertaking repairs for them.
The bill also provides for the appointment of railway staff to the board. These experts have been excluded from board membership in the past and their expertise will be appreciated. The bill introduces a range of amendments that will improve the efficiency, operation and independence of the Emerald tourist railway and should, therefore, be welcomed by all honourable members.

I thank the opposition for its support. I believe we will have a stronger and more effective tourist railway in the future. The honourable member for Coburg acknowledged that the opposition supports the limits the bill places on the jurisdiction of the Supreme Court and will facilitate those changes. I commend the bill to the house.

The DEPUTY SPEAKER — Order! As the required statement of intention has been made pursuant to section 85(5)(c) of the Constitution Act 1975, the second reading of the bill is required to be passed by an absolute majority. As there is not an absolute majority of the members of the house present, I ask the Oerk to ring the bells.

Bells rung.

Required number of members having assembled in chamber:

Motion agreed to by absolute majority.

Read second time; by leave, proceeded to third reading.

Third reading

Motion agreed to by absolute majority.

Read third time.

Passed remaining stages.

INTELLECTUALLY DISABLED PERSONS' SERVICES (AMENDMENT) BILL

Second reading

Motion of Mr JOHN (Minister for Community Services)(last debated 19 October) agreed to.

Read second time.

Committed.

Committee

Clauses 1 to 3 agreed to.

Clause 4

Ms MARPLE (Altona) — I move:

1. Clause 4, line 21, omit “significant”.

The opposition recommends the omission of the word ‘significant’ because we believe a range of deficits should be recognised.

Mr JOHN (Minister for Community Services) — The government does not accept the amendment. It believes the clause is satisfactory as it is to portray the intention of the legislation.

Amendment negatived; clause agreed to.

Clause 5

Mr JOHN (Minister for Community Services) — I move:

1. Clause 5, line 29, omit “nurturing and”.

Amendment agreed to.

Mr JOHN (Minister for Community Services) — I move:

2. Clause 5, line 30, after “supporting” insert “, and encouraging the development of,”.

This amendment is an attempt to express the government’s recognition of the role that families often play in providing support within the family for a person who has an intellectual disability. Some concern was expressed that the section would be read so as to diminish the right of the individual to exercise control over his or her own life. As stated in the second-reading speech, the section does not do that. It must be read in conjunction with all the other principles enunciated in section 5 which must be given effect to in the provision, such as management, development and planning of services for intellectually disabled people. I understand that the opposition is happy with the amendment.

Amendment agreed to.

Ms MARPLE (Altona) — I move:

4. Clause 5, line 31, after “disability” insert “and that role should be respected when planning and providing services for the family member”.
The amendment has been moved because, although we are happy with the amendments moved by the government, we believe we should go further by adding these words so that while there is respect for the role of the family when planning and providing services for people with intellectual disabilities the government must not shift its responsibilities on to the family.

Amendment negatived; amended clause agreed to; clause 6 agreed to.

Clause 7

Ms MARPLE (Altona) — I move:
5. Clause 7, page 4, line 39, omit “significant”.

The opposition moves this amendment because we believe there is a range of functions and it is not clear how this can be measured.

Amendment negatived.

Ms MARPLE (Altona) — I move:
6. Clause 7, page 5, line 10, after “disability” insert “of a person who is not then entitled to receive services under this Act”.

This is to clarify the meaning of section 4 and will make clear whom the provision applies to.

Amendment negatived; clause agreed to; clauses 8 and 9 agreed to.

Clause 10

Ms MARPLE (Altona) — I move:
7. Clause 10, page 9, lines 2 and 3, omit “on his or her own initiative or”.

The opposition moves this amendment because it believes it should be the person with the intellectual disability or the carer who is to be responsible for taking the action in this area.

Amendment negatived.

Ms MARPLE (Altona) — I move:
8. Clause 10, page 9, after line 20 insert —
“(4) Despite sub-section (3), the Secretary must not revoke a declaration of eligibility under that sub-section in respect of a person until satisfied that arrangements have been made for the provision of any appropriate services to the person.”.

The opposition is moving this amendment so that individuals are not suddenly left without protection or support that is provided under this act through this bill. The opposition believes the department should take responsibility in any bridging period to ensure that people do not become vulnerable without the services on which they may previously have relied.

Amendment negatived; clause agreed to.

Clause 11

Ms MARPLE (Altona) — I move:
9. Clause 11, line 3, omit “(6)” and insert “(5)”.

The opposition believes this is an area that the legislation should be addressing.

Amendment negatived.

Ms MARPLE (Altona) — I move:
10. Clause 11, page 11, line 22, after “made” insert “, if in the opinion of the Minister the disclosure does not contravene the Disability Discrimination Act 1992 of the Commonwealth or any law relating to privacy or confidentiality (other than this section) and is in the interests of the person to whom the information relates”.

The amendment would give extra protection to ensure people’s rights are not abused.

Amendment negatived; clause agreed to.

Clause 12

Ms MARPLE (Altona) — The opposition opposes clause 12. Just because someone has not received the service for two years does not mean he or she is not now in need or will not in the future require the services. The reasons why people may not have received services may include the scarcity of services, homelessness, or that the person may have been unfairly managing without a carer. The opposition believes that those people would be disadvantaged by this process.

Clause agreed to; clauses 13 to 18 agreed to.

Reported to house with amendments.

Passed remaining stages.
That becomes very significant when we look at some of the public bodies that have been created and delegated authority by this government. I draw particular attention to the Australian grand prix and the recent legislation passed in this house concerning that event and the establishment of a statutory authority to administer the staging of it.

I will not revisit that particular debate; that would be out of order. However, I am concerned about the provisions of the bill which would prevent the liabilities of the grand prix statutory body, the public body set up to administer the grand prix, from being reported. That becomes significant when one refers to the Finance Statement and Report of the Auditor-General 1993-94 which was tabled in the house yesterday. This report makes significant reference to the formula one grand prix, and that is recorded particularly at pages 110 and 111 of the report at paragraphs 7.121 through to 7.134. The most relevant paragraph is paragraph 7.130, which I will quote for the record and to refresh the memory of the Minister for Finance. Paragraph 7.130 says:

Audit was advised by the Department of the Treasury —

that an analysis was undertaken by the department, of preliminary financial projections associated with the race prepared by the company, prior to the issue of the indemnities to assess any consequent risks to the state. However, no evidence was made available to audit to support this statement.

Those indemnities are the indemnities provided by the Treasurer that are referred to in the previous paragraph. They create a contingent liability, exactly the sort of thing referred to in section 25 of the Financial Management Act which will be amended by this bill.

Here we come to a matter which ought to be of great interest to anyone concerned about proper process: the proper administration and scrutiny of the financial affairs of this state. Here we have a clear statement by the Auditor-General that he has been refused documentation to enable him to do his job properly under the existing legislation. Not only has it been refused in respect of his report for 1993-94, but we now find that any opportunity he may have had to examine the matter appears to have been removed by the provisions of clause 7 of the bill.
The effect of that is that the secrecy surrounding the grand prix is being extended yet again. The people of Victoria are yet again being denied information about and scrutiny over the expenditure of public money or the contingent commitment of public money to stage the event. That is not to argue against the event being staged; it is to argue that proper processes are not being followed, that the government is corrupting and denying the people of Victoria the proper accountability and the proper concepts of responsibility that are supposed to be part of the constitutional structure that exists in Victoria.

It goes even further than that when one refers back to the powers of the Auditor-General. Here we have a statement by the Auditor-General that evidence in support of the statement by the Department of the Treasury has been denied to him.

Let us look at what the powers of the Auditor-General are. Under section 44A of the Audit Act 1958, the Auditor-General has absolutely unrestricted rights of access to all documents, all papers and all information concerning all matters within the Victorian public sector. The provisions of the act are absolutely crystal clear and undeniable: no matter what provisions there might be in other legislation limiting the disclosure of information, the Auditor-General has an automatic right to the information and it must be made available to him if it is not to be made available to other people, whether under the Freedom of Information Act or any other restrictive legislation such as the Australian Grand Prix Act.

Not only does the Auditor-General have the statutory authority to obtain the information and not only is there an obligation on every person to provide that information to him, but an indemnity is provided for people who disclose the information to the Auditor-General: no offence would be created by the Minister for Finance, the Treasurer or any officer of the Department of the Treasury or the Department of Finance disclosing the information to the Auditor-General.

The Auditor-General is of course required to observe the confidentiality standards of his profession and is not therefore free to disclose all information that he receives to the public. That is set out in section 44B of the Audit (Amendment) Act 1990 under the heading 'Auditing and confidentiality standards':

The Auditor-General, in the performance of functions and exercise of powers, must apply the general auditing standards as issued by the Australian Society of Accountants and the Institute of Chartered Accountants in Australia from time to time.

It is clear that there is proper protection through the professional ethics of the auditing profession, but nonetheless there is an absolute obligation on every minister, every public servant and every officer of a Victorian public body to disclose information to the Auditor-General. Yet here we have it in the Auditor-General’s own words that he has been denied this information by the Department of the Treasury. It does not say it was the Treasurer, but he is the one who must accept responsibility because he is the minister responsible and accountable to this Parliament and to this house.

Here we have it. We have the Treasurer of this state, the man who trumpets his integrity, who stands up and expresses outrage whenever anyone suggests that he has been in any way compromised or that he has in any way contributed to any of these deals for the mates or that he is a part of government by the mates for the mates.

Here we have it. The Treasurer himself is responsible for withholding information from the Auditor-General; if my memory serves me correctly, the most recent amendments to the act passed by this Parliament containing the requirement were introduced by the Treasurer himself. We have a Treasurer who is responsible for the act — responsible for the provision of this information to the Auditor-General — withholding that information.

As if it were not bad enough that he has simply done that and denied his responsibility to the Parliament, one should look a little further into the Audit Act and read section 45 headed 'Offences', which states:

1. Every person who fails to attend the Auditor-General or any court for the purpose of being examined pursuant to this part, or to produce any accounts books vouchers or other documents, or to answer any lawful question when required so to do by the Auditor-General or by the court, shall be liable on any such default to be dealt with as in case of a contempt of the Supreme Court.

That makes it absolutely crystal clear. All the communications for documents such as this must go through the Treasurer. The Treasurer is the one who must thereby respond to the Auditor-General. Having withheld information from the Auditor-General, it would appear the Treasurer is
liability to be found guilty of contempt of the court for his action that is recorded by the Auditor-General in paragraph 7.130 of his 1993-94 statement. This is a very serious issue which everyone should be concerned about because it goes to the heart of government accountability and the operation of responsible government.

There is prima facie evidence that the Treasurer, the person who holds himself up as a person of integrity, has been guilty of withholding information from the Auditor-General — action which, in the words of the Audit Act, 'constitutes a contempt of the Supreme Court'. The situation is absolutely crystal clear: the legislation as it stands clearly puts the Treasurer in breach of the legislation for the action he has taken. The bill before us today is yet another attempt by this government to hide government by the mates, for the mates. It is an attempt to hide the improper and corrupt activities which the government and its mates are involved in and to find some way of preventing the Auditor-General having proper legal access to these matters.

It may be that the court would find that, notwithstanding the provisions of this bill, the Auditor-General nonetheless has access, but in either event the Treasurer has been caught out. This Treasurer comes into this house, trumpets his innocence and proclaims that he has nothing to do with any special deals with mates. It may be that the Treasurer is very uncomfortable being the instrument for the execution of these deals for the government’s mates — in this case particularly for Ron Walker and his little hobby of driving fast cars — nonetheless, he is the one who must answer to this house and to the Parliament and the people of Victoria for what has been done in this case.

As I said, this is an absolutely crystal clear case. The Auditor-General has reported that information required to be made available to him under the Audit Act has been denied. The act itself makes it clear that the denial of such information can be dealt with as a contempt of the Supreme Court.

It seems to me that, if the Treasurer is as pure and holy as he attempts to promote himself in this house, he must comply with the provisions of the Audit Act and make that information available to the Auditor-General. It is then up to the Auditor-General how he reports it to Parliament given the ethics of his profession. No-one is suggesting that he should breach those ethics, but the Auditor-General is appointed on behalf of the Parliament, acting for the Parliament — not for the executive government — as the guardian of the public purse. He must ensure that public moneys are properly used and expended and that contingent and other liabilities are properly recorded and properly brought to account.

We are seeing again the Treasurer, the person who prides himself on his integrity, being party to this deal for the government’s mates. Why these matters are all so confidential has never been explained to the house and obviously has never been explained to the Auditor-General. One can understand that there may be some particular aspects of the contracts that involve a commercial advantage and why it may be in the interests, at least of Mr Bernie Ecclestone, to keep some of the details of individual franchise agreements confidential. However, there has been no explanation to this house, to Parliament as a whole, the Auditor-General, and certainly no explanation to the people of Victoria why it is so important to keep these contingent liabilities secret from them.

Mr Acting Speaker, as you are well aware because of your interest in parliamentary principle and your writings on it prior to the last election — although I have not heard a lot about them since the last election — this goes to the heart of responsible government, it goes to the heart of parliamentary —

The ACTING SPEAKER (Mr Richardson) — Order! I suggest to the honourable member for Werribee that he is stretching the parameters beyond the contents of the bill and I think he might drive the car back on track again now.

Dr COGHILL — I have no difficulty about keeping this vehicle on the track. The difficulty is that the government has gone off the track by its attempt to subvert the accountability process on which this Parliament and the good government of Victoria operates. Clause 7 of this bill, as I was explaining earlier while you may not have been in the chair, clearly excludes from the operation of the Financial Management Act the recording and reporting associated with that with contingent liabilities of public bodies.

The public body established to operate the Australian grand prix is clearly one of the totality of public bodies of Victoria which will be affected by this legislation.
The point I am making is that the Treasurer of Victoria holds himself up as the paragon of virtue, yet he is denying information to the Auditor-General and being party to the denial of information under the Financial Management Act through this bill when it is passed by Parliament and given royal assent.

The point I make is simple and clear. The legislation makes it crystal clear that the Treasurer has yet again been found out as having been party to the corruption of process in Victoria, to the use of government resources, to the use of taxpayers' funds to do a deal for a mate. It is another example of the Treasurer allowing himself to be part of the syndrome of government by the mates, for the mates which has swept over Victoria in the past two years.

I have made the point clearly and I do not need to repeat myself or, as you in the past may have said, Mr Acting Speaker, to indulge in tedious repetition. This amendment will further deny access by the people of Victoria to knowledge and information about the use of their funds. It will deny them the level of accountability and the forms of accountability which lie at the core of Victoria’s constitutional system. If our constitutional system is to mean anything it means that there must be full accountability of the executive government to the Parliament of Victoria, and in the case of financial matters particularly, to the Legislative Assembly as the Constitution provides that this is the house to which the Treasurer is accountable. The Minister for Finance is also a member of this house at this time.

This amendment is dangerous because it further undermines the whole concept of accountability and responsible government in Victoria. Fortuitously, as this debate comes before us the day after the tabling of the Finance Statement and Report of the Auditor-General 1993-94, we can see exposed for all to see the corrupt way in which the processes of government are being used and the apparently illegal way in which the Treasurer has operated to try to conceal from the people of Victoria through the Auditor-General knowledge and information about the contingent liabilities of Victorians in respect of the Australian grand prix.

Mr McARTHUR (Monbulk) — I support the bill, which is yet another step in a government program that sets out to lay the foundations for the proper and responsible financial and administrative management of the state. The purposes of the bill are to amend the Financial Management Act 1994 to provide for supply management in the public sector, including the establishment of a Victorian Government Purchasing Board, to amend the act for other purposes and to make some consequential amendments to other acts.

In achieving those aims the act establishes the Victorian Government Purchasing Board and the functions and powers of the board, lays down strict and proper rules for dealing with issues such as pecuniary interests and gives the board powers to determine policies relating to the purchase and disposal of goods and assets. The board will be a very important body in the financial and administrative management of the state for some time to come.

This bill is interesting in the context of the wider reform of the Victorian public sector administration and financial management. It is yet another step down the path towards establishing a responsible and very proper program for Victoria. It is a move away from the old practices we saw too much of in the term the honourable member for Tullamarine calls the decade of darkness when Labor ran willy-nilly through public sector administration in Victoria.

The bill is another step in the government’s program to put Victoria back at the top of the tree in Australia and is to be welcomed. It deserves the support of the whole house; therefore I am disappointed that the opposition does not support the bill.

I should like to reflect on the contribution the Leader of the Opposition made to the debate and what he has said publicly about financial and public sector administration. At the beginning of his contribution he indicated that the opposition opposed the bill, mainly because of its concerns about changes to the State Tender Board and the establishment of the Victorian Government Purchasing Board. He made a wide-ranging attack on virtually everything the government has done in the past two years, but the house has grown used to this sort of contribution from him. The Leader of the Opposition says everything the coalition government has done and intends to do is wrong and it will all result in disaster and the end of civilisation as we know it. Yet later the Leader of the Opposition is reported in Hansard of 14 October as saying:

The bill is just another example of this government stealing a Labor idea, implementing it and describing it as its own. It is a bit like stealing Labor’s trophies.
What is the Leader of the Opposition on about? He opposes the bill and says it is a dreadful idea that will result in a disaster for public sector administration, and then he says the government has stolen Labor's idea! It is a touch inconsistent. But that was not the only time his remarks have been inconsistent; he has also been inconsistent in his public comments.

I refer the house to an interview the Leader of the Opposition gave on 3AW on 7 September. In only 10 minutes he gave away Victoria's current account surplus. He promised an extra $15 million funding for ambulances, an extra $40 million in recurrent expenditure for teachers' salaries — —

Mr Micallef — Why don't you talk about the bill?

Mr McARTHUR — I am talking about the bill. The Leader of the Opposition promised an extra $45 million for the health sector, mostly recurrent expenditure for staff salaries; then he promised to abolish the state deficit levy, so approximately $160 million in revenue went in a glib little promise. In only 10 minutes $260 million disappeared from the current account surplus. He then went on to say that that was not all. He is a bit like the Demtel man: he is getting to the steak knives! He said Labor would reduce taxes and charges by $500 million. So in only 10 minutes he gave away a total of $760 million of the state's current account surplus in increased funding or reduced revenue. Imagine what he would achieve in 12 months or two years! He is a man with great scope for Labor administration! He could give away untold billions of taxpayers' funds.

What is the effect of that on the current account? This year the projected surplus on the current account is $392 million. If ministers and their departments come in on target, as they have for the past two years, by the end of June 1995 we can expect that the state will have achieved a current account surplus of a whopping $400 million. In 10 minutes the promises of the Leader of the Opposition showed that he would reverse that position and put us back in a deficit hole to the tune of almost $370 million. This man said during his contribution on this bill that Labor had learnt from past mistakes and seen 'the light on the road to Damascus'. He went on to say, 'We will bring in a current account surplus', but in 10 minutes during a radio interview he chopped $260 million out of the current account surplus because of extra expenses and gave away $500 million of revenue. It is a $760 million reversal. That is just the start of what he has said about financial management and public administration.

Let us look at some of his other promises. As many honourable members are well aware, opposition members had to spend a long and painful weekend at the recent state Labor conference. For the mere price of $50 you could get hold of a 61-page document, the Brumby manifesto, entitled Financial Management Key Principles. Let us look at some of the key principles for the management of the state if Victoria ever has the misfortune to come under the rule of a Labor government in the future. On page 4 it says:

Victorian Labor is committed to maintaining a substantial surplus on the current account.

Victorian Labor will use the current account surplus: primarily to fund the reconstruction of Victoria's social and economic capital infrastructure; to retire debt; and/or as a signal for a reduction in the level of taxes and charges.

All right, Labor will maintain a current account surplus and use some for public sector work, some to retire debt and some to reduce taxes and charges. That sounds fine and dandy. It sounds a bit like some of the aims the Treasurer has outlined. On page 6 it states:

... as a fundamental operating principle Victorian Labor will effectively cap the level of debt in Victoria to a level of new borrowings that would not increase the ratio of debt to gross state product prevailing at the time of the next election.

Labor will not change the debt ratio, but it will use part of the current account surplus to retire debt, to run some capital programs and to reduce taxes and charges. But they will not reduce the debt level. What will they do with it? They say they are currently looking at a debt level substantially higher than other states, but further on the document says Victorian Labor is committed to keeping taxes and charges to levels competitive with other states. That will be difficult because we are paying far more than other states for our capital — for debt servicing. In fact, we are two levels worse than New South Wales on the Moody's Investors Service and Standard and Poor's ratings. That gives us a cost of borrowings at the moment of 20 basis points higher for our debt servicing costs than New South Wales and Queensland.
It is a fairly simple step to understand. We must reduce our debt-servicing costs to a level similar to those of other states. We cannot keep our costs at comparative levels with other states if we are paying $60 million a year extra — and it comes to about that — for our borrowings than we would have been paying had we been given an AAA rating.

In round terms we have approximately $30 billion of debt. If you are paying 20 basis points above New South Wales for your borrowings on $30 billion of debt, that is about $60 million extra a year to be paid in interest. If that is gone from your current account before you even start paying for the normal services and programs the state provides and the community expects, how can you then provide comparative services for the same price as the other states? It is impossible.

Mr Hamilton — By not selling off state-owned enterprises!

Mr McARTHUR — We will get to Labor's view on privatisation in a moment. It is impossible to operate this state on the same level of costs, taxes, charges, service delivery and community programs as the other states if we are paying more for our borrowings than those other states. We cannot do it.

I return to the farm analogy of which the honourable member for Morwell is so fond: if you are running two trucking companies and one of the firms has trucks that burn fuel at a rate of 10 miles to the gallon and the other one gives only 5 miles to the gallon, they will not be operating on the same charges, will they? It is a clear and simple step to see that the cost of borrowings has a substantial effect on the cost of public administration in the state and on the state’s ability to fund programs and services to the community.

Unless we can reduce our state debt levels and servicing costs we will never be able to compete with New South Wales, South Australia and Queensland on the matter of taxes and charges, and programs delivered. Unless we reduce that debt level to GSP ratio we will never achieve the aims you have laid down in this document.

Mr Hamilton — Are you going to take up the whole 30 minutes on this rubbish?

Mr McARTHUR — I will take up sufficient time on some of the things the Leader of the Opposition has said in this house and in the public arena to see if they are consistent. He said:

Taxes and charges which affect households will be equitable and progressive, and business taxes and charges will be competitive with other states.

Mr I. W. Smith — This is a Labor Party document?

Mr McARTHUR — It is.

Mr I. W. Smith — The honourable member for Morwell said it is rubbish!

Mr McARTHUR — Minister, you and I will agree that on this occasion the honourable member for Morwell is absolutely right — it is rubbish. It lays down a whole set of contradictory principles and goals for the Labor Party which are mutually exclusive. You cannot have competitive taxes and charges with the other states if you are going to spend more money than the other states and maintain a current account surplus and pay off debt.

What else were they going to do? They were going to fund some capital programs as well. This is really the magic pudding that you guys are talking about here. You will chop slices out of a whole range of taxes and charges and maintain a current account surplus, and you will retire debt! It is nursery room stuff.

Mr I. W. Smith — That is what they did in the eighties!

Mr McARTHUR — They certainly did. This document is so full of contradictions that I can see why the honourable member for Morwell describes it as rubbish. In fact, I am sure that some time during the state conference he mentioned to a large number of delegates that it was rubbish and certainly not worth $50. You could have fitted the contents of the 61 pages of double-spaced, photocopied material onto a single side of A4 paper. There is nothing in it, yet it is Labor’s blueprint of financial and public sector administration.

Honourable members interjecting.

Mr McARTHUR — The honourable member for Morwell wonders why we should consider it at all. It should be considered in the context of the bill because, as I said earlier, the bill sets out yet another step in the responsible financial administration of public sector finances in Victoria. In response to that step the Labor Party says, ‘No, no, no, we do not want that; we want to oppose it. It is a dreadful piece of legislation; we will oppose it. It is all a
matter of stealing our bright ideas', to quote the Leader of the Opposition. 'It is all a matter of this nasty Kennett government stealing Labor Party ideas, but it is a dreadful bill and we will oppose it'.

The Leader of the Opposition has not left it there. He has gone a good deal further than that and made so many contradictory claims in this statement that I would need a good deal more time to get to them all. However, I shall examine what the Leader of the Opposition says in his manifesto about privatisation. In this place and on the air waves in the past few weeks or months he has said that he is opposed to privatisation. In fact, he did his level best to sabotage the privatisation of the TAB. He was no better than an economic saboteur.

During the privatisation of the TAB he did his best to scare people off the float. He says we should not privatisate the SEC and should not privatise any other public sector assets. That is what the Leader of the Opposition has been publicly saying.

Mr I. W. Smith — They privatised the State Bank!

Mr McARTHUR — They certainly did. Labor gave it away, and it did not get anything in return. We kept the debt and lost the asset!

Let us have a look at what the financial management document says about privatisation. It does not say Victorian Labor opposes privatisation, but it does not say Victorian Labor would not privatise any assets. It does not say Victorian Labor thinks privatisation is a dreadful thing, as the Leader of the Opposition has been saying often, both on the radio and in this place. The document says:

Victorian Labor believes it is imperative that the conservative government's experiment be subject to critical assessment.

That is all it says: 'We will have a look at it and we will see what they have done and we will see how it went'. The Leader of the Opposition is not game to have a policy manifesto that opposes privatisation. Why would that be? The federal Labor government is busily embarking on a privatisation program, so woe betide any state Labor leader who says Mr Keating is wrong. That could be a very risky step, couldn't it? The Leader of the Opposition might be in danger of having the full weight of the New South Wales right come down on him. They might even visit him to persuade him of the error of his ways — and they can be very persuasive at times!

The document presented to the state Labor conference contains no commitment to opposing privatisation and no commitment to supporting it. In fact, it makes no decision at all. This is one of those policy vacuums the Leader of the Opposition frequently falls into. All the financial management document says is that Labor has not made up its mind. It says nothing about what the Treasurer has said about taking into account matters of public interest when considering privatisation. It does not talk about providing services to the community more efficiently and effectively. It says nothing about using the proceeds of privatisation to either retire debt or build public sector assets. There is nothing about that at all.

If the Leader of the Opposition were ever to occupy the Premier's chair — God forbid! — we would find that Labor would go ahead with all sorts of privatisation programs and use the funds to do the same sorts of things it has done in the past.

Mr Hamilton interjected.

Mr McARTHUR — The honourable member for Morwell says by interjection that it would be over his dead body. In the past Labor used any privatisation proceeds to fund recurrent programs. It sold assets to pay the wages bill, which is unsustainable. Those were the sorts of programs Labor carried out in the past, and they are the sorts of programs it will no doubt carry out in the future — if it ever has the chance. If that is ever proposed again, it should be 'over his dead body'.

An honourable member interjected.

Mr McARTHUR — I have a good deal to talk about yet. In fact, I may run out of time, which would be a pity. Perhaps the minister will move an extension!

In their contributions to the debate the Leader of the Opposition and other opposition members have been all over the shop, saying that the bill is dreadful and that they must oppose it. But on the other hand, they have said this was their idea in the first place and we should not have stolen it. On the same day that the state Labor conference adopted this flimsy financial management document, which contains a Labor commitment to maintain a current account surplus, the education policy committee of the ALP presented a report recommending amendments to the financial management principles to ensure they are compatible with Labor policy.
Already some powerful groups within the Labor Party structure are at work making sure that the document presented by the Leader of the Opposition sinks without trace, as it should because it has no valid content. It is contradictory: it contains claims and commitments that are mutually exclusive.

Mr Weideman — You are very complimentary about it!

Mr McARTHUR — Extremely. I got my copy for the right price and at full value — zero. I got a freebie. I was given a copy from somebody in the Labor Party who is pretty keen to see it gets a fair sort of a pasting, which is all it deserves.

The document is under attack from a substantial number of people within the Labor Party. They are mostly members of the socialist left — those who controlled what happened in this state in the 1980s. They do not want to see a future Labor government committed to current account surpluses. They certainly do not want to see any Labor government committed to reducing taxes and charges. They would rather spend the public's money and run up the public sector debt. To hell with the consequences is the general attitude of the socialist left!

The document shows the Leader of the Opposition has had to pay the piper. He has promised all his supporters — there cannot be too many left at this stage — a substantially larger slice of the public sector cake. He has told them that will come at no cost to anyone and that he will do all sorts of nice-sounding things that the media will support. He has not had too much support on this yet!

People such as Kenneth Davidson of the Age say they cannot see any reason at all why the Labor Party should commit itself to running a current account surplus. Mr Davidson certainly cannot see any reason why Labor should put a cap on public sector debt. Ken Davidson runs right down the traditional Labor Party line by saying: let's borrow from now until forever and forget about ever paying the bills.

The other thing we should note about the document is that it has clearly been sanitised by the people in the Leader of the Opposition's support group. The Leader of the Opposition's belief that he can convince the rest of his party that the document contains financial management principles far enough removed from the coalition's financial management practices to be endorsed by the state conference clearly proves it has been sanitised.

An opposition member interjected.

Mr McARTHUR — You said we pinched yours.

An opposition member interjected.

Mr McARTHUR — You said we pinched yours. Your leader said you will oppose this bill because it is dreadful, while claiming we stole it from you and that it was a good idea when you thought of it! That is what your leader said. Check it out in the *Hansard*; it is all in his speech. He said Labor will oppose the bill because it is dreadful and will result in the end of civilisation as we know it — even though it was Labor's idea in the first place!

The bill deserves the support of all members in the house. The bill should not be opposed by the opposition. If it had half an ounce of conscience, the opposition would realise this bill goes a long way towards sorting out many of the problems that Labor left behind when the people of Victoria threw it out of government and off the Treasury benches in October 1992. Unless it realises that, Labor is doomed to remain on the other side of the house for a long time to come, which would be in the best interests of the community of Victoria.

Mr I. W. SMITH (Minister for Finance) — I thank honourable members for their contributions to the debate on this bill. Unfortunately, none on the opposition side understood the bill. It arises out of the financial mismanagement of the 1980s and early 1990s, and puts in place far more stringent accountability provisions than existed before. Honourable members opposite — the two who are now interested in this bill — would perhaps realise the State Tender Board is not set up by legislation under a head of power at all, whereas the proposed Victorian Government Purchasing Board which replaces the tender board will be set up under a head of power.

The opposition would also not realise that only about $140 million worth of the large amount of goods and services purchased by the government and its instrumentalities each year is actually handled by the tender board, whereas — quite the reverse of what the Leader of the Opposition claimed — the new organisation will Oversight the entire purchasing of government goods and services.

I shall run through the points made by the Leader of the Opposition — apart from the shallow, cheap, political rhetoric of him and his colleagues who parroted his incorrect assessment of the bill.
The first substantial point was that the abolition of the tender board would severely detract from accountability. That is not so because, as he should know, the Auditor-General in the past 10 years has repeatedly criticised the State Tender Board as a rubber stamp for ministers' decisions. I think he is probably guilty of the same thing. The purchasing board will overcome that criticism.

I refer to one particular report of the Auditor-General relating to the years 1987-88 and 1988-89 in respect of the item with which the house is dealing. The Auditor-General made some key findings regarding retrospective expenditure approvals of the previous government:

The increasing use of retrospective expenditure approvals undermines the effect and economic acquisition of goods and services by the state.

That is the very thing the Leader of the Opposition was accusing this government of, but he failed to realise that it became an art form during the Labor government's administration.

That is the very reason for the introduction of this bill — to change the system so that the new purchasing board will have oversight and control of all the purchases of goods and services made by government, and that with the new financial management measures already put in place — which this bill consolidates — it will sheet home accountability not only to each department head but also to the individual officers responsible for the various purchases of goods and services.

On page 55 of the report of the Auditor-General that I have already quoted is a massive list containing 36 items in 1987-88 and 48 items in 1988-89 when the Auditor-General was able to point out where the previous administration used the tender board as a rubber stamp. That was as unsatisfactory then as it is now. The point of this bill is actually to cure that problem — something that the Leader of the Opposition totally failed to recognise.

The bill will enhance accountability as departments will be responsible for their purchasing decisions within policies and guidelines issued by the Victorian Government Purchasing Board at the direction of the minister. If the Leader of the Opposition wants to follow this, proposed section 54C(2)(d) specifically requires:

... accountable officers —

that is, the departmental secretaries —

to audit departmental compliance with supply policies ... And they then report back to the Victorian Government Purchasing Board.

Another point about which the Leader of the Opposition was wrong dealt with whole-of-government reporting. He made the comment, in effect, that there is a lack of commitment by this government to implement whole-of-government reporting. That is totally incorrect. For example, section 25 of the Financial Management Act caters for whole-of-government reporting but, more specifically, clause 7 of the bill reinforces the notion of whole-of-government reporting through the provision of consolidated reports on the state's contingent liabilities.

The Department of Finance is putting together a team led by Mr Joe Norman, who would be well-respected by the opposition, to ensure all issues of whole-of-government reporting are addressed for its implementation in the 1996-97 financial year.

Another point that the Leader of the Opposition made and which deserves correction was when he said the bill allows for temporary advances to ministers. That is not so. The bill does not provide temporary advances for ministers but it does provide for advances to be approved by the Treasurer to meet urgent claims.

The government has realised the imperatives of good financial management and has put in place systems to cater for adequate reports.

Another point made by the Leader of the Opposition was about putting in place legislation that commits
the government to full cost benefit analyses of major projects. Of course, this is a process which is often quite fundamental to decisions being made and I do not think it is necessary for any specific legislation to require that.

The Leader of the Opposition also commented on the role of the Auditor-General. He referred to the fact that financial reports of government and the implementation of policy decisions should be subjected to proper and independent audit. The Auditor-General is independent and does report on the activity of all departments and statutory authorities. The Leader of the Opposition clearly does not understand the totality of the role of the Auditor-General, and the way in which he assiduously pursues that role.

The next point he made was about the reconciliation of consolidated fund outcomes for government financial statement outputs. My comment is that the finance statement tabled yesterday provides for that sort of reconciliation.

The Leader of the Opposition raised the specific contracts for the sale or lease of Crown land. He said veterinary laboratories were sold by the Department of Agriculture to Centaur. I advise him that the four regional laboratories are being leased to Centaur which was the successful tenderer in a publicly advertised process. Two tenders were received; Centaur was the most appropriate and cost-effective. In March 1994 the tender board approved the agreements which were ratified by the Minister for Agriculture after consultation with the Treasurer. A contract was signed for five years at an estimated annual cost of $1.5 million for those services.

The Leader of the Opposition also mentioned the sale of the Wattle Park Secondary College. That plot was surplus to requirements and was one of 48 school sites put out to tender in one parcel. The marketing and tender process were undertaken by a licensed real estate agent, Baillieu Knight Frank, under the auspices of the Department of Education and the Land Monitor. The real estate agent was appointed through a public process, for which State Tender Board approval was given on 17 January 1994. Some 13 bids were received, and the property was sold to the highest bidder for $6.1 million. The sale price exceeded the reserve price, which was established as a result of valuations by the Valuer-General and a private practising valuer.

This is another case of the Leader of the Opposition trying to create the impression that something different happened, which is simply not borne out by the facts. The wild allegations made by the Leader of the Opposition and parroted ad nauseam by his colleagues are so far removed from the purposes of the bill and the outcomes it will achieve as to make their contributions no more than hollow political charades.

Down the track, when the Leader of the Opposition realises how wrong he has been about the bill and understands how it has enhanced the accountability of government, I hope he will have the good grace to admit his mistake.

Motion agreed to.

Read second time.

Committed.

Clause 1 agreed to.

Clause 2

Mr I. W. SMITH (Minister for Finance) — I move:

1. Clause 2, after line 3 insert —

“(1) Section 7(6) is deemed to have come into operation on 10 May 1994.”.

Mr THOMSON (Pascoe Vale) — The opposition has not been briefed on these amendments. I ask the minister to explain the effect of the deeming provision relating to section 7(6).

Mr I. W. SMITH (Minister for Finance) — The opposition has had plenty of time, because the amendments were circulated several days ago.

Mr I. W. SMITH (Minister for Finance) — The opposition has had plenty of time, because the amendments were circulated several days ago.

Mr THOMSON (Pascoe Vale) — Notwithstanding the minister’s perfunctory response, what is the effect of the changes proposed by the amendment?

Mr I. W. SMITH (Minister for Finance) — The provision will come into operation on 10 May 1994, as is stated.

Mr BRUMBY (Leader of the Opposition) — The minister is introducing further amendments. Amendment 1 provides that section 7(6) is deemed to have come into operation on 10 May 1994. Why is the provision deemed to have come into operation on that day? Why was it not possible to give the bill a date of assent?
Mr I. W. SMITH (Minister for Finance) — The provision is required to be deemed to have come into operation on 10 May.

Mr BRUMBY (Leader of the Opposition) — I repeat the question. Why is it necessary for the section to be deemed to have come into operation on 10 May?

Mr I. W. Smith interjected.

Mr BRUMBY — I am entitled to ask the question. Minister, this is the reason why we have committees and Parliament. I have asked a question, and I am entitled to a response.

Mr I. W. SMITH (Minister for Finance) — You have got your response. The answer may not suit the Leader of the Opposition, but it is necessary for that provision to have come into operation on 10 May.

Amendment agreed to.

Mr I. W. SMITH (Minister for Finance) — I move:

3. Clause 4, page 4, line 30, omit “Minister” and insert “Governor in Council”.

4. Clause 4, page 5, line 10, omit “Minister” and insert “Governor in Council”.

5. Clause 4, page 5, line 13, omit “Minister” and insert “Governor in Council”.

Amendments agreed to; amended clause agreed to; clauses 5 and 6 agreed to.

Clause 7

Mr I. W. SMITH (Minister for Finance) — I move:

6. Clause 7, page 12, after line 15 insert —

“(5) In section 54 of the Principal Act after “annual report” insert “, or requiring an annual report to be laid before the Legislative Assembly or the Legislative Council or both,”.”.

(6) In item 15 of Schedule 2 to the Principal Act for “paragraph (f)” substitute “paragraph (d)”.”.

Mr THOMSON (Pascoe Vale) — The explanatory memorandum states that clause 7 makes the following provisions:

Redefines the liabilities to be reported in the annual statement of financial operations.
It continues:

Ultimately the government will adopt whole-of-government reporting and the total assets and liabilities of bodies comprising the public sector will be reported and will be subject to audit by the Auditor-General.

Against that background, I refer the minister to the Finance Statement and Report of the Auditor-General 1993-94. At page 111 paragraph 7.130 the Auditor-General says:

Audit was advised by the Department of the Treasury that an analysis — that is, of the Albert Park grand prix — was undertaken by the department, of preliminary financial projections associated with the race prepared by the company, prior to the issue of the indemnities to assess any consequent risks to the state. However, no evidence was made available to audit to support this statement.

It is clearly a matter of grave concern that no evidence was made available to audit to support this statement. Sections 44A and 45 of the Audit Act state that the Auditor-General has a right of access to information, and anyone who fails to meet that and produce appropriate documents can be liable for contempt of the Supreme Court.

I ask the Minister for Finance whether the provisions in clause 7 concerning the annual statement of financial operations and the government’s intention to adopt whole-of-government reporting will meet the requirement that the Auditor-General have this capacity to audit those bodies comprising the public sector and whether the government can provide assurances that it will make evidence available to the Auditor-General. The Auditor-General needs that to assess advice he receives from various departments, as in this case he has received advice from the Department of the Treasury but no evidence to support this statement.

Mr I. W. SMITH (Minister for Finance) — The amendment I have moved does not actually deal with the matter that the honourable member has raised. It deals with the section that should have been repealed, which was the specific section under the Local Government Act enabling councils to invest in the public account. That is the purpose of this amendment.

Amendment agreed to; amended clause agreed to.

Clause 8

Mr I. W. SMITH (Minister for Finance) — I move:

7. Clause 8, line 18, omit “OF LAND” and insert “, LEASING AND LICENSING OF LAND AND PREMISES”.

Mr THOMSON (Pascoe Vale) — I ask that the minister provide an explanation of the intention of the government in terms of this amendment to its amending legislation.

Mr I. W. SMITH (Minister for Finance) — The effect of the amendment I am moving is to transfer the power of the Minister for Finance under the Public Lands and Works Act to lease and license land and premises to the Financial Management Act, where it rightly belongs.

Amendment agreed to.

Mr I. W. SMITH (Minister for Finance) — I move:

8. Clause 8, after line 30 insert —

"540. Minister may lease land or premises for other Ministers

In addition to all other powers of the Minister, the Minister may take on lease, on any terms and conditions the Minister thinks fit, any land or premises required for the purposes of any department or Minister.

54P. Minister may grant leases and licences of structures on Crown land

Despite anything in the Land Act 1958, the Minister may grant any person, on any terms and conditions the Minister thinks fit —

(a) a lease over; or
(b) a licence to enter and use —

any building or other structure, or part of any building or other structure, on Crown land that is not required for the purposes of a department or a Minister or any other public purpose.”.

Amendment agreed to; amended clause agreed to; clauses 9 to 16 agreed to.

New clause AA and BB

Mr I. W. SMITH (Minister for Finance) — I move:

9. Insert the following new clauses to follow clause 10:
“AA. Amendment of the Cemeteries Act 1958
In the Cemeteries Act 1958 -
(a) in section 54 for all the words and expressions after paragraph (d) substitute -
"the Minister may purchase or compulsorily acquire the land.";
(b) section 55 is repealed;
(c) in sections 56, 58, 58A and 59 for “the Minister administering section 8(2) of the Public Lands and Works Act 1964” (wherever occurring) substitute the Minister’;
(d) in section 57 omit “and before the certificate aforesaid is given to the Minister administering section 8(2) of the Public Lands and Works Act 1964”.

BB. Amendment of the Crown Land (Reserves) Act 1978
Section 17(7) of the Crown Land (Reserves) Act 1978 is repealed.”

Mr THOMSON (Pascoe Vale) — Will the minister explain the effect of the new clauses?

Mr I. W. SMITH (Minister for Finance) — New clause AA enables the Minister for Health, as the minister responsible for the Cemeteries Act 1958, as opposed to the Minister for Finance, to purchase or compulsorily acquire land. Under the Cemeteries Act 1958, the Minister for Health must select land to be acquired and pay for it out of departmental appropriation. The Minister for Finance merely rubber stamps this decision. The changes will result in administrative efficiencies and are consistent with the devolution of responsibility.

Previously the Minister for Health, as the minister responsible for the Cemeteries Act 1958, certified to the Minister for Finance that the land should be purchased or compulsorily acquired. The Minister for Health is now empowered to undertake that function.

New clauses agreed to.

New clause CC

Mr I. W. SMITH (Minister for Finance) — I move:
10. Insert the following new clause to follow clause 11:
“CC. Amendment of the Health Services Act 1988
(1) For section 67(1) of the Health Services Act 1988 substitute —
“(1) The Minister may purchase or compulsorily acquire land for the purposes of a registered funded agency if, after inquiry and report by the Chief General Manager, the Minister considers it necessary or desirable to do so.”.
(b) in sub-section (3) for “the Minister administering section 8(2) of the Public Lands and Works Act 1964” substitute “the Minister”;
(c) Part VII is repealed.”.

New clause agreed to.

New clause DD

Mr I. W. SMITH (Minister for Finance) — I move:
11. Insert the following new clause to follow clause 12:
“DD. Amendment of the Land Act 1958
In the Land Act 1958 —
(a) in sections 102 to 105 for “the Minister of Public Works” (wherever occurring) substitute “the Minister”;
(b) in section 103(3)(b) for “the Minister administering section 8(2) of the Public Lands and Works Act 1964” substitute “the Minister”;
(c) Part VII is repealed.”.

New clause agreed to.

New clause EE

Mr I. W. SMITH (Minister for Finance) — I move:
12. Insert the following new clause to follow clause 13:
“EE. Amendment of the Petroleum Act 1958
(1) For section 7(1) of the Petroleum Act 1958 substitute —
“(1) The Minister may purchase or compulsorily acquire any land that is
necessary or desirable for the purposes of this Part.”.

(2) In section 7 of the Petroleum Act 1958 —

(a) sub-section (2) is repealed;

(b) in sub-section (3) for “the Minister administering section 8 (2) of the Public Lands and Works Act 1964” substitute “the Minister”."

Mr THOMSON (Pascoe Vale) — Will the minister explain the effect of the proposed new clause?

Mr I. W. SMITH (Minister for Finance) — The clause enables the Minister for Energy and Minerals, as the minister responsible for the Petroleum Act 1958, as opposed to the Minister for Finance, to purchase or compulsorily acquire land.

Under the Petroleum Act 1958, the Minister for Energy and Minerals must select land to be acquired and pay for it out of departmental appropriation. The Minister for Finance merely rubber stamps that decision.

The changes will result in administrative efficiencies and are consistent with the devolution of responsibility. The Minister for Energy and Minerals, as the minister responsible for the Petroleum Act 1958, as opposed to the Minister for Finance, is authorised by this amendment to compulsorily acquire land.

New clause agreed to.

Reported to house with amendments.

Passed remaining stages.

GOVERNOR’S SPEECH

Address-in-reply

Debate resumed from 15 September; motion of Mr WELLS (Wantirna) for adoption of address-in-reply; and Mr BRUMBY’S amendment:

That the following words be added to the proposed address ‘but is of the view that loyalty should be expressed to the constitution and people of the state of Victoria within the commonwealth and calls on the government to respect and restore the responsibility and accountability of government to the Parliament and to introduce policies to meet the needs and desires of the people of Victoria’.

Mr ANDRIANOPOULOS (Mill Park) — I join in the address-in-reply and support the amendment moved by the Leader of the Opposition. We are having this debate on the motion for the adoption of the address-in-reply to the Governor’s speech because the government chose to prorogue Parliament on the pretext that it was announcing to Victoria that there will be a new start, a new agenda.

However, one month after the Governor’s speech one can come to the conclusion that it was a waste of time proroguing Parliament; that it was no more than an opportunity for the conservatives in this state to hold an expensive garden party and to again mislead Victorians that they were making a fresh start and taking a new approach.

I wish to point out the difference between the motion that was moved for the adoption of the address-in-reply in 1992 and the motion moved by the honourable member for Wantirna. The motion we are debating today is convoluted. It states:

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

That is somewhat different from the motion moved by the honourable member for Tullamarine following the election in 1992, which states:

We, the Legislative Assembly of Victoria, assembled in Parliament wish to express our loyalty to our sovereign...

I am not sure what happened in the Liberal Party room to force the honourable member for Wantirna to move the motion in the form that he did because it goes back 30 years to the conservatism that existed in those times.

I can understand that the honourable member for Tullamarine may have been a protagonist in moving the motion in the form that he did because on numerous occasions he has told the house that he believes in God, country and royalty.

I am surprised it was left to the honourable member for Wantirna to move the motion on this occasion. I guess it is a reflection of what is happening within the Liberal Party. It is a pity it did not begin to recognise that Victoria is now a multicultural society and sentiments of begging to express loyalty went out the window a long time ago. One would hope that the sentiments of Liberals such as the former
Premier of New South Wales, Nick Greiner, who has promoted a change of attitude within the Liberal Party towards not only multiculturalism but also a republic for Australia, will be noted in Victoria.

Although I hope that this government will not have the opportunity next time to move the motion for the adoption of the address-in-reply to the Governor's speech, I also hope that at least it will begin to come to terms with the society in which we live and that anachronisms are thrown out the window.

Some of the words in the Governor's speech which struck a chord with me were contained in the first paragraph, in which the Governor said that the government wanted:

... to build a competitive business sector, a secure employment market and effective, quality services in the central areas of education, health, community services, services to women and young people, public transport and law and order.

We know through the appropriation bill what is actually happening in Victoria is far from those sentiments. It is no wonder that people are leaving Victoria in the thousands. That some 30 000 people have left the state in the past year to take up residence elsewhere is in my view due to no more or less their disenchantment with the government's performance over the past two years.

During the past two years the government has decimated the services the Governor said that the government was trying to promote and make efficient and competitive. I shall go into a couple of those matters from the perspective of my electorate of Mill Park. I shall begin with education.

We have heard speakers on this side of the house say how education throughout Victoria has been decimated, particularly as a result of the closure of some 260 schools and the sacking of 8500 teachers, which has meant that standards have decreased and class sizes have increased enormously. Pupil-to-teacher ratios are above the national average and the schools are struggling to provide quality education.

I have a letter from the Morang South Primary School, which is in my electorate, complaining particularly about the situation regarding casual relief teachers and how that affects the school. After hearing contributions of other honourable members in this debate and in the budget debate, I am aware that the views expressed in this letter are not unique.

It is a situation that is occurring throughout Victoria. It is unfortunate that the government, through its heavy-handed approach in trying to silence critics, has spread a fear throughout our community, particularly in the school community, about speaking out about the problems that confront schools.

I congratulate the Morang South Primary School for having the courage to put on paper its concerns about where education is headed under the government, particularly under the stringent financial restrictions that have been placed on schools for funding casual relief teachers. The school advised me that during the last term it had massive disruptions to its operations because teachers were not replaced, and the fact that it has opted to be a school of the future does not seem to have helped it much.

The letter states in part:

For all the other terms this year, we have had a part-time allocation of a designated relief teacher on the staff. This has worked on the days when the teacher was available and only one absence occurred. On every other occasion we have had either to cancel a program to cover the absence or split the children across other grades. This has set the clock back some 25 years when these were the normal arrangements but which were unsatisfactory even then. We need to do much better if our system is to demonstrate 'world's best practice' as has been espoused over the last few months.

As a product of the school system of 20 years or so ago, I well recall those situations but I never thought I would see them happening in the 1990s. No matter how tough the times and no matter how much the government makes those claims about tough times, I believe education is one area that should never be put to the knife.

Children are our future. I know that is a well-used cliche in this house and elsewhere, but I firmly believe education should be the last area in which cuts should be made. Unfortunately the government has chosen it as a priority for cuts by sacking some 8500 teachers and closing 260 schools throughout the state. In my electorate that has meant one school has closed but, more importantly, it has also meant that a primary school proposed for the Mill Park North area has not been proceeded with.

Before the Labor Party lost government in 1992 it planned to construct a new primary school in Mill Park...
Park North to accommodate a large number of children moving into the electorate as a result of the new housing being constructed in the area. The area is currently serviced by the school at nearby Mill Park Heights, which on education department forward projections will have some 1200 students in 1996-97.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.00 p.m. until 2.04 p.m.

ABSENCE OF MINISTER

The SPEAKER — Order! I wish to advise the house that the Minister for Education will be absent from the house attending to government business. The Premier will handle any matter concerning the education portfolio.

QUESTIONS WITHOUT NOTICE

Crown Casino: bid

Mr BRUMBY (Leader of the Opposition) — I refer the Premier to the requirement of the registration of interest brief issued to bidders for the casino licence that companies or persons with known criminal records should be barred from any role in the development, ownership, management and operation of the casino, and I ask: can the Premier inform the house how Mr Lloyd Williams satisfied this requirement given that Dominion Properties Pty Ltd was convicted in 1983 of giving secret commissions to BLF secretary, Norm Gallagher, and Mr Williams was the managing director of this company at the time the offence occurred?

Mr KENNETT (Premier) — This really is the final chapter in the miserable campaign based on lies, slurs and innuendo. What we have seen over the past three weeks is a campaign by the Labor Party, led by Mr White in another house, with the organ grinder here parroting comments that have been made.

The SPEAKER — Order!

Mr KENNETT — The monkey, I’m sorry.

The SPEAKER — Order!

Mr KENNETT — I withdraw. Firstly, last week we saw the Leader of the Opposition and Mr White in another place, say to the media and the public ‘Watch this space, we’re going to provide the evidence that is in fact going to be able to prove our case’. You, Mr Brumby, have abysmally failed! Yesterday there were three issues raised, one of which the Leader of the Opposition has again raised today. As he has been pursuing this issue for the past three weeks without any facts or any evidence, I intend in answering his question to address each of the three issues that were raised yesterday by Mr White. Now you’re starting to parrot.

Honourable members interjecting.

Mr THOMSON (Pascoe Vale) — Mr Speaker, on a point of order. The Premier would not be in order proceeding down the path that he proposes. He has been asked a specific question on how Lloyd Williams has satisfied the probity requirement given that he was the managing director of Dominion Properties, which was convicted in 1983 of giving secret commissions. That is the question the Premier was asked. He is in order if he answers it. If he wants to talk about other things, he should have himself asked a Dorothy Dixer!

Mr KENNETT (Premier) — On the point of order, for the past three weeks this Parliament has been abused in this house and in another house!

Honourable members interjecting.

Mr KENNETT — It is time now that the opposition —

Honourable members interjecting.

The SPEAKER — Order! The house will come to order. The Premier will confine himself to the question.

Mr Micallef — Do as you’re told!

The SPEAKER — Order!

Mr KENNETT — This Parliament has been abused by the Labor Party. It has been unprepared to repeat its claims outside the house, and this goes to the whole operation of the parliamentary system. Firstly, let me just mention —
The SPEAKER — Order! Is the Premier talking on the point of order?

Mr KENNEDY — Yes, Mr Speaker, I am. Let me first of all state that this Parliament must be prepared to listen to the answers to questions asked or matters raised by the opposition in this house. I argue that I am absolutely in order in being able to answer a question raised by this opposition and being able to refer to the matters and the innuendo raised by the Leader of the Opposition.

The SPEAKER — Order! The Premier will be required to stay within the confines of the question that was asked.

Mr KENNEDY — I am absolutely within the question, and, I have to say, so too is the broader section of the community. The first matter that has to be put to rest quite clearly is the issue that was raised about a missing $6 million.

Mr BRUMBY (Leader of the Opposition) — On a point of order —

Mr Kennett — Well, isn’t this interesting!

Honourable members interjecting.

The SPEAKER — Order!

Mr BRUMBY — Mr Speaker, on a point of order, a specific question has been asked today relating to Mr Lloyd Williams and how he satisfied the requirement of the Casino Control Act when he was managing director of Dominion Properties and Dominion Properties was found guilty of paying secret commissions. The act says that any person barred from association and —

Honourable members interjecting.

The SPEAKER — Order! I have heard sufficient on the point of order. The Premier has been talking for only a short while. If he strays from the question I will pull him back to it. The Premier.

Mr KENNEDY (Premier) — Mr Speaker, on the issue of the allegations that have been made, of which this is part — and therefore I would put to you, Mr Speaker, that I am in order — there was the accusation made firstly as to a missing $6 million. That is factually incorrect. It was on the basis that in fact the equity that was required was initially $350 million and it went potentially —

Mr Leighton — That’s not on the question.

Mr KENNEDY — It is very interesting that these people who have been throwing mud for the last three weeks simply are not prepared to take the answers to their questions —

Honourable members interjecting.

Mr Batchelor — Answer the question!

The SPEAKER — Order! The house will pause while it comes to order. The Premier, on the question.

Mr KENNEDY — Federal Hotels entered into an agreement with Hudson Conway to issue Hudson Conway with preference shares to finance Federal Hotels 10 per cent equity in Crown Casino Ltd. There was a provision —

Mr Brumby interjected.

Mr KENNEDY — No; I will get to your specific one in terms of the overall slur. There was an allowance there for a further $60 million, which would have taken the overall equity to $410 million. That was never drawn down, and the comments made by the Labor Party which seek to include Federal Hotels in the slimy attack it is currently running are absolutely incorrect.

Honourable members interjecting.

Mr KENNEDY — In terms of the second issue, which is part of the matters raised by the Leader today —

Mr Thomson interjected.

Mr KENNEDY — Do you want to hear the answer? Do you want the answer?

Honourable members interjecting.

Mr KENNEDY — Two allegations were made yesterday based on the question that was raised by the Leader of the Opposition today. One asked about and made reference to the Winneke —

Mr Leighton — What about today’s question?

Mr KENNEDY — Do you want the answer?

Mr Leighton — Yes.
Mr KENNETT — It referred to the Winneke royal commission into the building industry. Yesterday and today the Labor Party sought to suggest that individuals were charged or in some way prohibited from continuing with the processes that are currently in place.

There was a process, a royal commission in 1982, which was reported on, and there were several issues within the royal commission that were referred to.

Mr Baker — You are having a real bad day!

The SPEAKER — Order! I warn the honourable member for Sunshine that if he continues to interject he will have an even worse day.

Mr KENNETT — As a result of the royal commission, no charges were laid against Mr Williams at all. Not one charge was laid against Mr Williams.

Honourable members interjecting.

Mr KENNETT — Further, the Honourable David White in another place also made reference to Mr R. Walker in his role of lord mayor at the time as though he had also done something wrong. Both Mr Williams and Mr Walker gave evidence to that inquiry. Mr Walker gave evidence about an incident that happened on Arbor Day in 1976 when the Melbourne City Council gave away 4000 plants and seedlings to the public in the City Square.

A Mr Gallagher came down from the Regent Theatre at the time and took himself three or four plants and Mr Walker, the town clerk, and his officer recorded that in the town hall records. It was in that context that he gave evidence to the inquiry. At no time were Mr Walker or Mr Williams charged or was it suggested that they were charged by anyone, and certainly not by that inquiry.

Mr Batchelor interjected.

Mr KENNETT — You would have to know!

Honourable members interjecting.

Mr KENNETT — The man who makes the interjections now — —

Mr Batchelor interjected.

Mr KENNETT — Talk about — —

Honourable members interjecting.

The SPEAKER — Order! I warn the honourable member for Thomastown that if he continues to interject I will have to take action against him and I ask him to remain silent.

Mr KENNETT — If ever there should be an inquiry into anyone’s performance, it should be for the honourable member over there! The third allegation made that is very important that has — —

Mr Sandon — Ten minutes and you haven’t addressed the question yet!

Mr KENNETT — Ten minutes! I have just answered your question in part. The third question is whether Grocon was going to be subject to a probity test.

If the honourable member opposite — with his colleague in the upper house who is putting this campaign together — happened to read the rules or the legislation that his government introduced, he would find in section 29 that no builder is subject to probity tests.

Mr Brumby interjected.

Mr KENNETI — Isn’t that interesting?

The SPEAKER — Order! The Premier will ignore interjections.

Mr KENNETT — You are wrong, wrong, wrong! The only time builders can be part of any probity check is if they are going to be part of the licence or the operation of a casino. That is why Leightons was subjected to a probity check and Multiplex was never subjected to it, nor was Grocon: because the builder is not the operator and therefore the same checks do not apply.

The bottom line of all of this is simple. Over the last three weeks the Labor Party has conducted a campaign out of sheer jealousy and spite to try to stop progress in this state and to use this Parliament to malign the names of individuals who are serving the state well. The Leader of the Opposition and Mr White have done themselves, their party and this Parliament a great disservice. Not one piece of evidence! We have been watching this space all week and this man has clearly failed! He is simply not fit to be trusted with the office he has, and the people of Victoria will continue to reject the wild allegations of the Leader of the Opposition and Mr White, which are born out of jealousy and spite, which are smear and innuendo, which are never
repeated out of this house because they know them to be untrue! The Leader of the Opposition and the Honourable David White deserve to have brought down upon them the wrath of the entire community who continue to wish to develop this state in a productive way.

Government financial strategy

Mr WELLS (Wantirna) — Will the Treasurer inform the house of the government’s successful financial strategy to reduce the state’s liabilities?

Mr STOCKDALE (Treasurer) — While the Leader of the Opposition is engaged in a campaign of smear and innuendo the government has been engaged in addressing the disastrous financial position we inherited from the previous government. It is worth remarking that in question time yesterday and again today the opposition has not addressed one question in relation to the Auditor-General’s report released yesterday; not one question on an issue of substance, not one question on the Auditor-General’s favourable findings!

Last year for the first time in more than 10 years the overall liabilities of this state actually reduced. They reduced from $72.4 billion in 1993 to $66.9 billion — a reduction of $5.5 billion over the year. The Auditor-General described that reduction, specifically citing it as a not inconsiderable achievement for the government. He went on to say at page 7 of Part 1.2 of the report:

The results for the year indicate that the government’s reforms are having a favourable financial impact and that the government is well placed to produce positive financial results in the future.

The Auditor-General has specifically endorsed — they don’t like the good news!

Mr Thomson interjected.

Mr STOCKDALE — Just look at the refugee before he heads off to Canberra!

Opposition members interjecting.

Mr STOCKDALE — Before he heads off to Canberra here he is deriding — —

The SPEAKER — Order! The Treasurer will confine his statements to the question.
QUESTIONS WITHOUT NOTICE

An opposition member interjected.

Mr STOCKDALE — The Auditor-General is a liar, is he? Thank you for the question. I welcome the opportunity to draw attention to more good news in the Auditor-General's report. The increase in debt last year was after assuming the $500 million Tricontinental debt incurred by the Labor Party. It was after assuming the $300 million debt associated with Aluvic incurred by the Labor Party. It was after the assumption of $285 million in relation to FTNUM associated with the Portland aluminium smelter contract incurred by Labor. It was after $1.4 billion of Labor Party borrowings in the superannuation fund that have been refinanced. It was after funding the VET shortfall of $98.5 million incurred by Labor, and it was after refinancing the National Tennis Centre debt of $55.8 million, a Labor funny-money scheme. That is a total debt of $3.14 billion.

If we take account of that, our debt actually reduced by $2.3 billion on the basis of this government's management. It was only the mismanagement of the Labor Party that resulted in any increase in debt at all last year. This government is producing restraint in debt and absolute reductions in the state's liabilities.

Dominion Properties Ltd

Mr BRUMBY (Leader of the Opposition) — I refer the Premier to the fact that Dominion Properties Ltd was convicted in 1983 of giving secret commissions to the secretary of the Builders Labourers Federation, Mr Norm Gallagher. I ask, is this not the same charge Mr George Herscu was convicted of and which resulted in Mr Herscu's company, Hooker-Harrah, losing the licence and the contract to build and operate the Sydney casino in 1985?

Mr KENNETH (Premier) — As we have indicated earlier, the Leader of the Opposition does not seem to accept either the findings of the royal commission which were done independently of anyone in this place and the reality of life that followed after that event. The difference quite clearly is that Mr Herscu was individually charged. Mr Williams was never charged.

The tragedy is that the Leader of the Opposition is not a man about fair play, he is not about constructive contribution to debate or to the growth of this city. What he is about is muckraking. What he is about is slur and innuendo. What he is about is abject failure to actually provide any focus for his particular organisation.

The Leader of the Opposition will know how he is treated, whether it is at the races where last Saturday he was absolutely rejected by those in the room or whether it is at a dinner where this week he was quite willing — —

Opposition members interjecting.

Mr KENNETH — Except for the honourable member for Dandenong North.

The SPEAKER — Order! The house is wasting question time. I repeat: the house is wasting its question time.

Mr KENNETH — With the exception of the honourable member for Dandenong North they stuck together like two peas in a pod. With that question the Leader of the Opposition again seeks to imply an outcome from the royal commission that never occurred. If you don't understand the royal commission, if you don't understand how the act works, that is your fault.

Mr Brumby interjected.

Mr Cooper (to Mr Brumby) — You little grub.

The SPEAKER — Order! The honourable member for Morington used an unparliamentary expression. I ask him to withdraw.

Mr COOPER (Mornington) — I withdraw.

Mr KENNETH (Premier) — The Leader of the Opposition has not in any way substantiated anything in the past three weeks. He has not done it this week. He is very much a figure of fun and he is without a doubt an empty suit. This community expects more from a Leader of the Opposition. I can predict that he will never, ever lead his party into government. The question is whether he even leads them to an election!

Information technology outsourcing: IBM report

Mr PHILLIPS (Eltham) — Will the Minister for Finance inform the house of the existence or otherwise of a report to the government on contracting out produced by IBM as alleged by the member for Thomastown?
Mr I. W. SMITH (Minister for Finance) — As part of a muckraking and innuendo campaign, that well-known printer of misleading how-to-vote cards, the honourable member for Thomastown, tried to mislead this house last week. During the appropriation debate he claimed that IBM is the preferred tenderer for the outsourcing contract for the PTC and Vicroads, which he well knows is now going through the due diligence process. He was trying to mislead this house into believing that a report was done at the cost of $100 000 for the government or the Liberal Party — it was not quite clear — thereby making the innuendo that mates of the government who had received some benefit were going to get the contract.

I asked my department for a copy of this report referred to by the honourable member for Thomastown and they couldn’t come up with one. I asked the Liberal Party headquarters for a copy of the report and they didn’t know anything about a report by IBM on contracting out.

Mr Batchelor interjected.

The SPEAKER — Order! I mentioned to the honourable member for Thomastown that he was not allowed to interject time after time after time. He has refused to comply with the instruction of the Chair. If he likes to get to his feet and apologise to the Chair and remain silent I will overlook it at this stage.

Mr BATCHELOR (Thomastown) — I was unaware that I had offended you, Sir.

The SPEAKER — Order! If the honourable member for Thomastown would like to get to his feet and apologise to the Chair I will overlook the fact that he has been a persistent interjector. I warn him. All he has to say is ‘I apologise’.

Mr BATCHELOR — Mr Speaker, if you have been offended I will certainly apologise. I did nothing —

The SPEAKER — Order! Thank you. The honourable member will resume his seat.

Mr I. W. SMITH (Minister for Finance) — I had my staff ring up IBM to try to obtain a copy of this report. They contacted Mr Bob Gallaway, the client operations manager. He was unable to provide any such report because he claimed it had never been contemplated, written, produced or in any way made available.

What we did find in our search was an announcement by a former Labor member, Frank Sheehan — the former honourable member for Ballarat South — whose electorate recognised his ineptitude and threw him out at the last election. In a press release dated Friday, 17 July 1992 he announced that cabinet had given approval for the calling of tenders to rationalise computer information services currently provided by Vicroads and the PTC, that the cabinet decision included the operation of contracting out of services, with Ballarat being the preferred location, and that the new venture would inject tens of millions of dollars into the Ballarat economy and employ up to 400 people when fully established, with 300 people to be employed in the data centre. It was a bit of journalistic licence in the heat of the election campaign because only 65 were there!

He claimed that tens of millions of dollars would be injected into Ballarat and that 400 people would go there as a result of his cabinet’s decision, so if a report was provided by anybody surely it went to the former government! We do not know anything about it. If the honourable member for Thomastown has a report that was prepared for the Liberal Party or this government, I would be delighted to see it because I have not seen it, nor has anybody else in my administration. I suggest that, just as he sought to mislead the voters in the Nunawading by-election by printing a crummy, misleading ticket, so the honourable member sought to mislead the house last week!

Crown Casino: builder

Mr BRUMBY (Leader of the Opposition) — I refer the Premier to the contracts signed between Grocon Ltd and the Crown consortium for Grocon to build the new casino. Was Grocon’s appointment approved by the state government’s nominated representative prior to the appointment being made as required by the Casino (Management Agreement) Act 1993?

Mr KENNETT (Premier) — I thank the Leader of the Opposition for another question. Once again he seeks to use Parliament to question the government not on policy but, for the third week in a row, on issues where he seeks to slur. As he will now know if he has done his research — based on what he has done over the past three weeks there is no evidence to suggest that he has — section 29 of the act specifically excludes contracts that relate solely to the construction of the casino or alteration of premises used or to be used for the casino. That is
why Multiplex was not subject to probity, as was claimed by Mr White in another place. That did not worry Mr White; he has become the slur merchant of the Parliament.

Mr THOMSON (Pascoe Vale) — On a point of order, Mr Speaker, the Premier’s answer is not relevant to the question. I put it to you that in referring to section 29 of the act he has shown that he does not understood the question. The question asked by the Leader of the Opposition refers to the requirement for the appointment to be approved by the state government’s nominated representative — —

The SPEAKER — Order! I have heard sufficient on the point of order. The facts that any member, including the Premier, gives in answer to a question is entirely up to the member concerned and is not the concern of the Chair. There is no point of order.

Mr KENNETT (Premier) — I am in my normal way being expansive and trying to provide you with enough information so that one day in the not-too-distant future the opposition will start working for the people of Victoria instead of against them!

Mr Brumby interjected.

Mr KENNETT — The Leader of the Opposition says his party will work for the people and not for its mates. The first point is that you have not been working for anybody for the past year! In respect of whom we are working for and why we can work with all those people who will provide new jobs and employment for those who are currently unemployed, I can only say to the Leader of the Opposition that the casino authority and the government’s representative Mr Jolly have handled the application of the contract with Grocon that is now being agreed to between the developer Crown Casino and Grocon in the normal way and strictly in accordance with the act. The processes that have been in place are those that have been laid down by the former government. All people involved have abided specifically to the letter of the act.

Mr BRUMBY (Leader of the Opposition) — On a point of order, Mr Speaker, the Premier is responding to a question I did not ask. My question related to the Casino (Management Agreement) Act 1993, which requires that the builder appointed by the company in relation to the Melbourne casino complex be approved in writing by the state’s nominated representative prior to the builder’s appointment. That is what the act says. The question is simple: has Grocon been approved by the state government?

Mr KENNETT (Premier) — On the point of order, Mr Speaker, if the Leader of the Opposition had been listening he would have heard me say in answer to the question, before he got to his feet, that all provisions of the act have been met. That answers your question, does it not?

The SPEAKER — Order! There is no point of order.

Mr KENNETT — Not only is there no point of order, Mr Speaker, in real terms there is no Leader of the Opposition.

Mr Leighton interjected.

Mr KENNETT — Anybody who looked down on this forum and witnessed the forms of the house, whether that person is a senior citizen or a youth, would see an opposition low in numbers that does nothing at question time but interject and bring this place into disrepute by trying to bring into question those people employed in either the public or private sector who are delivering jobs to the people of Victoria.

Mr Leighton — You’re not answering the question. Why don’t you answer the question?

Mr KENNETT — I clearly said that — —

Mr Leighton — You’re avoiding the question!

Mr KENNETT — I clearly said that — —

Mr Leighton — Anything but answering the question.

The SPEAKER — Order! The Chair has been tolerant with the honourable member for Preston, but if he interjects once more I will deal with him.

Mr KENNETT — All parts of the act have been complied with. It is a good process. Unfortunately the ones who are out of kilter with the community
and its aspirations are the members of the opposition.

Mr THOMSON (Pascoe Vale) — On a point of order, Mr Speaker, I refer to the number of questions asked today. The number is five. I direct your attention to the fact that this matter has been raised in Parliament before. On 19 March 1992 the then Leader of the Opposition, who is now the Premier, expressed concern that we were answering an average of 7.7 questions a day and that Parliament was degenerating. He asked if the Speaker had discretion to allow further questions to be asked and whether he would exercise that discretion. He was supported by the now Minister for Planning who expressed concern that government members took up to 9 minutes to answer a question.

This matter was also raised by the now Leader of the House on 15 May 1991. He is quoted as saying:

... I believe question time should be extended to allow for further questions. Only three questions were asked by this side of the house during question time. The answer by the minister to the last question took approximately 10 minutes. There were a few minor points of order during the course of his answer. We have seen the privileges of this house abused in ultimate terms by a minister of the Crown ...

Today was even worse. Only five questions were asked and an answer from the Premier exceeded 12 minutes. The Premier complains that we do not ask enough questions but he takes the whole of question time to answer them. The Treasurer complains that we did not ask about the Auditor-General's report. We would like to ask about it but only five questions were asked and we did not have the opportunity to do it.

I ask you, Mr Speaker, to impress upon government ministers the need to keep their replies to questions prompt rather than use question time in defending people like Mr Walker and Mr Williams and limiting the number of opportunities we have.

The SPEAKER — Order! The Chair always endeavours to have as many questions asked and answered as possible, but both the questions and answers are in the hands of honourable members. If the house continues to interject and interrupt and if supplementary questions are asked by both sides of the house after the main question has been asked a loss of time is the result. I am well aware of my responsibility to have as many questions asked as possible, and I am fulfilling that responsibility.

I should advise the honourable member for Pascoe Vale that I have already looked up the record for the longest answer in this place, and if he did some research on his own behalf he might be rather surprised!

BUSINESS OF THE HOUSE

Tabling of reports

The SPEAKER — Order! I will now respond to a matter raised in the point of order by the honourable member for Albert Park concerning a government response to the Scrutiny of Acts and Regulations Committee report on a review of the Victorian Equal Opportunity Act 1984.

Section 40(2) of the Parliamentary Committees Act 1968 requires a responsible minister of the Crown to provide the government response to the report of a joint investigatory committee within six months of the report of the committee being tabled.

The report of the Scrutiny of Acts and Regulations Committee on the Victorian Equal Opportunity Act 1984 was tabled in the house on 25 November 1993. I have checked the votes and proceedings of the house to ensure that that is correct. The government response from the Attorney-General was tabled in the house on 25 May 1994, and that is also in the votes and proceedings.

In respect of the breach of former Speakers' rulings that the Attorney-General has been discourteous to the house in the matter she discussed in the press report on 2 October, this was well after the Attorney-General's response to the house on 25 May and therefore there is no discourtesy.

On the point of order raised by the honourable member for Albert Park on the adequacy of the Attorney-General's response, I have examined previous minister's responses in the 51st and 50th Parliaments, and the Attorney-General's response accords very well with the sorts of
documents that have been tabled. She is quite within the bounds of precedent set by other ministers of the Crown. There is no point of order.

GOVERNOR'S SPEECH

Address-in-reply

Debate resumed.

Mr ANDRIANOPoulos (Mill Park) — Before the suspension of the sitting I was referring to sentiments expressed in the Governor’s speech about the provision of quality services in a number of key portfolios and how they do not measure up well with the reality of government services over the past two years, particularly in the education area.

Mill Park Heights Primary School will have more than 1200 students by the 1996-97 financial year unless something is done by the government and particularly by the Minister for Education to address that particular problem.

The second area in the Governor’s speech I will examine is transport and how it affects the Mill Park electorate. Two years ago before the government came to office the electorate had a reasonably good integrated public transport service. It was serviced by the Epping railway line and by the Bundoora tram line. The previous government introduced a bus that integrated well with those two standard rail systems.

It is unfortunate that upon coming to office the government has seen fit as part of its curtailing of services throughout the state to also reduce that network in Mill Park. That has meant, for example, that it is virtually impossible for Mill Park residents to travel outside the suburb on a Sunday because the existing service was removed.

Furthermore, the service has been curtailed in the evening so that it now terminates much earlier than it did then. However, these factors pale into insignificance compared with the failure of the government to proceed with the extension of the Bundoora tram line all the way to Mill Park.

The house is well aware that in 1992 under its Better Cities project the federal government made funds available as part of the redevelopment of the Janefield site on Plenty Road, Bundoora, for the extension of the tram line to Childs Road, Mill Park.

It was the intention of the then government to further extend the tram line to South Morang, to link up with the heavy rail line that would loop across from Epping. The government saw fit to give priority to the city loop extension of the tram line and try to divert some of the funds to complete that project. Although I am not totally critical of the loop line being completed in Spring Street to service Melbourne — I am sure the large number of tourists who use it welcome it — the government should also be about providing essential services for its citizens in areas where they are most needed, such as Mill Park.

Judging from past announcements it is the government’s intention that the Bundoora tram line will be extended to at least service the RMIT campus at Bundoora. What is of concern is that although sufficient funds have been available for the past two years, two years down the track work has just commenced and appears to be proceeding at a very slow pace indeed. Nevertheless, I suggest to the government that if it is about providing quality services in key areas such as public transport, as was espoused through the Governor’s speech, then this is one project that must be somehow funded. An extension at least to Childs Road in Mill Park, if not South Morang, is essential because that is where people live.

As I indicated earlier, this is an area that continues to grow; so as a bare minimum, the extension to Childs Road, Mill Park, is a must. We are not talking about exorbitant amounts of money. We are simply talking about extending the line for another kilometre from where it is currently supposed to terminate. I am calling for that because it would locate the terminus in a built-up neighbourhood. That would be much more accessible than the current terminus at the Bundoora campus of RMIT. Let us not forget that we are talking about a suburb with a population of 20,000 that is growing daily.

The third area in which I will measure the government’s performance against what is contained in the Governor’s speech is small business. Given the sorts of debates in this place over the past few weeks, the house will be aware that this government is very good at looking after big business and looking after its big business mates. But it has failed dismally to look after small business. In his budget contribution the other day my colleague the member for Geelong North outlined in great detail how small businesses have suffered because of the vast array of increased
charges they have had to pay as a result of this government's decisions.

Small business in the Mill Park electorate consists of some small firms in the southern part and a host of retail outlets in the various shopping centres. I am constantly receiving representations from small family businesses in the electorate complaining that this government has done very little to look after their interests. It has increased charges and has not been ready to address the problems caused by their competitors taking advantage of the shop trading laws.

On at least two occasions I have raised with the minister the plight of small food retailers in my electorate who feel victimised because this government and the Minister for Small Business in particular have not been willing to enforce the Sunday trading regulations. I am not too sure why the minister is not doing so; however, it is about time the minister allowed the investigations that have been conducted thus far to proceed to prosecution, to be tested in court. If the minister feels it is necessary to introduce legislation to rectify some anomalies in the Sunday trading act, let him do so. Together with small retailers not only in Mill Park but throughout the state, because this is a statewide problem, I call on the minister to take some action. I am heartened to see that the major retailer Coles-Myer is doing the right thing. However, medium-sized retailers such as the Tuckerbag chain are in breach of the regulations. They are the ones that should be made to comply with the law.

The fourth area of comparison is ethnic affairs. Today the Ethnic Affairs Commission released its annual report. The best one could say is that the Ethnic Affairs Commission has been trying to address some of the issues that affect ethnic communities in this state. However, when one sees that the commission's total budget for the past financial year was $366,000, $200,000 of which consisted of grants to ethnic organisations, it is ludicrous to expect anything of substance or significance to be achieved. I should say that in most cases the grants were amounts of $200 to $250 per organisation.

The Ethnic Affairs Commission came under fire when it was first appointed because of claims that it reflected the policies of this government and that the majority of its personnel belonged to the Liberal Party. I for one have indicated my belief that the commission has some people of calibre who are capable of addressing some of the problems that affect our ethnic communities. However, that cannot be done unless the commission is adequately resourced.

I am concerned that the Ethnic Affairs Commission has been unable to address a whole host of problems involving two of our major communities, the Slav-Macedonian and the Greek-Macedonian communities, which have arisen as a result of events overseas. It is no secret that at one time difficulties were experienced by members of both communities, which resulted in damage to property, including damage to my office and to property belonging to Parliament. At the time I was concerned that the commission was unable to address any of those problems.

I believe the government's involvement in ethnic affairs does not measure up well with the sentiments expressed in the Governor's speech. Is it any wonder that Victorians are turning away in droves from this government, as is indicated in the most recent poll, the Bulletin-AGP McNair poll. That clearly shows that the government is on the nose and is falling behind the opposition. Only 44 per cent of Victorians are saying they would vote for the coalition at the next election; and the government is doing absolutely disastrously in Melbourne, where it is some 7 or 8 points behind the opposition.

Debate adjourned on motion of Mr TANNER (Caulfield).

Debate adjourned until next day.

PROSTITUTION CONTROL BILL

Second reading

Mrs WADE (Attorney-General) — I move:

That this bill be now read a second time.

This bill is intended to replace the Prostitution Regulation Act 1986. The Prostitution Regulation Act has never been fully proclaimed. When the Labor government attempted to rush the legislation through Parliament in 1986, the coalition parties put forward amendments that were passed by both houses.

The Labor government ignored the wishes of the elected representatives of the Victorian people. It refused to proclaim much of the act. We have been
left with piecemeal regulation of the prostitution industry in Victoria.

The police are not satisfied that their enforcement powers in respect of brothels are adequate. They are concerned about the effects of organised crime. Planning authorities are unhappy that they must consider the criminal histories of applicants for brothel planning permits, as it is the function of planning authorities to consider land use, not the character of land users. Since 1986 escort agencies have multiplied, so that most prostitutes in Victoria now work through escort agencies.

In December 1992 I set up a working party to examine the effectiveness of the Prostitution Regulation Act. There was at that time a great deal of community concern over the location of brothels. In March 1993 this government responded to community concern by placing a moratorium on the granting of planning permits for brothels. The moratorium has remained in place through the review of the Prostitution Regulation Act and will be lifted when this legislation is proclaimed.

The working party recommended changes to the existing act. Those recommendations form the basis of this bill, although not all the recommendations of the working party are reflected in the bill.

The fact that the government is introducing legislation to control prostitution does not imply government support for prostitution. On the contrary, this government is opposed to prostitution in all its forms.

At the same time we cannot fool ourselves that an attempt to completely suppress prostitution through criminal sanctions will ever succeed. Most Victorians recognise that prostitution will continue, whatever the law, as long as there is a demand for commercial sexual services.

The solution is a strict system of regulation. With a tough set of controls, we can raise a barrier against organised crime. We can protect our communities against the uncontrolled spread of brothels. We can afford some level of protection for those who have resorted to prostitution. Most importantly, we can guard our children from the effects of prostitution.

OFFENCES

This government will never tolerate child prostitution. The bill retains harsh criminal sanctions against those who involve themselves with child prostitution. It introduces new offences applying to those Victorians who organise tours for paedophiles to travel overseas in order to exploit child prostitutes in other countries.

When the commonwealth government introduced its legislation applying to child sex tours I maintained that it was inappropriate for the commonwealth to introduce offences relating to persons who organise child sex tours from within Australia. This is a criminal law matter falling squarely within the jurisdiction of the states as provided for under Australia’s constitution. The new offences in this bill assert Victoria’s right to legislate in respect of criminal conduct occurring within its borders. The new offences will operate to reinforce the commonwealth legislation, which expressly saves any similar state legislation.

The bill will amend the Travel Agents Act so that licensed travel agents who are convicted of organising child sex tours will have their licences removed.

It should be noted that this bill consistently includes, at every stage of the regulatory process, references to the need to protect children from the effects of prostitution.

There are other new offences applying to those who involve themselves in prostitution. It will be an offence to be found in an illegal brothel without a reasonable excuse. This will help to redress the imbalance in the law that has seen prostitutes punished while their clients are not. Without the clients prostitution would not survive. Criminal sanctions will apply to clients who foster the illegal trade.

It will also be an offence to serve liquor or allow liquor to be consumed in any brothel. The planning permits presently applying to most brothels prohibit the consumption of alcohol on the premises. The offence will ensure that this practice is uniform throughout Victoria.

The bill makes an amendment to the present offence of living on the earnings of prostitution. The present offence is committed by anyone who, without any licence or planning permit required by the act, lives on the earnings of prostitution. This bill provides a defence for those defendants who can prove that they were not managing or controlling the prostitution from which they benefited. This will mean that children or spouses of prostitutes cannot be convicted for living on the earnings of illegal
prostitution, unless they are involved in the running of the business.

The offence as amended in this bill will concentrate on those who operate illegal prostitution rackets rather than the families of prostitutes. In the previous government's original bill there was no offence of living on the earnings of prostitution at all. However, this government will not accept that a person who benefits from operating illegal prostitution should not be punished for receiving those benefits.

It will continue to be an offence to solicit for prostitution in a public place. The government recognises that the majority of Victorians do not want soliciting on their streets.

However, the government also recognises that a great many of the problems associated with street prostitution are caused by the clients of prostitutes, and by sightseers, rather than by the prostitutes themselves. Penalties for clients attempting to gain the services of street prostitutes are higher in this bill than for prostitutes who solicit. The clients and sightseers cause noise and traffic disruption, and some passers-by seem to enjoy harassing and intimidating the prostitutes on the street. It will be an offence to act in an offensive manner with the intention of intimidating a prostitute in a public place.

Penalties for prostitutes, as well as clients, will be higher if the conduct occurs near a church, hospital, school or a public place regularly frequented by children and in which children are present at the time of the soliciting.

**LICENSING**

The bill establishes a Prostitution Control Board which will regulate the prostitution industry in Victoria. The seven member board will include persons with expertise in laws relevant to the regulation of prostitution, a police representative, and persons with knowledge of prostitution, health, and community issues. The board will be responsible for the rigorous licensing procedure for prostitution services, and also for disciplining licensees.

Operators of brothels and escort agencies will be required to obtain a licence. The unproclaimed licensing provisions in the existing act apply only to brothels. However, escort agencies now comprise most of the prostitution industry in Victoria, and they must be included in the licensing regime.

It has been proposed that one or two prostitutes should be able to operate from their own homes, even if they are in a residential area. However, careful consideration of the issue has identified concerns relating to the nuisance caused by such operations, especially late at night, and concerns with the potential effect on children.

Instead of allowing brothels in residential areas, the bill extends limited tolerance to small brothels by exempting one or two person operations from the licensing requirements as long as the brothel is located within the restricted areas required by the planning controls in part 4 of the bill. These areas fall outside residential zones, and away from schools, kindergartens and other places frequented by children. Such brothels must be owned and operated by the one or two prostitutes working in the brothel. No outside involvement in the operation will be permitted.

Applicants for licences to operate brothels and escort agencies will be required to show that they are suitable people to carry out such an activity. They will have to show that they have no criminal history or associations, that they are financially sound, and that their business structure is sufficiently transparent to allow identification of all those people with an interest in the operation. Applicants will be permitted to operate one prostitution business only. The public must be notified of all applications.

The board will have the power to impose conditions on licences, including special conditions on escort agency licences relating to the safety of employees. Escort agency work is known to be inherently dangerous, as the workers must enter the home or hotel room of persons who are often unknown to them. The board will be able to impose conditions requiring escort agency operators to provide communication systems to be made available to persons working in the agency.

The bill provides for approved managers to supervise the business in the licensee's absence. Managers must reach standards of suitability similar to that required of licensees. A licensed business must be personally supervised by a licensee or an approved manager at all times.

The bill provides for licensees and approved managers to have their licences or approvals suspended or cancelled if they are guilty of
prostitution control bill

misconduct in the operation of the business. Any conviction for drug-related offences or any indictable offence will mean cancellation of a licence or approval.

Police will have the right of automatic entry to any licensed operation. They will have the power to obtain search warrants to search premises suspected of offering unlicensed prostitution. There will be a new enforcement power, giving police the right to enter such premises without a warrant outside business hours, if they suspect that the delay in getting a warrant will result in the loss of evidence. Any exercise of this power of entry without warrant must be notified to the Magistrates Court and the board. Evidence obtained in this fashion will be inadmissible without proper grounds for exercising the search power.

This will be an unusual police power. It constitutes an exception to the usual rule that warrants must be obtained for searches of private premises. However, if the extreme difficulties associated with enforcing the law against these operations justify the special provisions contained in this bill.

Police will have the power to demand proof of age of any person on premises where prostitution is available, to identify whether children are present.

The existing regulations applying restrictions on the size and content of advertisements for licensed brothels will be extended to apply to escort agencies.

planning controls

The planning controls on the location of brothels contained in the existing Act are inadequate. In this bill, the government is recognising community demands for strictly defined limitations on the location of brothels.

At present, planning authorities are required only to take into account the proximity of dwellings, churches, hospitals or other community facilities to proposed brothels. There are no fixed restrictions on the proximity of brothels to these kinds of premises. This bill removes the uncertainty in the law that has caused great concern to many in the community.

The planning controls in the bill will ensure that brothels are not established within 100 metres of dwellings or within 200 metres of places of worship, hospitals, schools and other places frequented by children for recreational and cultural activities. Clearly defined, but slightly less restrictive controls will apply within the central City of Melbourne, as land use in the city is more intense, with less obvious impact by brothels. However, no such business in the city will be established in proximity to dwellings, places of worship, child-care centres and places frequented by children for recreational and cultural activities.

Provisions in the existing act allow councils to prohibit brothels as a use in their localities. The normal power for the planning minister to approve, disapprove or vary blanket bans on a land use in a municipality is restricted. The provisions have not been proclaimed.

The government recognises that the provisions allowing total prohibition of brothels in individual municipalities could result in prohibitions throughout Victoria, thus rendering the legislation ineffective. The amendments were moved by the coalition parties in 1986 because the Labor government was rushing through ill-considered legislation. When concerned Victorians looked at that legislation, they could not see clear restrictions that guaranteed brothels would not be located close to their homes, hospitals, churches, and facilities used by children. With such uncertainty in the legislation, there was community demand for councils to have the power to ban brothels entirely.

The present bill sets out clear restrictions. This government is confident that, with the improved planning restrictions on the location of brothels, it is safe for normal planning practice to apply.

Current planning guidelines issued by the Minister for Planning provide that brothels should be prohibited in rural and farming zones, and prohibition has been permitted in small towns of approximately 20 to 25,000 persons or less. The establishment of a brothel will clearly have a far greater impact in areas of small population than it does in metropolitan areas. The government intends to maintain its policy in respect of rural and farming areas and smaller towns.

From the proclamation of the act onwards, a brothel will not be able to operate with more than six rooms used for prostitution. Any exception to that limit must be specified in guidelines issued by the Minister for Planning. Apart from existing brothels with more than six rooms, there may well be no such exceptions. A person may not have an interest in more than one planning permit for a brothel.
Many Victorians will be relieved to know that this bill clarifies, in unambiguous and fixed terms, the planning controls applying to brothels.

PROSCRIBING OF BROTHELS

Provisions in the present act and in the Town and Country Planning (Miscellaneous Provisions) Act 1961 relating to the proscription of illegal brothels will be consolidated in the new legislation. When premises used as a brothel are proscribed by the court, notice is given in newspapers and notices are affixed to the building. A person commits an offence by being on the premises if he or she does not have a reasonable excuse for being there. Police may arrest without warrant any such persons found on the premises.

The proscription provisions in the Town and Country Planning (Miscellaneous Provisions) Act have been used by local councils to close brothels operating without a planning permit. At present the application must be made to the Supreme Court. The bill will provide for such applications to be made to the Magistrates Court, so that the process will be faster, and illegal brothels closed down sooner. Applications may be made in respect of brothels without a licensed operator, and in respect of brothels without a planning permit.

HEALTH-RELATED PROVISIONS

The existing Health (Brothels) Regulations will be retained. The regulations require cleanliness in brothels, including the provision of materials used in safe sexual practices.

This bill will implement offences relating to prostitutes who work knowing they have a sexually transmitted disease, and prostitution service operators who allow such prostitutes to work. The dangers to public health are significant when prostitutes infected with sexually transmissible diseases continue to work. It will be a simple matter for precautions to be taken to avoid committing this offence. As long as prostitutes receive fortnightly medical checks which show that they are free of infection, they cannot be convicted.

The health regulations make it an offence for a prostitution service operator to use results of a prostitute’s medical check to induce a client to believe that the prostitute is free from infection. That kind of conduct leads to practices conducive to the spread of sexually transmitted diseases.

It will not be possible to lead evidence of the presence of materials commonly used in safe sexual practices in prosecutions relating to unlicensed operation of prostitution services. This provision strikes a balance between the requirements of law enforcement agencies and the requirements of public health. No-one should be discouraged from taking measures that tend to prevent the spread of diseases such as AIDS. The Victoria Police have agreed to this provision. They do not believe that it will hamper enforcement work. Yet it may significantly assist public health objectives.

ADVISORY COMMITTEE

The bill provides for the establishment of an advisory committee. The committee will comprise persons with knowledge of the prostitution industry, and with knowledge of religious or community interests. The committee will advise me on issues related to the regulation and control of prostitution in Victoria. In this way there will always be community input into the regulation of prostitution, providing the government with the opportunity to respond to changes in the prostitution industry and related effects on the community.

COMMUNITY INITIATIVES

It is not sufficient simply to regulate prostitution. The conditions which lead to prostitution must also be addressed.

Part of the function of the Prostitution Control Board will be to assist organisations involved in helping prostitutes to leave prostitution, and to disseminate information about the dangers, including the dangers to health, inherent in prostitution, especially street prostitution. The advisory council will also have a role in reporting on the causes of prostitution.

The Department of Health and Community Services is currently operating programs which target those people who are most likely to enter prostitution. The department’s Child, Adolescent and Family Welfare Branch is concerned with vulnerable children and young people, young offenders and people who are homeless. A range of preventive, supportive, and accommodation services are funded or directly provided by the branch.

The department’s AIDS/STD Unit funds education and public health promotion work in the prostitution industry. This work is aimed at all participants in the industry, from street prostitutes
to brothel managers. Other initiatives target habitual drug and alcohol abusers. These programs will continue to tackle the conditions that give rise to prostitution and the associated health dangers.

This bill is the result of careful consideration of the many and complicated issues arising from prostitution. The bill strikes a middle course, neither making an impossible attempt to suppress prostitution, nor leaving prostitution to spread uncontrolled through the state. With the introduction of this bill, we have at last the opportunity to implement a sensible policy of regulation and control of prostitution in Victoria.

I commend the bill to the house.

Debate adjourned on motion of Mr THWAITES (Albert Park).

Debate adjourned until Friday, 4 November.

BUSINESS FRANCHISE ACTS (AMENDMENT) BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.

The bill gives effect to the government’s announcement on 30 September 1994 of its intention to introduce amendments to the Business Franchise (Tobacco) Act 1974 to address legislative weaknesses which have permitted avoidance or evasion of tobacco franchise fees.

The government is determined to eliminate the activities of unscrupulous tobacco merchants who exploit these weaknesses in the legislation with various schemes. Not only does Victoria lose substantial revenue through these schemes, but legitimate tobacco merchants are greatly disadvantaged. The Business Franchise (Tobacco) Act 1974 and the Business Franchise (Petroleum Products) Act 1979 are closely linked by a number of common compliance provisions. It is appropriate that most of the amendments introduced by this bill should be extended to the provisions of both acts. The bill is therefore titled the Business Franchise Acts (Amendment) Bill.

A major weakness which has been exploited recently arises from sales by wholesalers which are alleged to be for consumption interstate. Currently wholesalers need only to ‘reasonably believe’ tobacco is for resale or consumption outside Victoria to exempt the product from Victorian franchise fees. Unfortunately this has resulted in significant quantities of tobacco appearing in the shops of colluding retailers at heavily discounted prices rather than the tobacco actually leaving the state.

This bill introduces an amendment which requires the Commissioner of State Revenue to be satisfied of the product destination before granting an exemption. This amendment will greatly reduce the loss of revenue to Victoria caused by these interstate sales schemes. The amendment also demonstrates the government’s determination to prevent the activities of unscrupulous traders creating unwarranted pressures on the businesses of honest wholesalers and retailers.

To ensure that these amendments do not also adversely affect honest traders, the bill provides rebate relief. A rebate of fees paid in Victoria on tobacco which is subsequently resold interstate will be granted only where proof of destination can be provided to the commissioner. This amendment will also bring Victoria into line with other states, thus delivering administrative uniformity.

The government’s commitment to protect legitimate tobacco merchants from the activities of unscrupulous tobacco traders is further demonstrated by the enhanced compliance powers and stricter reporting requirements introduced by this bill. These amendments will not substantially affect the practices of legitimate operators but will enable the earlier detection of fee avoidance schemes.

The amendments proposed in the bill will come into effect on 1 December 1994.

I commend the bill to the house.

Debate adjourned on motion of Mr THWAITES (Albert Park).

Debate adjourned until Friday, 4 November.

BORROWING AND INVESTMENT POWERS (PUBLIC TRANSPORT CORPORATION) BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.
The government proposed in the autumn economic statement (April 1994) that the Public Transport Corporation would become reclassified as a non-budget sector public trading enterprise. This is consistent with the nature of the PTC business, and with the practice of other jurisdictions. It is also consistent with the ABS standard classification of government agencies. The PTC has its own sources of revenue through passenger fares and freight charges for public transport services. In future it is intended that the PTC contract to provide transport services under a government-contracted funding arrangement.

This bill provides the PTC with borrowing and investment powers more appropriate to its corporatising status and to a non-budget sector business.

STEP-IN RIGHTS

Consistent with prudent commercial practice, various commercial contracts provide step-in rights for government agencies. In the unlikely event of contract default where the continued provision of services is under threat and no other cure is available the agency would be empowered to step in to ensure that the service is maintained. This is an added protection to consumers and taxpayers.

The bill clarifies the powers of agencies to exercise step-in processes by providing power to assume debt and other obligations entered into by another party. Clause 3 of the bill inserts this new power into the Borrowing and Investment Powers Act 1987.

PROVISION OF SERVICES BY THE PRIVATE SECTOR

The government has a number of infrastructure projects under discussion with the private sector involving the provision of services. Examples include the bypasses, private prisons, and emergency services call-taking and dispatch projects.

The commercial principles being adopted for such projects will substantially reflect a requirement to provide a service to a given standard over a given contract period. In the case where contract conditions are such that the continued provision of this service is threatened, and the service is regarded as essential, the government will negotiate options for step-in.

This legislative amendment will therefore facilitate the standard commercial principle of step-in for a number of other contracts involving government authorities. In every case conferring of these powers is conditional on the Treasurer's approval.

I commend the bill to the house.

Debate adjourned on motion of Mr THWAITES (Albert Park).

Debate adjourned until Friday, 4 November.

Remaining business postponed on motion of Mr STOCKDALE (Treasurer).

DOMINION PROPERTIES LTD

Mr THWAITES (Albert Park) — I ask the Premier to investigate whether the Crown Casino bidding company properly submitted details of the criminal record of the company Dominion Properties Ltd when it placed its bid with the Victorian Casino Control Authority.

Section 9 of the Casino Control Act requires the authority to consider whether each person — —

Mr STOCKDALE (Treasurer) — On a point of order, Mr Speaker, it is apparent already from the question raised by the honourable member for Albert Park that he is seeking a legal opinion from the Premier. He specifically raised a legal issue about the interpretation of a provision in the Casino Control Act in the light of certain facts that he is alleging. He then specifically cites a particular section and claims that that section is relevant to those facts.

I submit there could not be a clearer case of a member seeking from a minister not an action in relation to an administrative matter but a legal opinion and, as such, he is out of order.

Mr THWAITES (Albert Park) — On the point of order, Mr Speaker, I quite clearly asked the Premier to investigate whether the Crown Casino bidder submitted details about the criminal record of Dominion Properties to the Casino Control Authority. That has nothing to do with a legal opinion; it is simply asking whether a particular fact did or did not occur.

I submit there could not be a clearer case of a member seeking from a minister not an action in relation to an administrative matter but a legal opinion and, as such, he is out of order.
That fact is relevant because the director of that company was Mr Lloyd Williams, who is also a director of Crown Casino, and the Casino Control Act makes it clear that it is not merely an issue of the actual person who is the bidder but people associated with that person.

It is clear from the Winneke royal commission that Mr Williams was directly concerned in providing services to Mr Norm Gallagher and that those services led to the charging and conviction of Mr Gallagher, for which he was subsequently gaol.

The SPEAKER — Order! I have heard sufficient of the point of order. While there is prohibition on seeking a legal opinion at question time, no such prohibition applies to the adjournment debate.

Mr THWAITES — Mr Williams admitted at the royal commission that he was prepared to contribute as much work as Mr Gallagher asked him to contribute. He also admitted to the commission that:

So the favours, if I can call them that, that you have been prepared to bestow upon Gallagher have been part and parcel —

The SPEAKER — Order! The honourable member’s time has expired.

Workspan

Mr DOYLE (Malvern) — The matter I wish to raise with the Minister for Health, and in her absence the Treasurer, who is at the table, concerns a group in my electorate called Workspan, which is an independent body offering disability support. I ask that new premises be provided for this group.

The group’s chief executive officer, Ian Meharry, has provided me with certain information. The group operates on a small budget of some $250 000 which enables it to provide personal support, not clinical services, for people with mental disabilities. They help people with psychiatric disabilities by giving them skills to enable them to participate in the wider life of society, and may offer gardening work as the type of work that their clients can do. But it is not just the mowing of lawns that is important to this group; it is the interpersonal skills, the decision-making skills, the dealing-with-other-people skills. The skills that are important are the ability to be punctual, to follow instructions, to follow routines, to have some discipline about work and to be able to make decisions in the course of work — the same skills young people need to apply for a job of their own.

The group’s clientele, those diagnosed with mental illness, although not those in the acute stages of illness, is the most vulnerable group in our society. Workspan gets its referrals from the Waiora clinic, Heatherton, southern hospitals, private psychiatrists and general practitioners, and in some cases they are self-referred. It has about 58 clients on its books and six very committed full-time staff who work with those clients. Staff members are prepared to put their case forward because they measure their success in outcomes, by what happens to their clients.

They have been shifted from the Glenhuntly centre to the old Malvern clinic. The minister, the honourable member for Albert Park and I have inspected the appalling conditions in which they work. They are currently at the temporary Waiora premises but need a permanent home.

The group offers three excellent programs: the Many Hands program, a garden training service and the Workspan arts program, which is not only recreational but exhibition-based, especially during this National Mental Health Week. It also offers a training unit.

The group requires security of tenure in its own premises. It does not actually give people jobs but prepares them for jobs, training and courses. Workspan does excellent work with the Holmesglen TAFE in my electorate.

Will the minister offer these people premises they can call their own, which will give them security of tenure and which will allow them to continue to provide this excellent service to the most vulnerable people in our society?

Job losses in Bayswater

Mr THOMSON (Pascoe Vale) — I raise a matter for the attention of the Minister for Industry and Employment and, in his absence, the Treasurer. In the last week or so more than 120 workers at the Vulcan factory at Bayswater will be made redundant as the company winds down its heating operation.

Southport Holdings Ltd has decided to shift its manufacturing operations for Vulcan brand heaters from Melbourne to Adelaide, which is very good for South Australia. As the Croydon Chamber of Commerce has indicated, the move will have a great
impact on jobs and businesses in the eastern suburbs. It points out that many workers living in Croydon work at the Vulcan factory, and if another 120 jobs are lost in the area, another 120 jobs will have to be found in other industries.

I understand that the South Australian government - I point out that this looks like more revenge for Victoria stealing the grand prix — offered $1.5 million to the company as an incentive to move to South Australia. I further understand that after the Kennett government responded by offering $5 million the South Australian government in turn also put up $5 million.

Unfortunately it seems that because of this bidding war, which the Kennett government started by stealing the grand prix from Adelaide and another example of which was the South Australian government’s coaxing Australis Media to go to South Australia rather than setting up in Broadmeadows, we again have a substantial industry deciding to set up in South Australia rather than in Victoria. The South Australian government is stitching up Victoria handsomely for having stolen the grand prix!

It is a matter of concern to me, and I am sure to all Victorians, that a substantial company like Vulcan, which is one of Knox’s landmark companies, appears to be winding down its Bayswater operation, a move that could be a step in the direction of its closing and selling its plant at the intersection of Bayswater Road and Mountain Highway.

Mr Wells interjected.

Mr THOMSON — Someone has to look after the area; the local member is not capable of doing it. I urge the minister to investigate what can be done to retain Vulcan's operations in Victoria. I ask him for a response to the reports that Victoria and South Australia have entered into a bidding war about where Vulcan should be located. What steps has the Victorian government taken, compared with those taken by the South Australian government, to retain the Vulcan operation within Victoria?

Bus services: Nightrider

Mr LUPTON (Knox) — I direct to the attention of the Minister for Public Transport the road safety situation for people who attend nightclubs and who drive home while affected by drink. The management of the new Stylus disco that has opened in my electorate is concerned, because of various circumstances, that patrons should get home safely.

I ask the minister whether there is a possibility of a Nightrider bus being provided when the disco closes at 3.00 a.m. to ferry home people who live in the immediate area. It is common for people who attend the facility to drink. The government is concerned about drink-driving, and as these people have no other means of getting home I believe it would be an ideal opportunity for the minister to use the Nightrider buses.

The Nightrider bus fare of a flat $5 in the metropolitan area probably deters a large number of people from using the service. I understand the management of the Stylus restaurant hired a couple of buses and found that to be successful when fares were less than $5.

Given that the government is committed to cutting the road toll and providing a safer transport for people returning home while under the influence of alcohol, I urge the minister to examine the matter with a view to providing buses at the time the Stylus disco closes on Friday and Saturday nights. The disco, which is located on the old Swagman restaurant site, provides an entertainment facility for people who live as far away as Belgrave and Dandenong.

If the Nightrider service were made available at an acceptable cost, I believe patrons would flock to use that service and take advantage of the opportunity of being driven home by a person not affected by alcohol. I have had discussions with the minister and I ask him to provide a positive response to the initiative taken by the Stylus disco.

Wombat Forest: harvest

Ms MARPLE (Altona) — In the absence of the Minister for Natural Resources I direct the attention of the Minister for Agriculture to forest harvesting in the Wombat Forest, which is situated between Daylesford and Woodend.

It would appear that the members of the Wombat Forest Society have deep concerns about the harvesting of timber in that area. In a report to the National Council of Women of Victoria members of the society pointed out that the timber workers fear that the industry, which supports their living and the township, is now threatening to destroy the forest that protects the water catchments. Members
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of the Wombat Forest Society are very aware that timber gathering is important to their area, but they are concerned about what amount of timber is being taken out.

A newsletter of the National Council of Women of Victoria reported that the state government admitted it is allowing contractors to take more wood from the forest than grows back. The newsletter indicates that a member of the conservation department said at the time, 'At the moment, it's a bit out of balance'.

The Wombat Forest Society is concerned that the department is trying to cover up the destruction of the forest when plantation wood alternatives are freely available. The society wants to know what grade of wood is being harvested and taken out of the forest, and what assurance the minister can give the members of the society that his department is allowing contractors to harvest timber from that forest only in a sustainable manner.

If that is not the case, what action does he propose to take to rectify this situation so that the harvesting of timber is done in a sustainable manner and people living in those areas can still rely on the timber industry to support their living, and also to allow the forest to protect the water catchments?

Mining industry

Mr TANNER (Caulfield) — The matter I raise for the attention of the Minister for Energy and Minerals is an important issue that relates to the mining industry in this state and its exploration efforts. Honourable members will be aware that last century Victoria was the richest community in the world as a result of the mining industry and the benefits that it brought to Victoria. As a result of that industry Victoria enjoyed the provision of such buildings as Parliament House, Government House, the Supreme Court building and many other fine buildings that have survived from a century ago.

Honourable members will also be aware that the previous Labor government from 1982 to 1992 drove the mining industry out of the state.

Mr TANNER — Mining exploration in this state virtually ceased because of the anti-mining attitude of the previous Labor government and its pandering to various interest groups in this state. Because of the former government’s rather strange notions, this once great industry and the benefits that it provided to Victoria have virtually ceased.

Honourable members of the government should be aware of the concern that is being expressed in the community that the mining exploration effort might be decreasing. Since the election of the Kennett government legislation passed by this Parliament has revived the mining industry, particularly mining exploration over the past two years.

This government has given hope that once again this state might benefit from mining and be able to provide improved community services to all Victorians. Nevertheless a rumour has been circulating in the Victorian community that the mining giant CRA will reduce its increased exploration effort. Honourable members should be concerned about this rumour because the Minister for Energy and Minerals has played a very prominent part in reviving the mining industry in this state —

Honourable Members — Hear, hear!

Mr TANNER — He has played a prominent part in getting rid of the mischievous third parties who used to hold up mining efforts under the previous government. We have got them out of the system and allowed the industry to get down to work. At the same time the government is maintaining all the environmental safeguards that the community could possibly want. This government will revive the industry, but there is a rumour running that CRA will downplay its exploration effort. I ask the minister to look into this matter and take whatever action is necessary to ensure that CRA maintains its exploration efforts.

Honourable Members — Hear, hear!

Auditor-General: report

Mr BRUMBY (Leader of the Opposition) — I refer the Attorney-General to a matter concerning the Finance Statement and Report of the Auditor-General 1993-94, which was tabled yesterday in Parliament. I refer particularly to page 111, paragraph 7.130, which states:

Audit was advised by the Department of the Treasury that an analysis was undertaken by the department, of preliminary financial projections associated with the race prepared by the company, prior to the issue of the indemnities to assess any consequent risks to the state.
However, no evidence was made available to audit to support this statement.

I refer to section 44 of the Audit Act 1958 headed 'Power to call for persons and papers etc.'.

Subsections (1) and (2) make it absolutely clear that the Auditor-General may require, in the form of either personal appearance or papers, documents to be prepared and provided to the Auditor-General on request without exception. Section 44 of the act makes that clear.

Section 45 of the act refers to offences and what occurs if information is not provided to the Auditor-General under the act. Section 45(1) states:

Every person who fails to attend the Auditor-General or any court for the purpose of being examined pursuant to this Part, or to produce any accounts books vouchers or other documents, or to answer any lawful question when required so to do by the Auditor-General or by the court, shall be liable on any such default to be dealt with in case of a contempt of the Supreme Court.

Section 45(2) states:

Every person who in relation to this Part makes and subscribes any declaration knowing it to be false, and every person who in the course of his examination before any such court or the Auditor-General willfully and corruptly gives false evidence, shall be liable to the penalties of perjury.

So that is section 45 of the act.

In the Auditor-General's report the Auditor-General says that Treasury told him that a report had been prepared, but no evidence was made available to audit to support the evidence.

Only two conclusions can be drawn from this. If there was a report, Treasury refused to make it available — that is, the Treasurer refused to make it available — to the Auditor-General, which is a breach of section 45(1) of the act, and that is equivalent to a contempt of the Supreme Court. If no report was done in the first place — which I suspect is the case — and the Treasurer had told the Auditor-General that there was a report, section 45(2) of the act says that that matter shall be dealt with as a perjury.

I ask the Attorney-General to investigate breaches under section 45 subsections (1) and (2) of the act in relation to the Auditor-General's report as they relate to the Treasurer.

The SPEAKER — Order! The honourable member's time has expired.

Sporting goods sales

Mrs HENDERSON (Geelong) — I raise for the attention of the Minister for Planning a planning issue in Geelong that could arise as a result of a recent decision made by the minister to delete bicycles and sporting goods from the definition of peripheral sales in the Geelong area.

I understand this amendment brings Geelong into line with Melbourne, but there is some concern about a sports store named Rebel Sports which is in the process of establishing a major retail outlet business on the old J. C. Taylor building site on the corner of Gheringhap and McKillop streets in Geelong. It is possible that Rebel Sports could be caught in this transition period of the changes to planning amendment R77.

In establishing its business Rebel Sports has acted in good faith. It has obviously committed a substantial amount of funds to the establishment of the business and has proceeded on the basis that peripheral sales have an allowable use in the area.

I ask the minister to look at the issue to ensure that Rebel Sports stores are not disadvantaged in any way by the recently announced changes to the controls that delete bicycles and sporting goods from the definition of peripheral sales in the Geelong area.

Yinnar South Primary School

Mr HAMILTON (Morwell) — I raise a matter for the attention for the Minister for Education concerning CASES computers for country schools. This is a computer system — together with a real computer, too, I understand — which is being installed in all larger schools in the state. It enables a school to comply with its accounting and reporting obligations to Rialto, to the director-general's office.

In this case I raise for the minister's attention the Yinnar South Primary School, which has 57 students — next year it will have 61 — but despite this it still has not reached the magic number of 64. The Minister for Education has ruled that schools with fewer than 64 students are not entitled to have a CASES computer. That still does not
prevent the school from having to comply with the directive that it must supply any necessary statistics and reports on the school's accounts, performance, number of students, and so on, to the central directorate.

At the Yinnar South Primary School the position of clerical assistant is part time. That person has to take the data from the school, visit another school — in this case the closest school would be some 8 kilometres away and other schools within perhaps 12 or 15 kilometres — and enter the data into that school's computer in order to comply with the directive of the Department of Education. This seems to be a very wasteful exercise. If the clerical assistant is paid travelling time, quite clearly that is not a cost-free exercise.

Honourable members interjecting.

Mr HAMILTON — Despite the interjections, which are unruly, the Yinnar South Primary School is being disadvantaged by having to comply with a system which has been instituted by the Department of Education. This matter needs to be looked at and given very special attention. A number of schools in Gippsland as well as Yinnar South Primary School are in the invidious position of being forced to comply but not having the wherewithal to do so. The Minister for Education should take up this matter.

Given his announcement about improvements to country schools in the newspaper this morning a number of country schools throughout Victoria would be very pleased if the arbitrary restriction of 64 students was changed to make it more reasonable and so that those schools can be given the benefits available to most other schools in Victoria.

Hong Kong trade mission

Mr JENKINS (Ballarat West) — My question to the Minister for Industry and Employment concerns a trip I had on a trade mission to Hong Kong some months ago in May where the regional development boards chose to search out contacts through the Hong Kong-China area and South-East Asia for future business. I am pleased to say in reporting on that matter that since that time two or three visitors from Hong Kong have come to Victoria, and specifically to Ballarat, to arrange for business contacts. One of the interesting requests we had was to supply 10 000 tonnes of wheat. I checked with the Australian Wheat Board, and because of the drought sadly we could not fulfil that order which means they may have to look to suppliers in another country. A golden opportunity was missed. However, they are still very keen to do all sorts of other business with us.

Local companies in Ballarat are very excited about the prospects of this Hong Kong-China arrangement in primary produce, secondary products and building products. As late as today I have been making arrangements for a company in north-east Victoria, in the Deputy Premier's electorate, to arrange for a company up there to supply plumbing wear to the Chinese building industry. I have been pleased with the enthusiasm that has been shown by local companies and companies with associated contacts in Hong Kong and China.

However, I understand that the minister is going to that area in the next two weeks. I should like to ask him what he hopes to get for Victoria in addition to what I have arranged for Ballarat. He will find that the celebration will involve Hong Kong's jockey club as part of the Melbourne Cup festivities. More money is punted on the Melbourne Cup in Hong Kong than in the whole of Australia. Perhaps Paris Lane is well known in Hong Kong!

I should like to know whether the minister can advise the house of recent outcomes he has had in metropolitan Melbourne and other parts of Victoria regarding business in China and what new business he hopes to get over the next two weeks during his visit to Hong Kong, China and Korea. In conclusion, I wish the minister and his mission as much success as, if not more than, we had during our recent visit to the area.

City of Brimbank: proposed

Mr SEITZ (Keilor) — I raise for the attention of the Minister for Local Government and in his place the Minister for Agriculture who is at the table the proposed new City of Brimbank in my electorate. I urge the Minister for Local Government to examine the report released today on the proposal for the new city. I am concerned about the creation of a new city in an area that had, in 1993-94, a rate revenue base of $34 million in round figures and an expenditure of $91 million. There seems to have been a $60 million discrepancy.

I ask the minister to look at the report of the proposal for the new city. The industrial area of the rate base is being taken away and there is an imbalance in the rate revenue.
The SPEAKER — Order! The honourable member's time has expired.

Responses

Mrs TEHAN (Minister for Health) — I thank the honourable member for Malvern for raising with me the important issue of Workspan's new premises. In the early part of the year the honourable member and I saw the Malvern premises from which Workspan has operated and I could best describe it as a shed. I think it was probably an old stable at the back of the property. The front of the property was commonly known as the Malvern Clinic and was used to provide services for the mentally ill. A composite of other groups, including Workspan, which has operated from the stables-cum-shed in the back of the property, has also used the premises.

Workspan, which the honourable member knows well, does excellent work in training people who have suffered from a psychiatric illness to go back into the work force. It not only seeks to get jobs for these people but it also trains them and helps them develop their skills. It was obvious to me that the premises at the back of the old clinic were totally inappropriate. Workspan had gone there because there had been an industrial problem in its previous office building, and there was a suggestion that there was asbestos in those original premises.

For the past eight or nine months Workspan has sought to provide a very worthwhile service in most unsuitable and impractical circumstances and facilities. The honourable member for Malvern has taken an interest in its work and has worked with the psychiatric unit in the Department of Health and Community Services to see whether more appropriate facilities can be found for them.

It is temporarily located in the beautiful new building that houses the old Malvern clinic and now provides a wide and expanded range of services for the mentally ill, but it is not an appropriate setting for Workspan because it needs to be closer to where people can come in and be trained, and the predominance of people who need its services are out in that Oakleigh area.

The honourable member for Malvern has raised with me negotiations about new premises for Workspan, and I advise him that we are currently negotiating for new premises in the Oakleigh area. The department is very close to completing that deal, which will provide an excellent site in Oakleigh for the ongoing work of Workspan. An office building has been identified which will require alterations and a custom refit, but the department will fund that and it will be under way as soon as the purchase of the property has been completed.

It is an excellent site. I assure the honourable member for Malvern that the Workspan staff are most enthusiastic about it. It meets all of their needs and includes a resource room, multipurpose rooms, interview rooms and office space — something that they certainly have not had since I discovered them in that back room near the old Malvern clinic.

The proposed site is central to the catchment area for Workspan's clientele, particularly for the non-English-speaking background clients congregated in the Oakleigh-Springvale area. The new site will provide stability for the support services of Workspan.

I thank the honourable member for Malvern for his interest in this small but important service, which is part of a broad range of services in the community to assist people with psychiatric illness.

I am also delighted for the dedicated staff who work at Workspan. They have been working under difficult circumstances and it is excellent that the department has now found premises, will set them up and make them appropriate for the services provided by Workspan. The dedicated staff, their clients and the people who need that retraining and opportunity to be re-employed will now have the advantage of far more satisfactory services.

I thank the honourable member for Malvern for his endorsement and especially for his interest in this and a number of other services in the mental health area.

Mr S. J. PLOWMAN (Minister for Energy and Minerals) — I thank the honourable member for Caulfield for his spirited contribution, which leaves absolutely no doubt about his support for an environmentally responsible mining industry. His comments related particularly to the CRA group, which has shown itself to be an exemplary company in its concern for the environment while conducting exploration work. I note in particular the work it is doing in Chiltern Park under the supervision of the Department of Energy and Minerals and the Department of Conservation and Natural Resources. A drilling program is under way in the park, but you would be hard pressed to find any evidence of it after they have finished the drilling program. In
other words, this company has shown its capacity to carry out a drilling program in an environmentally sensitive area in a manner acceptable to both the industry and to the environmentalists. It is an example to others around the state and the nation of good multiple land use in a park.

The honourable member raised a rumour that had been circulating during Mining Week, and perhaps this is the only sour note to emerge from Mining Week. It related to an article written by Barry Fitzgerald of the Age. To do Barry credit, he has given great support to the mining industry and is normally very positive about the performance of the mining industry in Victoria and around Australia.

I am very pleased to be able to say that the rumour about CRA pulling its exploration activities out of Victoria is totally without foundation. Today Dr Ian Gould, a senior executive of CRA, and I announced that CRA is now consolidating its exploration and technology information groups in Victoria.

These groups are coming principally from Canberra. Some 65 staff will be located at La Trobe University, which will be a consolidation of its staff from Box Hill and Canberra, where its major resource facilities have been located. Rather than deserting the state, I believe that is a demonstration of that mining giant's confidence in Victoria. The decision was not made just as a matter of convenience, because Perth offered considerable competition as an alternative location for this facility. Western Australia has a very active mining industry which currently brings in about $15 billion to the state each year. So WA was a very attractive alternative prospect for CRA. But it made the decision to favour Victoria because it could see that Victoria is encouraging mining and that there are very great opportunities in this state, which the company hopes to take advantage of.

As well as assisting the facilitation of the exploration facility at the La Trobe university, it will be sited alongside its advanced technological development research facility, which specialises in metallurgy among other things. There will be a flow-on effect from the two facilities at the La Trobe University, which will include the postgraduate students and the academic staff.

Rather than CRA deserting Victoria — the rumour which has been floating around this week and which concerned the member for Caulfield — I am pleased to advise the house that in fact the mining company is consolidating its operations here in Victoria at La Trobe University. That is a great thing for this state. It is a very good thing for the mining industry and a very good thing for La Trobe University, which will benefit from the consolidation of CRA's activities on the campus. The flow-on effect to the university and to research technology will be very substantial and will be of great future benefit to this state.

Mr BROWN (Minister for Public Transport) — I am pleased to respond to my colleague the honourable member for Knox, who has obviously heard that the government is now expanding bus services and making improvements across the system. He just wants a piece of the action! Again, that is something the former Labor government could not achieve during the 10 years it was in office. I have also received representations from the honourable member for Monbulk on the same subject.

As a result of the discussions I have had with my colleagues — and the representation made in the house today by the honourable member for Knox — I am happy to announce that I am prepared to have my department, in conjunction with the Bayswater Nightrider service operator, Ventura Buslines, immediately expand the operation of the Bayswater Nightrider service to serve the new Stylus Nightclub at Ferntree Gully. I have been so impressed by my colleague's submission that I am happy to authorise the commencement of the service as from tonight.

Honourable members interjecting.

Mr BROWN — You cannot get any quicker than that! We will ensure a special local fare of $2 is charged to encourage the customers of the Stylus Nightclub to use the existing services to Vermont South and Bayswater.

The Nightrider buses, like the free City Circle trams, are initiatives of this government which have been amazingly supported. The Nightrider services transport young people, in particular, from their homes to their destinations, usually in the city.

That additional service will operate from 3.20 a.m. from the Stylus nightclub to use the existing services to Vermont South via Bayswater and Wantirna. I am prepared to go further —

Honourable members interjecting.

Mr BROWN — I am probably too generous! On a trial basis — and I emphasise that point — for, say, four weeks I am prepared to provide the following
service on Fridays and Saturdays, again in this case to be underwritten by the Stylus nightclub: from 3.00 a.m., from Stylus to Belgrave via Upper Ferntree Gully, Upwey and Tecoma; from 3.30 a.m., from Stylus to Ferntree Gully and Boronia, returning from Ferntree Gully via Mountain Highway, Stud Road and Burwood Highway.

I understand the management of Stylus is prepared to support all those services with the provision of on-board security staff on the buses. This is a first! In addition to our young being able to get home safely for only $2, we will have on-board security staff!

That service will be for a trial period of one month. I will evaluate the success thereafter because obviously we want the services to run as close as possible to a cost-neutral basis. Under the can-do Kennett government we will have a classic win, win situation!

This will be yet another example of this government’s ability to adapt and deliver services to meet our community requirements and, in particular, the needs of our young people. The City Circle tram service carries about 14 000 people a week.

Mr Andrianopoulos — How many?

Mr BROWN — About 14 000, and on current estimates its success is so great we could be carrying about 900 000 people on the City Circle trams in the first 12 months of operation. That would be an outstanding success.

It is important to note that the new improved bus service is primarily for our youth; they have needs, concerns and aspirations. For only $2 they will be able to get home safe and sound on the very popular government’s Nightrider bus service.

Mr W. D. McGrath (Minister for Agriculture) — The honourable member for Albert Park raised a matter about Crown Casino, and about the bidding process, for the attention of the Premier. I will bring that to the attention of the Premier. I am sure the Premier will respond in due course.

The honourable member for Pascoe Vale raised for the attention of the Minister for Industry and Employment the possible relocation of some of Vulcan’s activities at Dandenong to South Australia and claimed that the action may have been in retaliation for the grand prix coming to Melbourne. It is fair to say all states are in competition with one another to attract industry. The Minister for Industry and Employment has entered the chamber; I will leave that for him.

However, I can say that Vulcan is a successful company in Horsham and provides job opportunities and a very real injection into the economies of Horsham and the Wimmera.

The honourable member for Altona raised with the Minister for Natural Resources the grade of wood being taken from the Wombat Forest. There must always be a proper balance between conservation and timber harvesting. Although timber is a renewable resource, it is fair to say that over a number of years many people, particularly those who were employed by the former forestry commission, were conscious that timber harvesting should be carried out sensibly for the good of all Victorians.

Having said that, there are indications that some of the clear felling that took place 60 to 100 years ago was inappropriate; and it is taking some time to rectify that situation. Many communities, including Landcare groups and individuals, are assisting in that process. The timber from this forest is being taken in a proper and sensible manner either from the forest floor or as felled timber, but I shall relate the honourable member’s concerns to the Minister for Natural Resources.


The honourable member for Geelong raised with the Minister for Planning the fact that Rebel sports was caught up in amendment R77 to the Geelong planning scheme and said that could penalise the business potential of the company. I am sure the minister has no intention of putting impediments in the way of business. I understand the honourable member for Geelong wants businesses in her electorate to prosper so that they can provide job opportunities for people in her electorate. The minister will reply in due course.

On behalf of Yinnar South Primary School the honourable member for Morwell raised with the Minister for Education the computer system and the reporting services that go to the head office of the
Directorate of School Education. I shall direct that matter to the minister.

The honourable member for Keilor directed to the attention of the Minister for Local Government in the other place the interim report of the Local Government Board referring to the creation of the City of Brimbank. He believes there is some discrepancy in the revenue estimates of the proposed city. I shall direct that matter to the Minister for Local Government, who is doing an outstanding job in reforming local government.

Mr Gude interjected.

Mr W. D. McGrath — The Minister for Industry and Employment interjects that it is a brilliant performance. The Minister for Local Government will respond to the honourable member for Keilor in due course.

Mr Gude (Minister for Industry and Employment) — The honourable member for Pascoe Vale raised with me a company that has been approached by the South Australian government to move to South Australia. The honourable member suggested that the member for Bayswater had not done enough; indeed, he went further by suggesting that the Victorian government should be further involved in the bidding process.

Let me inform the honourable gentleman that the local member has acted in a most effective and efficient way. He has been doing everything that one could humanly do to try to assist in the retention of this very valuable industry. The fact is that there have been some discussions between the company and the government. We will do all we can to secure the company, but there will be times when companies make decisions that they perceive to be in their best interests. They may move to another area or indeed close their businesses through no fault of anybody, least of all the government.

I can assure the house that this government will not get involved in an indiscriminate, insane bidding war between the states for jobs. We will do everything that is responsible to retain, enhance, develop and encourage growth in job opportunities for people in this state. That is what we are doing with respect to the matter that the honourable member for Pascoe Vale has raised.

Given that he received a briefing from my department only recently — he has raised some of these discussions — I do not know what occurred but I imagine that he would no doubt have satisfied himself that the government at present is managing the largest ever investment portfolio any state industrial ministry has conducted on behalf of the people of this state. An investment of around $17 billion is on foot at present in Victoria. We are currently working with over $5 billion worth of investment, translated into around 13 000 jobs, and we are seeking further opportunities overseas for regional headquarters and the like.

I can assure the honourable member that we will leave no stone unturned in securing through responsible management a good outcome for people in employment in this state and people yet to be employed.

The honourable member for Ballarat South raised with me — —

Honourable members interjecting.

Mr Gude — Ballarat West — it would not matter whether it was east, west, north or south. The one thing we can be sure of is that it is a damn sight better than the representation there when the Labor Party was in office. In this member we have somebody with a real interest in what is going on in the international marketplace, and particularly in the Asia-Pacific area.

The honourable member has been actively engaged, on behalf of the total community of Ballarat, in seeking business opportunities. Indeed, he took time out at his own expense to go to China to assist in developing opportunities for his own community. If other honourable members in this place were prepared to do the same thing rather than sitting on the other side whining, carping, whingeing and moaning, smearing and besmirching people, we may well see this state go ahead.

Tomorrow I leave on a 14-day mission to China, Hong Kong and Korea. The main goals will be promoting Melbourne and Victoria as the best location for business in the Asia-Pacific region and the development of further trade. I am pleased to say that, with the advantage study of Melbourne that has recently been undertaken by the government and, I concede, for once supported by the opposition, we have something real to sell, a benchmark that this community can be proud of.

Later this week, about Sunday, I should be in Shanghai, where I will be meeting with a number of business people who have been brought together by
the Department of Business and Employment and the Victorian Employers Chamber of Commerce and Industry.

An honourable member interjected.

Mr GUDE — Fourteen days.

I am pleased to be able to report that the business mission that has left and been active in Nanjing — an area I visited late last year, establishing a commercial arrangement with the government representatives of that area — has already signed off on letters of intent worth $28 million in the past few days. That is a good initial outcome. I hope we will be able to build further on that in Shanghai and Nanjing.

When we return to Hong Kong, one of the key connectors we will be making contact with there is Governor Chris Patten, whom all honourable members would recognise as a most influential person in the community and certainly one who is best placed to advise the Victorian government of the sorts of strategies we might employ to take fullest advantage of business opportunities.

We intend to use the advantage study of Melbourne in that area and, as was indicated earlier, we believe there will be good investment coming out of that.

Mr Bracks interjected.

Mr GUDE — It would be a good idea to take the honourable member for Ballarat West. Instead of being a smarty pants, it might be useful if the honourable member for Williamstown made a contribution to his own community and took a trip overseas to see if he can bring back some business to assist in the employment of people in his electorate who are out of work.

I am confident that when I am in Korea we will develop a major technology agreement that will run into a multimillion dollar agreement for high-tech operators in Victoria, whom we will be taking with us. That will further add value to the knowledge base of this state, to the business of this state, and give it further unique opportunities in the Asia-Pacific area.

Mr Seitz interjected.

Mr GUDE — This is interesting because we have requests for trips from the other side. What we have in the Labor Party is the left-wing faction, the centre unity, the pledge group — —

Mr Seitz interjected.

Mr GUDE — We have the left-right-out faction, that is the Brumby faction, and we now have the snouts-in-the-trough faction being ably led by the honourable member for Williamstown. In a debate some days ago he was trying to get a whole raft of extra benefits for members, principally for himself. In the course of this contribution, by way of interjection, the honourable member is now trying to get his snout in the trough a little deeper and wants the government to pay for him to go on a free trip overseas. The people of Williamstown should understand what this person is really all about.

The efforts that have been made by the Kennett government, particularly by the Premier in missions he has led overseas, have been extremely successful. The Minister for Tourism will also be opening new tourism offices in Hong Kong and Osaka in a few weeks, and that is another indication of the clear drive of this government to achieve success.

I look forward to participating in this trade mission and I trust that we will bring back the success to the state we seek to achieve, and that is consistent with the requests from the honourable member.

Motion agreed to.

House adjourned 4.28 p.m. until Tuesday, 8 November.
DEATH OF SIR VERNON HOWARD COLVILLE CHRISTIE

Tuesday, 8 November 1994

The SPEAKER (Hon. J. E. Delzoppo) took the chair at 2.06 p.m. and read the prayer.

DEATH OF SIR VERNON HOWARD COLVILLE CHRISTIE

Mr KENNETH (Premier) — I move:

That the house expresses its sincere sorrow at the death of the Honourable Sir Vernon Howard Colville Christie, and places on record its acknowledgment of the valuable services rendered by him to the Parliament and the people of Victoria as member of the Legislative Assembly for the electoral district of Ivanhoe from 1955 to 1973 and Speaker of the Legislative Assembly from 1967 to 1973.

Sir Vernon Christie was born in Sydney in 1909 and died last Friday, 4 November 1994. Sir Vernon was an eminent member of the Victorian community who will be remembered not only for his political service but also his contribution to the business sector and a range of community organisations. In 1972 Sir Vernon was duly knighted for his dedicated service to this state.

As a young man Sir Vernon must have possessed a considerable amount of drive and ambition, completing his accounting and company secretary qualifications by night school while working in the pastoral and freight industries. Sir Vernon had his own practice as an accountant for a number of years prior to relocating to Melbourne in 1939.

During the Second World War Sir Vernon's valuable skills were utilised as the executive assistant to the director of the Aircraft Production Commission, which was concerned with manufacturing Beaufort bombers. Following the war, Sir Vernon remained in the manufacturing sector, and as managing director of several prominent companies he no doubt contributed to the expansion and importance of manufacturing in post-war Melbourne.

In a community-spirited move during the 1930s depression, Sir Vernon had made a bid to serve at a local level. However, it was in 1955 that he was first elected to the State Parliament as the member for the new seat of Ivanhoe.

Sir Vernon was a prominent servant and advocate for his electorate for almost 18 years. A tireless worker, Sir Vernon assumed considerable parliamentary duties as Chairman of Committees from 1956 to 1961 and again from 1965 to 1967. Sir Vernon also served as a member of several significant committees during his parliamentary career.

Describing himself as a strong believer in Westminster tradition and constitutional monarchy, Sir Vernon was well suited to serve as the Speaker of the Legislative Assembly, a post that he held from 1967 to 1973. As the Speaker, Sir Vernon was well regarded for his impartiality and diplomacy and the dignified manner in which he executed his duties. As the founder of the Save the Yarra League in 1958, Sir Vernon was a visionary in recognising the potential of the Yarra River as a centrepiece for Melbourne. It is a vision which is now, in real terms, only fully being recognised.

Both during and after his political career he was an active member of the wider community, lending his support to charities and initiatives such as the Ivanhoe Helping Hand Association. Throughout his life he remained a patron of the arts. He held posts as the President of the Heidelberg Choral Society, a Director of the Australian Elizabethan Theatre Trust from 1969 to 1978, and the Australian Ballet Foundation from 1971 to 1983.

After his retirement from the Parliament in 1973, Sir Vernon retained strong links in this state, though he relocated to Redland Bay in Queensland. He continued to pursue his cultural interests, including involvement with the Queensland Ballet and as President of the Australian Flying Art School.

Mr BRUMBY (Leader of the Opposition) — I join with the Premier in extending the condolences of the opposition to the family of the late Sir Vernon Christie who died last week on Friday, 4 November. Sir Vernon Christie was born in 1909 and had a rich diversity of life experiences before entering this
Parliament: Sir Vernon was widely educated in Queensland, Hobart and North Sydney, later studying at night school to gain accounting qualifications.

Only in 1939 did Sir Vernon come to Melbourne to live. He took up a position with the Aircraft Production Commission, which was then gearing up for wartime production. Between the war and his later entry into politics Sir Vernon engaged himself in a number of pursuits in the private sector, putting his accountancy skills and experience with company directorships to good use.

In 1955 Sir Vernon Christie entered the Victorian Parliament, which at the time was a very lively place. His entry coincided with the split within the Labor ranks which was of enormous assistance to the conservative parties and which provided Sir Vernon with the fortunate experience of being very unfamiliar with the opposition benches. He retired some 18 years later.

Sir Vernon became Speaker of the Legislative Assembly in 1967 and held the position through two Parliaments. He was well regarded as a Speaker, and the position rounded off a very full parliamentary career in which he served on a variety of committees including the Public Accounts Committee from 1955 to 1956 and the library, printing, standing orders and house committees from 1967 to 1973. He was Chairman of Committees from 1956 to 1961 and from 1965 to 1967.

Although by today's standards Sir Vernon's views could be described as old fashioned in some respects, he was remarkably enlightened in other respects. He was a strong advocate of having more women in Parliament. In a 1969 interview Sir Vernon was quoted as saying:

I don't think the Parliament should be denied the special kind of thinking you get from women. They're less prejudiced and their thinking is likely to be more logical and detached.

At the time Sir Vernon was Speaker I understand only one woman sat in this place. He would have been pleased to see that number increase substantially in more recent Parliaments and to see the efforts being made to increase that number even further.

Sir Vernon's services to the Parliament were recognised in 1972 when he was knighted. As a parliamentarian he retained a strong faith in proper process and, following his retirement to Queensland, he did not shy away from speaking out when he thought proper processes were not being observed.

Sir Vernon Christie's contribution to the Parliament of Victoria and to the broader community was a very considerable one. On behalf of the opposition I extend my sincere condolences to his family.

Mr McNAMARA (Minister for Police and Emergency Services) — I join with the Premier and the Leader of the Opposition in the condolence motion for the late Sir Vernon Christie. Sir Vernon was educated in Hobart, Queensland and Sydney. He had a wide commercial background in the pastoral area and merchandising businesses.

Sir Vernon was born in 1909 and left school at the early age of 14. This certainly did not detract from his elevation to higher office; in fact he set about qualifying himself as a chartered accountant and company secretary by studying at night school while continuing to work during the day.

During the Second World War, after having come to Melbourne in 1939, Sir Vernon was involved with aircraft construction. He worked with the Aircraft Production Commission, which was then concerned with the construction of Beaufort bombers. Sir Vernon was elected as the MP for Ivanhoe in 1955; it was the second time that he had tried for public office. His first attempt was when he stood, unsuccessfully, for election to the Manly City Council.

Following his election to the Victorian Parliament in 1955 Sir Vernon was subsequently re-elected and continued serving until the 1973 election, when he did not seek further election. During that period he distinguished himself as Chairman of Committees from 1956 to 1961 and from 1965 to 1967. Sir Vernon served as Speaker from 1967 to 1973. We have often heard his name mentioned in this house. As the Premier said, although many members did not have the opportunity of knowing Sir Vernon Christie personally, subsequent Speakers have often referred to Speaker Christie's rulings. Those who have looked through the precedents set by Speakers before and since that period will realise that Sir Vernon was an active Speaker. He had very strong views and a great deal of personal confidence in his own judgment.

Sir Vernon Christie will certainly be missed by this Parliament. I join with the Leader of the Opposition
DEATH OF SIR VERNON HOWARD COLVILLE CHRISTIE

Tuesday, 8 November 1994

and the Premier in expressing condolences to his family.

Mr HEFFERNAN (Minister for Small Business) — I join with other honourable members in honouring the memory of Sir Vernon Christie. He was an admirable Australian who served this state with enormous dignity and flair. I was fortunate in that I got to know Sir Vernon closely. He was a man of enormous strength and commitment. No doubt that strength served him well in his role as Speaker during the era of Sir Henry Bolte and Sir Arthur Rylah. Sir Vernon must have been a strong person to be able to handle that combination of enormous strengths. A reading of Hansard will demonstrate the strong respect Sir Vernon commanded.

Sir Vernon is survived by his only son, Ross, daughter-in-law Marian, daughter Margaret and five grandchildren. Vernon Christie's beloved wife, Joyce, and daughter Narelle both predeceased him.

Sir Vernon, the son of an accountant, was born in Manly in New South Wales on 17 December 1909. In his early years he resided in New South Wales, Queensland and Tasmania. My next point is important because it again reflects the strong commitment and determination of the man. Sir Vernon left school at the age of 14. Imagine what enormous challenges he must have had to face by leaving school at that age. He studied at night so that he, too, could become a qualified accountant and progress through life.

Sir Vernon began his working life as a clerk with Burns Philp. Over the ensuing years until his move to Victoria in 1939 Sir Vernon filled various commissions with the Australian Estates Company and the Canadian Pacific Railways. He also conducted his own accountancy practice for a period.

On moving to Melbourne in 1939, he joined the Aircraft Production Commission and was concerned with building Beaufort bombers. He subsequently pursued a career in the private sector until entering Parliament as the member for the new Legislative Assembly seat of Ivanhoe in 1955. He retained that seat until his decision to retire from politics in 1973. Sir Vernon worked tirelessly for the people of Ivanhoe during his 18 years as the local member. Because of Sir Vernon's efforts and the respect he commanded, Ivanhoe became one of the safer seats in the Victorian Parliament.

When I received the nomination for the seat of Ivanhoe, Vernon said to me, 'Make sure the system always works for those most in need and let those who do not need it stand alone'. When I won the seat he rang me and said, 'You are entering into a different era'. He could not understand why politicians needed electorate offices. He wondered what the government was doing by making people more dependent on government. Vernon was very alert to the changing political atmosphere. When politicians received secretaries he said, 'You have even got a secretary. I am amazed!'. He worked from his house and not only met people there to discuss their problems but he also provided them with afternoon tea.

West Heidelberg was dear to him and he had an enormous commitment to the people of that area. It has not been put strongly enough that Vernon saved the Yarra Valley. He made sure it was protected for future generations. When the land reservations were removed under the Hamer government Vernon had great delight in saying that he had achieved a great ambition and had done what he had set out to do. He was a champion of the people of Ivanhoe and played a great part in the upgrade of transport and education in the area.

In Parliament his interests were industry development and financial management. He was a respected and well-liked member of this place. He was described in the Melbourne Herald, as the newspaper was then known, as a handsome, blue-eyed man with grey hair and a military moustache. My wife often said he was a bit better than that! He had stature and vision as well as compassion.

In 1969 Vernon said that there was not a member of this place he would not enjoy being with and remarked, 'Yes, they are tough and antagonistic and take political advantage but they are not nasty to each other outside the house'. That is still important today. He recognised the enormous importance of being able to carry on friendships for the benefit of Victoria when we leave this house.

We have heard that Vernon championed the cause of women. As the Leader of the Opposition said, Vernon was very much committed to that interest.

He was proud of his children. His son Ross, who is a personal friend, served with me on the Heidelberg City Council and was mayor in 1971-72. Vernon was a fit man who enjoyed bowls, hiking and sailing. Vasey Houghton, one of his great sailing mates, told me of an incident when they were out in the straits. There was an urgent call over the radio about a
major storm and sailors were told to remove themselves immediately to a safe haven to avoid the storm. Vasey asked, 'Where will we head for?' Vernon said, 'Straight into it. Nothing has beaten me yet and I'm sure the storm won't'. They arrived safely but it was two weeks before Vasey stopped shaking!

Following his departure from Parliament Vernon continued in his role as a Director of the Australian Elizabethan Theatre Trust. He was knighted in 1972 and after leaving Parliament he lived at Redland Bay in Queensland and led a very active life, involving himself in community affairs and sometimes in the affairs of the Bjelke-Petersen government!

I should like to make brief mention of his wife, who was very important to him. Mrs Christie was a special woman, and one cannot talk about Vernon without mentioning her because they were a team, no matter what happened. Vernon thought he was big and tough and strong but Joyce was the real strength, as was shown when their daughter Narelle died. Although they were not young people they chose to raise Narelle's son Peter. I am sure Vernon was very proud of Peter. Their decision reflects what kind, strong people they were and what an enormous commitment they had to life. They enjoyed it. I am proud that I can say I knew them and that I am a friend of the family.

The SPEAKER — Order! I join with the Premier, the Leader of the Opposition, the Minister for Police and Emergency Services and the Minister for Small Business in paying tribute to the late Sir Vernon Howard Colville Christie. Although I met him on only a few occasions, like Speakers before me, I know his name well from the table of Speakers' precedents. When reading that table it is obvious to me that Sir Vernon had a very active and decisive mind. One of his more famous decisions was that members of the Legislative Assembly should adopt the letters 'MP' after their name rather than 'MLA', and that decision still stands.

Some of the anecdotes that have been related to me about Sir Vernon do not bear repeating at this time, but from what I have heard I can say that he was a very colourful man, was sure of his position as Speaker and ruled with impartiality and firmness. The story is told of an honourable member who was reading a speech. A point of order was raised, and when challenged by the Chair the honourable member replied that he was just referring to copious notes. The speech went on and a further challenge was mounted by way of a point of order. To settle the matter the Speaker barked, 'Bring it up', meaning that the honourable member should bring up the notes he was using. I must admit that I have often been tempted to do the same!

I am conscious of the remarks made today about the great contribution the man made to Victoria and Parliament. He was able to rise from very humble beginnings and overcome the handicap of a lack of education by going to night school and showing great application. On behalf of the Parliament I convey my condolences to his family.

Questions without Notice

Crown Casino: entertainment

Mr BRUMBY (Leader of the Opposition) — I refer the Premier to the announcement by the Crown consortium that the focus of entertainment facilities at the new casino will be video games, virtual reality rooms and other electronic entertainment.

Does the Premier share the opposition's concern that gambling products are to be deliberately marketed to children and young people and, if so, what steps will the Premier take to ensure that this does not occur?
Mr KENNETT (Premier) — I guess the one thing you must say about the Leader of the Opposition is that he is predictable. I am not aware of the statement by Crown Casino that those forms of entertainment would be the emphasis of the casino. Far from it, because to the best of my knowledge the focal point will be gaming, being a very large casino with a 1000-room hotel — the biggest hotel in Australia and an enhancement of the original scheme. It will help this state attract convention business which will assist employment opportunities and so on.

The casino will comprise a very large ballroom and showroom. There have always been plans for other facilities — what we describe as new high-tech games, but they are games played by adults and not by children.

I would feel sorry for the Leader of the Opposition if he believed his own rhetoric, as I would for those who read his comments. The reality is that the casino is for adults and not children. Along the foreshore — —

Mr Micallef — What about the car park?

Mr KENNETT — The honourable member for Springvale interjects with an inane comment, 'What about the car park?'. The casino is for adults. The facilities will be multipurpose because there will be a hotel and shopping facilities along the waterfront, which will add to the ambience and activities along Southbank, one of the most vital parts of Melbourne.

It is a development of which we can all be proud. It will employ people on a temporary and permanent basis. At some stage I trust the opposition will play a constructive role in building this state rather than continually trying to pull it down.

Crown Casino: ethnic communities

Mrs PEULICH (Bentleigh) — I address my question to the Premier in his capacity as Minister for Ethnic Affairs. Can he inform the house whether the government is aware of specific marketing campaigns conducted by Crown Casino targeting certain ethnic communities as alleged by the Leader of the Opposition?

Mr KENNETT (Minister for Ethnic Affairs) — I thank the honourable member for her question.

Mr Micallef interjected.

Mr KENNETT — That is your second interjection. You are on cue.

In his great desire for publicity the Leader of the Opposition is now stretching not only the truth but his own imagination to breaking point. I am not aware of any campaign designed specifically towards ethnic communities. In fact, I fear that the claims made by the Leader of the Opposition are another put-down of our ethnic communities per se.

Mr Brumby interjected.

Mr KENNETT — The Leader of the Opposition keeps interjecting, 'Have a look at the 7.30 Report'. We do not watch the 7.30 Report because we do not think it is a show of record.

Mr Brumby — Fat Cat and Friends, do you watch that?

The SPEAKER — Order! I hope the opposition will not go through every television program in Melbourne. I ask the opposition to remain silent.

Mr KENNETT — This is the man who wants to be Premier. Is it any wonder his credibility keeps falling?

Mr Brumby interjected.

Mr KENNETT — It is interesting to hear the Leader of the Opposition continuing to interject about mates. Last week he attacked the ethnic affairs commissioner, Professor Trang Thomas, who said that the comments made by the Leader of the Opposition were a slur on all ethnic communities. One of her responsibilities is to try to preserve the relationship between all communities in Victoria. The Leader of the Opposition then labelled Professor Thomas as a crony because she dared to disagree with his statements. Professor Thomas is one of the real success stories in this community. Not only is she a success story — —

An honourable member interjected.

Mr KENNETT — It is interesting to see the way the Leader of the Opposition reacts when questioned about his motives in publicly disagreeing with a person of Trang Thomas's standing — in this case it was an absolute slur on ethnic communities — he sits back and simply rolls in his chair.

Let me provide Professor Trang Thomas's curriculum vitae and her contribution to this state.
This man says she is a crony of this government. Professor Trang Thomas arrived in Australia from Vietnam in 1964. She earned a BA in psychology with first-class honours from the University of New South Wales. She then obtained a masters degree with honours and a PhD from La Trobe University. This person, who arrived in this country from Vietnam in 1964, is the first woman professor at the Royal Melbourne Institute of Technology. This is a person who, in her job as Chairperson of the Ethnic Affairs Commission, independently attacked the comments made by the Leader of the Opposition. She said his comments were a slur on ethnic communities. The response by the Leader of the Opposition was then to say that because she dared to do her job she was therefore a crony of this government. What a tragedy for you — —

Honourable members interjecting.

The SPEAKER — Order! The Chair cannot tolerate continuous interjections across the table. I ask honourable members to remain silent.

Mr Seitz — Winding up!

The SPEAKER — Order! I will deal with the honourable member for Keilor if he continues in that vein.

Mr KENNETT — Professor Trang Thomas deserves the congratulations of the entire community for her work in the ethnic field and for the way she has established special relations with the ethnic communities. The Deputy Leader of the Opposition nods his head in agreement. All honourable members on that side of the house who work with the ethnic communities would be aware of the good job Trang Thomas does. That she should be slurred by the Leader of the Opposition because she dared to express a point of view contrary to his is an indication of the way the opposition — —

Mr Dollis interjected.

Mr KENNETT — It is a clear indication that the opposition, and particularly the Leader of the Opposition, have lost the focus of any kind of concern they may have had on any issue, such as the casino. More importantly, the way in which he now seeks to involve ethnic communities for cheap political point scoring is unacceptable.
to the Attorney-General and it is up to the house to show some courtesy and to listen to the answer.

Mrs WADE — I suggest that the Leader of the Opposition read some of his own statements on these issues because he would then be aware that prosecuting and investigating authorities such as the Australian Securities Commission are vested with powers by Parliaments — in this case by both the state and federal Parliaments — to carry out the functions that have been conferred upon them. In this case I am sure the Australian Securities Commission will undertake any appropriate investigations and is able to require, under the powers vested in it, that the appropriate documents be provided.

Drought relief

Mr STEGGALL (Swan Hill) — Will the Minister for Agriculture inform the house of the details of Victoria’s submission to the commonwealth for exceptional drought circumstances and when a decision from the federal minister is likely?

Mr Loney interjected.

The SPEAKER — Order! I warn the honourable member for Geelong North that he must not put temptation in the way of the minister.

Mr W. D. McGrath (Minister for Agriculture) — I thank the honourable member for Swan Hill for his question concerning Victoria’s application to the federal Minister for Primary Industries and Energy, which he referred on to the Rural Adjustment Scheme Advisory Council (RASAC).

We have been having regular drought advisory meetings in Victoria for some time now. The first, held in mid-September, was chaired by the Premier and subsequent meetings have involved the Victorian Farmers Federation, financial institutions, the wheat board, the Department of Conservation and Natural Resources, the Rural Water Corporation and other interested bodies.

Following consideration of the requirements or guidelines suggested at the agricultural and resource ministers’ conference held recently in Adelaide, we have prepared a submission based on climatic conditions, rainfall deficient regions, the environment, water supply, income levels and agronomic and livestock conditions. My department forwarded that submission to the federal Minister for Primary Industries and Energy, Senator Bob Collins, who referred it to RASAC. The committee visited Victoria last Friday. It flew to Swan Hill and then visited the eastern Mallee, where conditions have deteriorated substantially in the past three to four weeks. The die is well and truly cast in that region and many farmers there will have no income this financial year.

If the recommendation of the Rural Adjustment Scheme Advisory Council to the federal Minister for Primary Industries and Energy is positive, I anticipate that the minister will take the application to federal cabinet for a decision on about 28 November. If the decision is to declare in favour of Victoria that drought-related exceptional circumstances exist, it will also be necessary for me to take a submission to the Victorian cabinet seeking supporting funds to assist farmers to deal with the drought conditions.

The most relevant support we can possibly give to those who have no income for this financial year is an interest rate subsidy on any further loans that will be necessary to enable them to get through to better seasonal conditions. The exceptional circumstances provision under the current guidelines provides for an interest subsidy to be provided at the rate of 90 per cent from the federal government and 10 per cent from the state government for the first 50 per cent and on a dollar-for-dollar share basis for the second 50 per cent.

More importantly, although back in 1992 we put in place a national drought policy, no policy has been applied to a national drought situation and we really need to work very hard at putting in place through the federal government tax incentives and income equalisation schemes that are more beneficial than those that currently exist to allow farmers to prepare themselves through proper usage of good seasons and prices for times of drought or exceptional circumstances, such as the downturn that we have in parts of northern Victoria at present.

Because many people in northern Victoria will not have the financial resources to provide the educational opportunities they would like for their children, particularly secondary and tertiary educational opportunities, one of the things I requested of the Minister for Primary Industries and Energy was that he look at allowing many families, regardless of their assets, access to the Austudy allowance. That situation needs to be fully examined. Although educational requirements are
under control for 1994, the outlook for 1995 is a different prospect and a worrying situation for many farming families.

I hope that by the end of November, after consideration by the federal minister, with whom I have been working closely over a good period, a positive approach will be taken by both the federal and state governments to providing some support through low interest rates on additional loans that farmers may require to gear up for next year’s planting or to secure fodder supplies to make sure that they keep their flocks and herds in place.

Crown Casino: licence

Mr BRUMBY (Leader of the Opposition) — I refer the Attorney-General to comments by Mr Lloyd Williams that at all times during the bidding process for the casino licence he knew that Melbourne had won the right to stage the grand prix; and I refer also to comments by Mr Ron Walker that only five or six people knew about the grand prix prior to it being announced, and I ask: will the Attorney-General ask the Australian Securities Commission to investigate who gave Mr Williams this information and whether, accordingly, there has been a breach of the federal Corporations Law? Because you are the Attorney-General!

The SPEAKER — Order! The question borders closely on being a request for a legal opinion. Although I will allow the question, I ask the Attorney-General to take my comments into consideration.

Mrs WADE (Attorney-General) — I read in a newspaper some days ago that the Leader of the Opposition had written to me asking me exactly this question. I have to say that I asked my office this morning whether it had received that letter and I was advised that no such letter has been received. I assumed that the Leader of the Opposition had realised that it was inappropriate to write to me in that way and that if he has any evidence he is quite capable of putting that evidence to the Australian Securities Commission himself.

However, I advise the Leader of the Opposition that the Australian Securities Commission regularly monitors the press. I am sure that it will have picked up this particular issue and, if it feels it requires investigation, will investigate it. If I receive a letter from the Leader of the Opposition I will send it on to the Australian Securities Commission.

Rail: passenger services

Mr A. F. PLOWMAN (Benambra) — Will the Minister for Public Transport inform the house of what steps are being taken to address ways and means of improving passenger rail linkages between Australia’s two largest cities?

Mr BROWN (Minister for Public Transport) — I am sure all honourable members agree that it would be highly desirable for passenger services between our two fine cities of Melbourne and Sydney to be improved in the short, medium or long term.

To the delight of my colleagues, particularly in the north-east, last week the announcement was made that a new XPT service between Melbourne and Sydney will commence on 13 December. I emphasise that, although the new facility will be state of the art, this is the very same daylight service that the former Victorian Labor government scrapped. The new daylight XPT will of course be in addition to the existing overnight service.

It has been some time, however, since the proposal for the very fast train, the VFT, has been considered. I might say that the proposal some time ago was effectively thwarted by the Federal Labor government; however, despite this, the VFT concept to link Australian capital cities continues to have widespread community support.

It is for this reason that I am announcing today that I am appointing a high-level committee to examine all matters relative to the establishment of a VFT, and accordingly I am very pleased to advise the house that the former federal Minister for Transport, the Honourable Peter Nixon, has agreed to chair this committee. Mr Nixon is well known to honourable members of this house and I am sure will be seen to be an outstanding choice, as he has twice served federally as Minister for Transport and Postmaster-General and has been Minister for the Interior.

The SPEAKER — Order! Would the honourable minister please resume his seat. The level of interjection is far too high and it is impossible for the Chair to hear the answer. I am sure that honourable members must be having the same trouble. I ask the house to come to order.

Mr BROWN — In addition to having been federal Minister for Transport twice, Mr Nixon was also formerly Postmaster-General, Minister for the
Interior and Minister for Primary Industry so clearly he is well qualified for this task. In addition, I have invited the president of the public transport union, Mr Stuart Keating, together with Dr John Brotchie, an acknowledged VFT expert and former research manager for the CSIRO, to join this committee and assist Mr Nixon.

I am also inviting appropriate industry and government representatives to join the committee. Its terms of reference will include: firstly, to report on the status of any current proposals for the VFT and/or high-speed passenger train services between Melbourne and Sydney and places elsewhere in the nation; secondly, to gauge the level of support for and impediments to the operation of a Very Fast Train passenger service between Melbourne and Sydney; and, thirdly, to provide a summary of the very fast and high-speed passenger train services operating in other countries, including the technology used and the nature and extent of operations. Fourthly, the terms of reference will ask the committee to report on proposals and possibilities for the improvement of conventional interstate rail passenger services operating to and from or through the city of Melbourne.

There will also be additional opportunities in rail here in Victoria and in Melbourne in particular with the standardisation of the rail gauge between Melbourne and Adelaide which is presently well under way and nearing completion. These options include the Ghan or a similar service operating out of Melbourne; running an Indian-Pacific service through Melbourne and the variations that might be possible in running the Overland.

Honourable Members — Hear, hear!

Mr BROWN — I hear honourable members saying ‘Hear, hear!’ and they are right in identifying that these are very exciting projects that the former Labor government, in its 10 years in office, could not achieve. Now we are seeing realities actually occurring here in Victoria in the modernisation and upgrading of transport, including interstate train services.

In conclusion I make it clear that the view of the government is that any future VFT should be a private sector funded and sponsored undertaking. Nevertheless, it is clear that the government does have a responsibility to ensure that any impediments are considered and addressed and that when the time comes, as I believe it will, that Victoria is ready to move forward with this exciting and innovative proposal. I am unaware of any person better qualified or suited that the government could have identified to head this very important committee.

Mr Nixon and his committee will be asked to report within six months on the feasibility of a VFT service being established between the two great cities of Sydney and Melbourne.

Department of Health and Community Services: court action

Mr THWAITES (Albert Park) — I refer the Minister for Health to the statement by Brian Burdekin that there is a climate of fear in the Victorian health system. Is it a fact that the Secretary to the Department of Health and Community Services, Dr John Paterson, has sued in the Supreme Court an officer of the Minister’s department and two other public servants because they are members of an independent public service committee which made an adverse finding against the department and criticised procedures for selecting and appointing staff?

Mrs TEHAN (Minister for Health) — I thank the honourable member for his question. If he believes the climate of fear statement, he believes anything, and I suspect he does and says anything. There is more openness, more consultation and more opportunity for non-government agencies, for professional people and community people to be involved in the decision-making of this government and this department than ever before. I have no knowledge whatsoever of the matters that the honourable member referred to.

Mr Seitz interjected.

The SPEAKER — Order! I warn the honourable member for Keilor that I have put up with a great deal from him this afternoon in that he has been constantly interjecting, and it is a great irritation not only to the Chair but to the house as well.

Mrs TEHAN — I warn the honourable member that if he continues to make serious allegations, albeit in this place where he has protection, he will be creating a situation that is indicative of what is happening on the other side of the house: slurs and innuendos. We have had nothing in the house from the member for Albert Park since he has been here other than broad-brush allegations for which there is no foundation whatsoever, and I certainly know of no foundation for this one.
Mr THWAITES (Albert Park) — On a point of order, Mr Speaker, I refer you to numerous Speakers’ rulings on relating remarks to the question asked. This was not a broad-brush question but a specific question as to whether a writ had been issued by the secretary of the department against an officer for making an adverse finding against the department.

The SPEAKER — Order! The Chair has repeatedly stated that the answer to the question is in the hands of the minister. The only thing the Chair has to do is ensure that the answer is relevant. I believe the minister’s remarks are relevant to the question. There is no point of order.

Trade mission to Asia

Mr JENKINS (Ballarat West) — I ask the Minister for Industry and Employment to inform the house of the initial successes of his recently completed trade mission to Asia?

Mr GUDGE (Minister for Industry and Employment) — I thank the honourable member for Ballarat West for his question because, unlike the inane remarks that come from the Leader of the Opposition and other members opposite, it demonstrates the personal commitment of the honourable member to his own community and a genuine interest in the development of business opportunities and jobs in that area.

At his own expense he has taken the trouble to go to China to see if he can assist businesses in a way that will advantage his community. I do not see any honourable members opposite who have taken that effort.

I am pleased to inform the house that it appears the initial response from the trade mission is in the order of $100 million worth of investment flowing to Victorian businesses.

An Honourable Member — How much?

Mr GUDGE — $100 million. That is something even honourable members opposite might have some remote interest in. It has been achieved in a number of important sectors for Victoria, including packaging, food processing, architecture, tourism, medical services, education, wool and chemicals. Honourable members will see from that spread of interest that the investment mission was a broadly structured mission. It was structured in a way that is important to trade missions from this country to Asia — it was led by the government in partnership with the Victorian Employers Chamber of Commerce and Industry. In other words, it was a business-government mission.

The significance of that when you are doing business in Asia is that it is important for the government to be part of the opening-door process, particularly given the economy and the structure of government in China. Since the Kennett government came to power, the sister-state relationship this state has with Jiangsu, and its relationship in terms of economic understanding in places like Shanghai, Jinan and other parts of China have blossomed tremendously. We are seeing a two-way flow of commitment between not only China and this state in particular, but with Australia in general of a kind we have not seen before.

I am pleased to say in the context of this current mission that we were able to open doors for the mission in Jinan, Shanghai, Nanjing and Wuxi. In all of these areas we were able to assist the mission to make the business connections needed to ensure that businesses are able to achieve the sorts of results they want.

Another point I shall make is that this is the third such trip that I have made to China since 1992 when the government came to office and the fourth to the Asia-Pacific area. That is significant in terms of the focus of this government. We have clearly identified the fact that 60 per cent of this country’s trade is in the Asia-Pacific area. The honourable member for Footscray wants to joke about it, but he is the first to put his hand up to me for help when he wants employment initiatives in his electorate. He is the first to put his hand up!

Honourable members interjecting.

Mr Dollis — What do you expect!

Mr GUDGE — This mission is about generating employment opportunities. If you want to decry employment, I shall put it on the record that the honourable member for Footscray and the Labor Party are anti-Victorians, anti-Victoria, and against employment. While it was in government the former government generated record unemployment, record debt and record financial management!

Honourable members interjecting.

Mr GUDGE — You lost the State Bank!
Honourable members interjecting.

Mr GUDE — Come on, you lost the State Bank and when there is a bit of good news around, you do not want to hear about it! This particular mission is, as I indicated, generating something like $100 million worth of intended investment. Letters of intent have formally been signed with those companies.

Recently the government released the Advantage Melbourne project, which has been acknowledged, probably begrudgingly by the opposition, as useful and valuable. The launch of the Advantage Melbourne program in Hong Kong, as the first offshore attempt by the government to promote trade in this area, was exceptionally well received by Hong Kong business people.

Some 100 key business people from Hong Kong turned up to the promotion. We have received good general publicity and I am in a position to advise the house that business from Hong Kong will be coming to Melbourne in the coming weeks and months as a direct consequence of the efforts that we undertook on that occasion.

This is the third time that I have been involved in Hong Kong, again in a line promotion exercise as part of the mission, which is becoming an annual event. Again honourable members opposite seem to think it is a big joke. I do not think it is a joke. It is important to note that in the past 12 months we have seen a 12 per cent increase in wine sales to Hong Kong as a direct consequence of the efforts that have been made by people in the industry. Business people are going there to work their butts off to create jobs and wealth and further develop the state of Victoria.

We also now run an annual alumni function. I am pleased to say, in the context of the question from the honourable member for Ballarat West and to acknowledge the work of his colleagues, that the University of Ballarat was represented at that function. It is a recognition of young men and women who have achieved their education in Victoria and returned home. A young man who won the University of Melbourne postgraduate scholarship, interestingly enough, worked in his last employment with a company called Nokia, which is a large Finnish corporation involved in the telecommunications industry. About this time last year, the Premier opened the Nokia factory; in fact it is almost to the day 12 months ago. Nokia has developed its major research and development initiatives here in Melbourne. It chose New South Wales as its headquarters when it moved out into this region, but it has brought all of its research and development to Victoria because Victoria is the best and cheapest place in Australia to do business. I believe that when the young man who worked for that company comes back to Melbourne to complete his postgraduate studies, there may well be a job opportunity available to him.

I believe all of this spells out two things. First of all the mission was successful in generating income for Victoria. Secondly, it gives the promise of real, meaningful extra jobs for young men and women and others who are currently out of work. The companies that went on the trade mission are deserving of the full support and praise of this house, from all honourable members. I congratulate them for their commitment and effort, and I wish them every success in the future. I assure the house that I will be informing Victorians of further developments in this area as a consequence of the mission the moment it comes to pass.

Performance payments

Mr THWAITES (Albert Park) — I refer the Minister for Health to the contract of employment for Dr John Paterson, which requires the government to calculate annually the performance incentive payment of up to $38 000 per year payable on the expiration of Dr Paterson’s contract. In light of the current state of Victoria’s hospital system and the Metropolitan Ambulance Service, what performance payments, if any, has the government determined should be paid to Dr Paterson for the first 12 months of his contract?

Mrs TEHAN (Minister for Health) — The outcome of the employment contract with Dr Paterson is that during the first two years of this government he has performed to such an extent that he is no doubt entitled to double whatever the contract of employment would purport to pay him.

He has overseen a dramatic change to and improvement in the provision of services in health and community services — an improvement that has never before been seen in this state.

In the acute hospital system, some 61 000 additional patients were treated last year. Approximately 91 000 additional patients will be treated this year over and above those treated in 1992-93. For the first time this state has a framework for the provision of services to the mentally ill. That has never been
provided by any previous Victorian government. We have the initiative of the cancer and heart offensive — a focus on disease prevention and early intervention that, again, has never been done before. That has been achieved while providing value for the taxpayers' dollars. Again, that has never been seen before. There have been reductions in budget and increases in the quality and extent of services.

Dr Paterson is an outstanding public servant. He is responsible for one of the largest portfolios in this state. He has shown leadership not only in Victoria but in this nation. Without doubt he is leading the debate on health services across Australia. As I said, Dr Paterson deserves every penny he is paid under his contract of employment and any bonuses to which he is entitled under that contract, and probably double both.

PETITION

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

Public transport fares

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

We, the undersigned, humbly pray that the state government of Victoria through its ministry of transport extend the zone 1 area boundary to the west end of aircraft station, to assist disadvantaged residents, both financially and physically.

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

By Ms Marple (499 signatures)

Laid on table.

Alert Digest No. 11

Mr PERTON (Doncaster) presented Alert Digest No. 11 of 1994 on Como Project Bill, Liquor Control (Amendment) Bill (No. 2), Health Services (Amendment) Bill and Corrections (Amendment) Bill, together with an appendix.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Ambulance Officers' Training Centre — Report for the year 1993-94

Ambulance Service Victoria — Metropolitan Region — Report for the year 1993-94


Ambulance Service Victoria — North Western Region — Report for the year 1993-94

Ambulance Service Victoria — South Eastern Region — Report for the year 1993-94

Ambulance Service Victoria — South Western Region — Report for the year 1993-94

Ambulance Service Victoria — Western Region — Report for the year 1993-94

Auditor-General's Office — Report for the year 1993-94

Casino (Management Agreement) Act 1993 — Authorised additions to Drawings of the Temporary Casino pursuant to section 16(2) (ten papers)


Crimes Compensation Tribunal — Report for the year 1993-94

Optometrists Registration Board — Report for year 1993-94

Parliamentary Committees Act 1968 — Response from the Minister for Energy and Minerals on the action taken with respect to the recommendations made by
the Environment and Natural Resources Committee on Eductor Dredging

Planning and Environment Act 1987 — Notices of approval of amendments to the following Planning Schemes:

Altona Planning Scheme — Nos L37, L39
Arabiples Planning Scheme — No. L16
Bannockburn Planning Scheme — Nos R12, R16
Barrabool Planning Scheme — No. R23
Bass Planning Scheme — No. L34
Beechworth Planning Scheme — No. L25
Box Hill Planning Scheme — No. L25
Bright Planning Scheme — No. L41
Broadmeadows Planning Scheme — No. RL159
Brunswick Planning Scheme — No. RL159
Buln Buln Planning Scheme — No. L35
Castlemaine Planning Scheme — No. L10
Caulfield Planning Scheme — No. L25
Coburg Planning Scheme — No. RL159
Collingwood Planning Scheme — Nos L15, L25, RL159
Cranbourne Planning Scheme — No. L92
Croydon Planning Scheme — No. L55
Diamond Valley Planning Scheme — No. L33
Eltham Planning Scheme — No. L36 Part 1
Fitzroy Planning Scheme — No. RL159
Greater Bendigo Planning Scheme — No. L15
Greater Geelong Planning Scheme — Nos L82, L96, R11, R59, R64, R75 Part 1, R85, RL50
Hastings Planning Scheme — No. L87
Heidelberg Planning Scheme — No. RL159
Horsham Planning Scheme — No. L47
Keilor Planning Scheme — Nos L71, L73
Kilmore Planning Scheme — Nos L74, L76, L77
Knox Planning Scheme — Nos L81, L83
Melbourne Planning Scheme — No. L143 Part 2
Melton Planning Scheme — Nos L34, L48
Newham and Woodend Planning Scheme — No. L30

Northcote Planning Scheme — Nos L32, RL159
Nunawading Planning Scheme — Nos L66, L73
Omeo Planning Scheme — No. L9
Pakenham Planning Scheme — No. L88
Port Melbourne Planning Scheme — Nos L14, L15
Portland Planning Scheme — No. L37
Prahran Planning Scheme — Nos L40, L42, L50
Preston Planning Scheme — No. RL159
Queenstown Planning Scheme — No. RL12
Richmond Planning Scheme — Nos L31, L32
Ringwood Planning Scheme — No. L33
Rochester Planning Scheme — No. L11
Romsey Planning Scheme — No. L32
Rosedale Planning Scheme — Nos L40, L42
Sherbrooke Planning Scheme — No. L80
South Melbourne Planning Scheme — Nos L78, L83, L86, L90, L91
Springvale Planning Scheme — No. L28 Part 1
Springvale Planning Scheme — Nos L70, L73
St Kilda Planning Scheme — No. L33
Stawell (City) Planning Scheme — No. L27
Traralgon (Shire) Planning Scheme — No. L46
Warracknabeal Planning Scheme — No. L6
Warrnambool City Planning Scheme — No. L55
Whittlesea Planning Scheme — Nos L106, L112, RL159


Sport, Recreation and Racing Division — Report for the year 1993-94

State Insurance Office — Report for the year 1993-94

Statutory Rules under the following Acts:

Casino Control Act 1991 — S.R. No. 159
Cemeteries Act 1958 — S.R. No. 162
Health Act 1958 — S.R. No. 161
Tobacco Act 1987 — S.R. No. 160
Weights and Measures Act 1958 — S.R. No. 163
Transport Act 1983 - Order for Transfer of Assets and Liabilities pursuant to section 81

Victorian Casino Control Authority - Report for the period ended 2 June 1994

Victorian Institute of Forensic Pathology - Report for the year 1993-94

The following proclamation fixing an operative date was laid upon the Table by the Clerk pursuant to an Order of the House dated 6 September 1994:

Australian Grand Prix Act 1994 - Parts 2, 3, 4 and 5 on 28 October 1994 (Gazette No. G43, 27 October 1994).

APPROPRIATION MESSAGES

Messages read recommending appropriations for:

Borrowing and Investment Powers (Public Transport Corporation) Bill

Business Franchise Acts (Amendment) Bill

Como Project Bill

Crown Lands Acts (Amendment) Bill

Prostitution Control Bill

Victorian Plantations Corporation (Amendment) Bill

BUSINESS OF THE HOUSE

Program

Mr GUDE (Minister for Industry and Employment) — I move:

That, pursuant to sessional order no. 6(3), the orders of the day, government business, relating to the following bills be considered and completed by 4.30 p.m. on Thursday, 10 November 1994:

- Liquor Control (Amendment) Bill (No. 2)
- Business Franchise Acts (Amendment) Bill
- Estate Agents (Amendment) Bill
- Transport Accident (General Amendment) Bill
- Borrowing and Investment Powers (Public Transport Corporation) Bill
- Health Services (Amendment) Bill
- Valuation of Land (Amendment) Bill

Como Project Bill

Employee Relations (Amendment) Bill

Mr THOMSON (Pascoe Vale) — The opposition opposes the motion. Because the house will not be sitting on Thursday night or on Friday, which in itself is a breach of the original timetable, nine bills will be passed by 4.30 p.m. on Thursday whether or not they have been given adequate consideration. The motion is a sign of a government that is on the run and unwilling to submit either itself to the scrutiny of question time or its legislation to proper debate and consideration.

Over the past few weeks a transformation has come over this house, and it is not due entirely to the unaided efforts of the opposition. I suggest that it can be traced back to the Prime Minister’s recent comment in the House of Representatives concerning the casino that there is a dead cat in the middle of the road stinking to high heaven. Ever since then this government has been reluctant to conduct debate in the house — and this motion demonstrates that.

The government does not want to sit this Friday or next Friday because it does not want to submit itself to scrutiny at question time. Today, in reply to dorothy dixer questions long answers were given by the Minister for Agriculture and other ministers and short irrelevant answers were given to opposition questions. The pattern is one of a government that does not want to be accountable through question time and does not want to have its legislation debated.

A number of the bills on the notice paper are very significant. The Employee Relations (Amendment) Bill paves the way for wage cuts for workers not protected by federal awards and abolishes career structures that used to guarantee people more pay depending on their skills and experience.

Mr Gude interjected.

Mr THOMSON — The minister says, 'Shame'. I agree absolutely!

Mr GUDE (Minister for Industry and Employment) — On a point of order, Mr Speaker, when I made the reference to the word ‘shame’, I meant shame on the honourable member for introducing such irrelevance during this debate.

The SPEAKER — Order! There is no point of order.
Mr THOMSON (Pascoe Vale) - The minister was correct the first time: it is a shameful bill. So is the Estate Agents (Amendment) Bill, which deregulates the real estate industry, paving the way for increases in the cost of buying or selling a house. It does away with another independent watchdog, the Estate Agents Board, and opens the way for shonks and charlatans to move into the industry.

The Valuation of Land (Amendment) Bill deregulates the valuation industry, which will allow people without qualifications to value land. Both bills do away with measures designed to stop the notorious land deals of the 1970s.

The effect of the Health Services (Amendment) Bill is that anybody will be able to set up a nursing home. You cannot just set up a casino but you can set up a nursing home.

Mr Brumby — Or a brothel!

Mr THOMSON — Indeed! You can set up a nursing home without any of the regulations and requirements that have been in place.

Those four substantial bills have been introduced against a background of inadequate time for debate. Earlier today we had a condolence motion. The time for debate between now and 4.30 p.m. on Thursday is inadequate to do justice to those bills. I understand the government has some amendments to the bills so it is even more important that there be adequate time for debate this week or next week.

A moment ago the Premier and other ministers gave notice of introducing a plethora of bills that will be rammed through Parliament during the last week of sittings. Once again Parliament is being treated with contempt by a government which is on the run and which does not want to be exposed to scrutiny at question time or during debates on bills.

Mr BRUMBY (Leader of the Opposition) — I oppose the motion concerning the government business program. It is an abuse of the processes of the house and means that debate on a number of significant bills will be gagged and rushed through the house in the remaining sitting hours of Thursday afternoon. The house will not even sit Thursday night so that over the next three days the house has about 16 hours in which to debate these important bills.

As the honourable member for Pascoe Vale made clear, this government is running scared. It will not answer questions at question time or allow time for debate by sitting on Friday. I have just found out that the Premier is going to Japan in the final sitting week. Although these are significant bills and changes will be made to the Constitution Act, this government will not sit on Friday to give us proper time for debate.

Today there was a clear example of this government's attitude. At question time the night watchman, the Minister for Agriculture, was wheeled out after a 12-minute diatribe about the drought, and the Minister for Industry and Employment talked about China for 10 minutes. This government is petrified of facing the people, and well it should be. The bills being rushed through this week open up Victoria to the mates, cronies, fat cats and crooks who will rip off the system.

Look at the estate agents legislation! The honourable member for Geelong shakes her head in disbelief, but these bills take Victoria back to the days of the land deals. You may not endorse them, Mrs Henderson — —

The SPEAKER — Order! Firstly, the Leader of the Opposition may not address the honourable member directly and, secondly, he should use the correct form of address.

Mr BRUMBY — The government does not want the legislation debated because the Estate Agents (Amendment) Bill and the Valuation of Land (Amendment) Bill strip away protection for consumers.

Mr Leigh interjected.

Mr BRUMBY — What an inane interjection! Look at what has happened in New South Wales, Tasmania and New Zealand. When you take away the checks and balances, housing commission fees charged by real estate agents go through the roof. This government wants to rip off the ordinary people while it looks after its mates and the gravy train moves on. At question time today we heard about the appointment of Peter Nixon. This is the very fast gravy train! They all get on and it does not stop at all! Away they go, in for whatever they can get from this government!

What about the Employee Relations (Amendment) Bill? At question time today the Minister for Health said that her department head should be earning twice what he is getting for closing down community health centres and country hospitals and
double the bonus of $38,000 a year! But if you are an ordinary worker you will be subject to the Employee Relations (Amendment) Bill and you will get your wages screwed down. That is what this legislation is all about: screwing down the rights of ordinary Victorians and looking after the fat cats.

The Health Services (Amendment) Bill will allow nursing homes to be established anywhere in Victoria without having qualified nurses and yet they will be called nursing homes. However, no-one can establish a casino anywhere in Victoria because the mates have got hold of it — Lloyd and Ron have got hold of it and the government must protect their interests. But you will not get decent nursing standards under this government. These establishments will be called nursing homes yet they will not have a qualified nurse! What a disgrace. That is the debate this government is running away from.

The opposition wants to have a full debate on Thursday night and Friday. We will be here, if required, on Friday to debate this legislation that the government should not be running away from — vital legislation affecting all Victorians.

Mr LEIGH (Mordialloc) — The Leader of the Opposition has developed amnesia. He is criticising the government for the way it is conducting the business of the house, yet he, as the former federal member for Bendigo, seems to have forgotten that he was a part of a government that passed bills in multiples rather than individually. What is wrong with the Leader of the Opposition? He is upset about something happening in Victoria but when he was in Canberra it was no different!

He talks about gravy trains, but I can talk about the former Premier, the Honourable Joan Kirner, and the Leader of the Opposition. When he got dumped in Bendigo he worked for the federal minister who ran the sandwich shop.

Mr Cole interjected.

Mr LEIGH — The honourable member for Melbourne is currying favour with the Leader of the Opposition. Perhaps it is the other way around. The Leader of the Opposition is worried about challenges and backroom deals when Senator Ray is not around.

The SPEAKER — Order! The honourable member for Mordialloc is straying from the point.

Mr LEIGH — Mr Speaker, I am straying in exactly the same way that the Leader of the Opposition strayed. He used words such as 'gravy train' and you did not tell him he was straying from the point.

The government is giving the opposition more options than Paul Keating is giving the federal opposition, but apparently it is different down here.

Mr Brumby interjected.

Mr LEIGH — You were a member of the house when they were doing it in Canberra in multiples. The opposition is not responsible. When the coalition parties were in opposition they were responsible; they negotiated with the Labor government. Do we miss the likes of Tom Roper and Bob Fordham! We discussed the business of the house with them and they kept their word. You cannot accept the word of those people over there. The leader of opposition business is not interested in this debate; he is not even in the house. It demonstrates how seriously the opposition is taking this issue.

The government is allowing more opportunities than is being allowed by their esteemed 'Hail to the Chief' Paul Keating. If the opposition wanted a better arrangement, it would stop the nonsense that it has gone on with over the past few weeks. The Leader of the House is being more generous than the Prime Minister. I could criticise him for being too generous! I would not be as generous if I were him because they do not deserve it. The opposition is a discredited bunch who are not serving the interests of Victorians.

Dr COGHILL (Werribee) — Two years and two weeks ago the Governor, in opening Parliament, said his government intended that this Parliament would be reformed, would work better and more productively in accordance with proper parliamentary principles. What we are seeing today is yet another example of how the Governor has been proven to be wrong in words he was forced to use by the government. I do not attach any blame to the Governor, but I do attach blame to the Leader of the House and the government in the way they have brought the Governor's words into disrepute.

We have seen an essentially good process being corrupted and manipulated by the Leader of the House and the government. If the house sat until 4.30 p.m. on Friday to debate these nine bills it may have sufficient time to allow a moderate debating
period for each bill, but by refusing to sit Thursday evening and Friday we will be denying ourselves the proper opportunity to scrutinise the legislation and perform our parliamentary duties.

One suspects the government is concerned not just about these pieces of legislation. It is one less question time the opposition has to scrutinise the government on its relationship with its mates; one less opportunity for the conduct of the government’s mates to be exposed; and one less opportunity for the opposition to ask why it is that the people the business community will not deal with in Melbourne — Ron Walker and Lloyd Williams — are the best mates of the government. Why is the government prepared to do any deal with those people, no matter how crooked members of the business community in Victoria believe them to be?

That is the reality. This government is practising the government of the gravy train. It is dealing with people who have no respect in the business community. Sharebrokers advise their clients not to buy shares in companies with which these people are associated. The decisions of this government taken on behalf of Victorians are lining the pockets of those people directly and indirectly. Sometimes direct costs to the Victorian people are involved through taxpayer contributions to projects with which these people are associated; sometimes through indemnities and government guarantees that the Treasurer has given; and sometimes through highly profitable business environments such as the casino which benefit a few individual business people who are not regarded as people of integrity and who do not enjoy the respect of those highly regarded members of the financial community of Victoria and Australia — the people who have never had a shadow cast over them or a finger pointed at them.

This government is denying the opposition and the Parliament the opportunity of examining the way in which it is associating itself with people who do not enjoy a reputation of repute or integrity within the Victorian business community and who are direct and indirect beneficiaries of the actions and decisions of this government. Parliament should sit until late Friday so that there can be proper consideration of this legislation and so there can be another opportunity for the Premier and the Treasurer in particular and ministers to be asked about their association with people of questionable repute.

Mr STEGGALL (Swan Hill) — This has been an interesting debate; it has been an interesting sideshow. The Leader of the Opposition is not aware of what happened when his own Labor Party was in government. He is not aware of how it ran Parliament. The statistics show that these days there is more time for debate on each bill. There are now more hours of sitting than in previous times under the Labor Party and the scrutiny of legislation is far greater than it was in previous times.

In the 1989 spring session of Parliament there were 26 sitting days with 264 hours of debate on 54 bills compared with the autumn session of 1993 when there were 28 sitting days, 349 hours of debate and 57 bills passed. No matter how one examines the statistics, since 1993 under the Kennett government there has been far more debate on each piece of legislation than was ever the case under the Labor government.

Every Tuesday we have this charade. If the Labor Party were serious it would use this half hour to debate legislation and ensure its lead speakers did not speak for 1 or 2 hours on bills. Recently, as lead speaker for the opposition on a certain bill, the honourable member for Footscray spoke for about 3 hours. If this Parliament is to have the relevance we seek, honourable members should look at the facts and understand what happens every Tuesday afternoon.

A close comparison of the running of Parliament by the former Labor government and this government shows that in the 1994 autumn session, 59 bills were introduced with 294 hours of debate. That is a larger debating time than any comparative time under the Labor government. The closest to that under a Labor government was 256 hours of debate on 57 bills. No matter which set of circumstances one examines, one finds that Parliament now has more debating time than it has had for many years.

If the Labor Party were prepared to make this place work and better utilise its debating time, it would have an extra half an hour every Tuesday afternoon. This week Parliament will have the opportunity of debating the nine bills listed without sitting on Friday. I suggest that we get on with debating the legislation presented to Parliament this week so that this chamber can operate in the right and proper way it is meant to operate.
Mr LONEY (Geelong North) — The opposition does not oppose the bill but at a later stage I will move a reasoned amendment to allow for an extension of the amendment to cover further matters that the opposition believes it would be appropriate to handle at this time.

Before moving to the reasoned amendment, I should like to spend some time outlining the opposition’s attitude to the bill as it currently stands. Liquor retailing is an important industry in Victoria, providing as it does many jobs and great economic benefits across the state. It has experienced significant change over a lengthy period, particularly in recent years.

Retailing of liquor in this state is now a far cry from what it was in those days not all that long ago when we had 6 o’clock closing, which most honourable members would recall and in which many would have participated.

Mr Weideman — Why would we have participated in it?

Mr LONEY — There may be some honourable members of that age.

Mr Weideman — Did you go to the 6 o’clock swill?

Mr LONEY — Ten o’clock closing was introduced around the time of my 18th birthday, so there was a week or so when I was legally eligible to enter a hotel during the time of 6 o’clock closing. One of the aspects of the retailing of liquor that was allied to 6 o’clock closing was an enormous amount of sly grogging that went hand-in-hand with it. Like all similar activities, such as cash-in-hand activities that operate in other areas, sly grogging was a way of avoiding the payment of taxation and fees. The changes that have come about in the past few years have in many ways wiped out the enormous sly grogging industry that was about in those days.

Few people would argue that the liquor retailing industry in Victoria is not better today, is not far more rational and does not offer greater comfort and
convenience for consumers as a result of the changes that have taken place. It also encourages a better attitude to the consumption of liquor than existed in the days of 6 o'clock closing.

A great deal of deregulation of the industry that has taken place in the past few years has allowed the industry to establish for itself a much better image than it had in previous years. There is adequate reason to argue that Victoria's hotels are probably the best in the country. Despite a period of economic hardship, changing licensing conditions and changes to the accessibility of liquor and its provision in other places, hotels have maintained their standards over many years. Although in recent years we have seen a shift of clientele from hotels to other licensed establishments, the hotel industry in this state has maintained a high standard, on which it should be commended.

The bill does not impose additional burdens on licensed establishments through increased fees. It is important to point out that this bill is not about increasing fees, it is about streamlining the collection of fees and does not alter the basis of fee determination. In particular, it is about shifting responsibility for the collection of fees from the Liquor Licensing Commission, where it has rested for many years, to the State Revenue Office. The opposition accepts the government's argument that there is some sense — it seems logical on the ground of increased efficiency — in giving responsibility for the collection function to the State Revenue Office, which collects most taxes and charges in Victoria.

The changes envisaged by the government are unexceptional. I suggest they mirror provisions contained in other acts already in force throughout the state in relation to a number of other business activities. Most notably they mirror the provisions of the Business Franchise (Tobacco) Act 1974. A number of the provisions in the bill are taken pretty well word-for-word from that act.

It draws very heavily on those provisions. In that sense, the provisions that have been put forward by the minister here are unexceptional. However, in another sense they may also provide significant changes through the bill. Essentially the bill moves the responsibility for collection of licence fees paid under the act from the Liquor Licensing Commission to the State Revenue Office, and in order to achieve this aim it confers a number of changes.

Clause 7 changes the principal Act in relation to evidentiary provisions in a way that should facilitate recovery proceedings. This clause is aimed particularly at ensuring that any certificate issued by the chief executive officer as to the appropriate amount to be paid as a licence determination is acceptable in the courts. That is quite important in that it makes quite clear on what basis it can be challenged. Clause 7 also allows as admissible a certificate from the chief executive officer showing that certain persons were properly authorised by him under sections 154 and 158 of the principal act. The opposition would agree with the government that clearly both these provisions are needed to avoid any unnecessary delays in the court process as a result of challenges to the validity of certificates issued by the chief executive officer.

Clause 8 follows these up by allowing for the production of a notice of determination or reassessment, which is evidence of the due making of that determination and also allows judicial notice to be taken of the document bearing the signature of the chief executive officer.

Again, these provisions are based on very similar provisions in the Business Franchise (Tobacco) Act, but with one important modification, and I will come back to that later. The modification is that the word 'conclusive' is taken out so that while these provisions are to be acceptable as evidence before the courts, they are not to be acceptable as conclusive evidence as in the other acts on which the provisions are based.

The reason for them not to be conclusive evidence is that under the Liquor Control Act 1987 there is no right to appeal against the determination of the fee as exists in other acts such as the Business Franchise (Tobacco) Act 1974. This is an important point in the consideration of the opposition and one to which I wish to return in some detail later.

Clause 10 inserts a new Division 3 to Part 6, which introduces three new recovery provisions, section 145A, section 145B and section 145C, which provide that various amounts are payable as specified in certain sections of the act and runs through a whole range of them giving the ways in which they are deemed to be payable.

Under this provision those specific amounts will constitute a debt of the Crown and will become actionable for recovery in the Magistrates Court irrespective of the amount involved or of other competent jurisdictions. That is, it clearly establishes
the right of the Magistrates Court to hear these actions regardless of whether there are any other competent jurisdictions, so clearly it establishes that the State Revenue Office in pursuing collection of these fees can take action in the Magistrates Court and does not have to proceed to higher courts to establish a case.

Proposed section 145B inserted by clause 10 introduces a provision which allows any moneys outstanding under the act to be recovered by the chief executive officer from a person owing money to the debtors. In other words, it allows recovery of moneys owed from a third party; from a party other than the licence-holder — the person who actually owes the money. Under this provision the State Revenue Office in pursuit of the collection of the fee will be able to recover money from any person who is a debtor to the licence-holder in payment of the licence-holder’s fee.

The Scrutiny of Acts and Regulations Committee raised some concerns about this provision. The committee members were particularly concerned that it infringed section 4D(a)(i) of the Parliamentary Committees Act 1968, and while they raised this matter in their Alert Digest No. 9, which actually dealt with the Liquor Control Amendment Bill No. 1, which was subsequently withdrawn and reintroduced as bill No. 2, the provision is precisely the same. So the comments stand the same and the committee asked the treasurer to comment in relation to that. Given that earlier this day the Scrutiny of Acts and Regulations Committee tabled Alert Digest No. 11, which deals with this matter, it is appropriate to have a look at what the Treasurer said in response. As reported at page 3 of the Alert Digest the Treasurer replied:

The statement contained in the portion of the second-reading speech which your letter has quoted is correct. Equivalent provisions to section 145B exists in the following Acts —

- Stamps Act 1958 — Section 166AC
- Business Franchise (Tobacco) Act 1974 — Section 19BA
- Financial Institutions Duty Act 1982 — Section 59
- Pay-Roll Tax Act — Section 31; and
- Accident Compensation Act — Section 216

Neither section 145B of this Bill nor any of the provisions referred to above make provision for the third party who is disputing a debt with the Crown debtor to raise a right of set-off against that debtor.

My inquiries failed to locate an instance where this provision has been used except for the recovery of pay-roll tax and Workcare levy. In these cases, the power was used sparingly. I am advised that, in these cases, the State Revenue Office is not aware of any person disputing of the debt with the Crown debtor when served with a relevant notice.

The Treasurer’s letter later goes on to say:

I am advised that in practice, if a debt was in dispute the pay-roll tax commissioner would not proceed to enforce payment from the third party. The notices would remain as an effective recovery tool which ‘freezes’ payments by third persons to the Crown debtor. When the debtor is company or trading entity, the notice usually has the result that the debtor felt compelled to resolve the outstanding debt to the Crown immediately in order to restore cash flow. It is anticipated that, where such notice is issued under the Liquor Control Act, the same practical result would be sought to be achieved.

It should be noted that the draft of section 145B(1) in the above bill does enable the chief executive officer to allow further time to a person full compliance with that notice. In the event of disputed debt, it remains open to the chief executive officer to allow further time to the person served with this notice until that issue is resolved. For the reasons stated earlier, the most likely outcome would be that the chief executive officer would grant further time to the third party as this would still have the desired effect to place pressure upon the Crown debtor.

The purpose of the insertion of a criminal penalty is to ensure strict observance with the notice served. The attention of relevant parties has been referred to this provision in the past in order to discourage any informal arrangement between a debtor and third party whereby the debtor understates the amount owing to him, enabling the third party to pay the actual balance outstanding direct to the debtor without knowledge of the Pay-roll Tax Commissioner. I am advised that, to date, this penalty has never been applied.

The committee then makes the following remarks in relation to the letter of the Treasurer:

The committee notes that the explanation offered by the State Revenue Office is a practical one ... however, the committee is of the view that the provision may contravene section 4D(a)(ii) and has
written to the minister suggesting that there should be an avenue of appeal for a debtor who disputes the debt.

The opposition clearly accepts the tenor of the Treasurer's reply about the intention of the act and the way it would be used, namely, that it would be used sparingly and that he does not envisage there would be widespread use of the provision.

However, the opposition also notes the comments of the committee and I hope that the minister, perhaps in his reply, will address the suggestion from the Scrutiny of Acts and Regulations Committee that there should be an avenue of appeal for a debtor who disputes the debt.

Proposed section 145C allows that a process may be served other than personally and outlines the various options that may be used. The view of the opposition to these particular provisions is that they do not detrimentally affect the person being served.

Clauses 11 and 12 extend the power to enter, remain in and search licensed premises to the Commissioner of State Revenue or a person duly authorised. The opposition notes that this has drawn no adverse comment from the industry itself and that basically it is to be achieved through delegation from the Liquor Licensing Commissioner through the Commissioner of State Revenue.

I shall make the following points about it. The opposition supports the fact that that authority must be in writing. It is also noted that this means, in effect, that ultimate control for delegation remains with the Liquor Licensing Commission.

On the advice of the briefing that opposition members received it is further noted that the delegation must be specific to an officer and cannot be a blanket delegation. That is an important proviso.

Clause 5 was the reason that the bill was withdrawn and brought back. It is the clause that removes the compulsory retirement, or replacement, of commissioners at the age of 65. The opposition has no difficulty with that clause.

In the second-reading speech the minister noted that this bill is about the transfer of the collection of fees and enhancing the efficiency of such collections. As I have said throughout, the opposition is not opposed to that. Nevertheless it would be concerned if there were further encroachments into other areas of the commission's functions. I direct to the minister's attention page 29 of the 1994 annual report of the Liquor Licensing Commission which states in part:

The government has determined that from December 1994 the assessment, collection and investigation of liquor licence fees will transfer to the State Revenue Office. The various tasks will be undertaken by state revenue under delegation from the commissioner and the chief executive officer of the Liquor Licensing Commission. A joint working party is addressing the issues related to the transfer.

It appears that the statement in the annual report goes a little further than the bill. The opposition would be concerned if the functions of the commission, particularly the assessment function, which should be separated and carried out by an independent body, and the independence of the commission were compromised in any way at all. In a sense it is a judicial body and it should remain so, and it should also remain at arm's length from the government.

The opposition has no problem at all with the State Revenue Office collecting a fee determined by the commission, but would not extend that to a more complete change of function. I again ask the minister to address the note in the annual report in his reply.

As was explained in the second-reading speech, the bill is also about efficiency of collections. I shall make some comments about that because the Liquor Licensing Commission has been extremely efficient in its collections and the staff have worked well and effectively. In supporting this bill I would not wish to give the impression that the opposition is in any way saying that it supports these changes because there is some inherent problem in the Liquor Licensing Commission or in the way it goes about its collections.

I note that the commission's annual report in a couple of places, namely page 28, refers to the revenue and services group:

Over 97 per cent of fees were collected by the due date. Total moneys collected in 1993-94 were $143.68 million, an increase of $3.83 million or 2.7 per cent over the previous year.

A good performance by the commission I would have thought! On page 32 of the report under the heading 'Staff Utilisation' the figures on revenue collected per staff member and licences managed per staff member show quite clearly that over a period of years the efficiency and productivity of the staff have increased greatly.
As at 30 June 1990, the average revenue collected per staff member was $1.35 million, and by 30 June 1994 it had increased to $2.03 million, which is a significant increase. The number of licences managed per staff member in the period to 30 June 1990 was 66.18 million and 105.58 million at 30 June 1994, again an increase. It is worthwhile placing on the record an acknowledgment of the functions of the officers of the Liquor Licensing Commission and the way it has gone about its work over that period of time.

I also note from page 61 of the commission’s report that it has written off bad debts of only $89,610. The report notes that the debts relate to licence/permit fees that may not be recoverable. The commission collected $140 million in total licence fees, and had only $89,610 in write-offs of bad debts. There are many companies — —

Mr Hamilton — That wouldn’t mind that!

Mr LONEY — Yes, that is right, many companies would be very happy with that figure, so I acknowledge the work done by the officers and the staff, and their efficiency and productivity.

Another point concerns the transfer of jobs from the Liquor Licensing Commission to the State Revenue Office. I understand there are currently 14 positions in respect of the collection function of the Liquor Licensing Commission. Of the 14 positions, 6 or 7 remain unfilled, and have been unfilled for some time. The opposition has sought some assurance about those unfilled positions. It would be concerned if these were used as an opportunity to reduce staff through the transfer of staff members from the Liquor Licensing Commission to the State Revenue Office.

The opposition has received verbal advice from a representative of the Treasurer that all 14 positions will be transferred and filled. Furthermore, the requirement is currently being evaluated and the number of positions may well be increased. The opposition would welcome the minister’s confirmation that this is the government’s intention.

I now desire to move:

That all words after 'That' be omitted with the view of inserting in place thereof the words 'this bill be withdrawn and redrafted to provide for an appeal procedure against the assessment of fees under the act.'.

The opposition had intended to move amendments dealing with appeal rights. However, on the advice of the Clerks and Parliamentary Counsel we understand that is not possible. The opposition believes this is an opportune time to address the lack of appeal rights by holders of liquor licences against licence fee determinations.

The government has stated its intention of bringing licence fees collections into line with similar provisions in other acts, most notably the Business Franchise (Tobacco) Act. This act and others contain appeal rights and, given that the government is introducing provisions that are almost a straight pinch from that act, it seems appropriate that it should go the whole way and also allow appeals against fee determinations.

Therefore, the opposition will propose an amendment providing that appeal rights similar to those contained in the Business Franchise (Tobacco) Act be incorporated in part V of the principal act by inserting proposed subsections (4), (5) and (6) in section 115. Proposed section 115(4) would then read:

(a) A person who is dissatisfied with any certificate issued by the chief executive officer under section 142(2) may, within thirty (30) days after service of the certificate, send by post or otherwise with written notice to the chief executive officer an objection in writing against the assessment stating fully the grounds on which he relies.

(b) Where the certificate is an amended certificate, the person objecting shall have no further right or rights than he would have had if the amendment had not been made, except to the extent which by reason of the amendment a fresh liability in respect to any particular is imposed on him or an existing liability in respect to any particular is increased.

(c) The chief executive officer shall consider the objection, and may either disallow it or allow it either wholly or in part, and shall serve the person objecting by post or otherwise with written notice of his decision.

The proposed amendments to section 115 provide that on determination of a fee by the commission a licence holder would have to put objections in writing and there would be a further hearing concerning the licence fee. Amendment 5 proposes the following insertion to section 115(5):

(a) If the objector is dissatisfied with the decision of the chief executive officer on the objection, he may within thirty (30) days after notice of the chief executive officer’s decision has been served on him
request in writing request the chief executive officer to refer the decision to the commission.

(b) If within thirty (30) days the chief executive officer does not refer the decision, the person making the request may at any time thereafter give him notice in writing to do so, and the chief executive officer shall within thirty days of receiving the notice refer the decision.

Again the amendment ensures that there is a process by which a person can adequately stress his or her objection. The opposition will also propose the insertion of proposed section 115(6):

(a) A person who lodges with the chief executive officer an objection in writing shall not be required to pay any fee pursuant to section 142(2) until a final determination of the objection.

(b) A person who is required to pay a fee pursuant to a final determination shall pay that fee together with interest calculated at the rates prescribed from time to time under the provisions of the Penalty Interest Rates Act 1983 (Victoria) upon the fee from the date upon which (but for the provisions of this section) it was due and payable until the date of payment.

Although a person should not be required to pay the fee while it is subject to dispute, if he or she chooses not to make a payment, an interest provision should be imposed after final determination. The reason is to discourage frivolous objections simply for the purpose of paying the fee at a later date.

The situation after the passage of this legislation would be that certificates of the chief executive officer would be prima facie evidence of the fee determination and other matters for the purpose of legal evidence. It would include proceedings by the chief executive officer for recovery of fees already determined and possibly reassessed by the commission. If under this procedure a person believes a certificate does not accurately reflect the fee as determined by the commission, evidence may be called to that effect. Under the current provisions of the bill, however, that could not alter the determination, only the effect of the certificate produced by the chief executive officer. No right exists to challenge the original determination.

This lack of an appeal right is recognised in the draft of the government's own amendments, and that is the point I made earlier. It is acknowledged in the drafting by the removal of the word 'conclusive' prior to the word 'evidence' as it appears in similar acts. The Business Franchise (Tobacco) Act refers to the certificate being conclusive proof. The reason is that the licence holder has already had the opportunity to challenge the determination. That does not apply in the Liquor Control Act. The opposition believes a section should be included requiring the commission to entertain objections to fee determinations and that, since the act is being amended, this is an appropriate time. I point out that this is not something that the government has intentionally left out; historically, it has not been included in the legislation. The opposition believes this is an appropriate time to address the issue.

Further, we note that section 118 of the act allows the commission to reassess a fee on receipt of further information. However, it seems to be aimed explicitly at reassessing fees upward rather than downward. I imagine that not many licence-holders will be running to take advantage of section 118! The opposition believes it is appropriate to address this issue now.

In conclusion I say that the opposition has no problem with the provisions being introduced by the government. Had the circumstances been different we would have moved our amendment other than by way of a reasoned amendment; however, we believe that the time is appropriate for the inclusion of the right of objection or appeal. We make the offer to the minister that the opposition is prepared to cooperate with the government in ensuring the speedy passage of a reintroduced bill that includes an objection provision.

Mr JASPER (Murray Valley) — In addressing the bill and the reasoned amendment I should like to comment on the importance of the liquor industry to Victoria. Honourable members would understand that importance and that the industry should have appropriate controls if it is to operate effectively. I have taken a keen interest in the operation of the Liquor Control Act and the industry since I entered Parliament in 1976. A former member for Benalla, Tom Trewhin, was the National Party spokesman on this issue until his retirement in 1982 and I assumed the role from that time on, including the period since the election of the coalition government.

The industry is not only important financially. The honourable member for Geelong North pointed out that in the 1993-94 financial year collections by the Liquor Licensing Commission amounted to $143.68 million, which is a huge amount of money in anyone's terms. I am sure the Treasurer has taken note of the contribution of the liquor industry to Victoria. The honourable member for Geelong North also referred to the 1993-94 annual report of the
Liquor Licensing Commission. I advise him that the government is interested not only in collections from the liquor industry as a contribution to consolidated revenue for the government but also the responsible provision of alcohol through the range of outlets in Victoria and the hours they operate.

On page 30 of the report the commission indicates that it is examining the responsible serving of alcohol throughout Victoria:

During 1993-94 a concerted effort was made to establish RSA workshops in TAFE colleges and private training-hospitality schools. Fourteen institutions across Victoria have been accredited by the Liquor Licensing Commission and are running workshops under the general direction of, and using materials provided by, the commission.

The report lists the 14 TAFE colleges and hospitality organisations that are considering assisting in the responsible serving of alcohol. We would all know that in the early 1980s the government of the day instituted an investigation into the liquor industry, the result being the Nieuwenhuyzen reports which were presented in 1984. There followed a lot of discussion and investigation, and the government concluded that massive changes needed to be made to the industry. The conservative members of Parliament expressed concern at the effect the changes would have on the industry and the provision of liquor. The National Party strongly opposed the extension of trading hours, as is indicated in the Nieuwenhuyzen reports, because operators would be able to trade 24 hours of the day, every day of the week and there would be little control over the industry.

In 1986 we debated legislation involving massive changes and a rewrite of the Liquor Control Act 1958. The new act, which was proclaimed in 1987, made massive changes to the industry, including the ability of people to apply for licences and the hours they would be able to operate. The statistics are clear: in 1987 there was a massive increase in the number of liquor outlets in Victoria, and in 1989 there was a 14 per cent increase from the previous year in the number of operators.

Changes have been implemented by the coalition government in an effort to bring the industry under greater control, to allow the availability of alcohol in controlled circumstances and to try to promote the industry as a responsible one. The Liquor Licensing Commission is also doing that, and there have been greater controls over the provision of licences. In fact, in the 1993-94 financial year compared with the previous year there was an increase of only 2 per cent, which indicates that there has been a greater interest in stabilising the industry and trying to create a breadth of activities and the ability to provide what people want in the controlled consumption of alcohol. We have seen changes in the industry as it has considered how to operate more effectively in the provision of alcohol, whether it be through hotels, restaurants or packaged liquor outlets.

Before going into detail about the bill and the reasoned amendment moved by the honourable member for Geelong North I should like to refer to a couple of matters. I have said that there have been changes to the industry as it has considered how to operate effectively. Those people who have remained in the industry and considered selling only alcohol have had difficulty in maintaining standards and their own profitability; but those who have been entrepreneurial have considered what they can do to maintain the industry. I believe Victoria has one of the highest standards of control in the liquor industry and the hospitality and services that go hand in hand with the provision of alcohol.

These entrepreneurs provide food, entertainment and, in many hotels, poker machines, an added factor. It is a controlled industry that plays an important part in providing hospitality, entertainment and a great variety of food for all Victorians.

Prior to 1992 the then shadow Treasurer, now the Treasurer, spoke about the consolidation of fee collection with the State Revenue Office, which would collect fees, taxes and charges from a range of organisations. There is merit in having those fees collected by the State Revenue Office.

The honourable member for Geelong North referred to the efficiency of the Liquor Licensing Commission in its collection of fees. No-one says that it has not been efficient, but we should be looking at changes that will improve the operation of the commission in the long term. The honourable member said the commission collected 97 per cent of the fees and charges. There should be a review of the process so that we can move forward. The commission should do what it does best: regulate the industry and ensure that it develops into the future.

There could be a conflict in the commission collecting fees as well as regulating the industry.
Although I acknowledge the work the commission has done I believe there is some benefit in having the revenue collected by the State Revenue Office so that the commission can regulate the industry and review applications for new licences. The new system will allow that to be done under delegation.

We have a vastly different industry from the one that existed during the 1970s and 1980s. We have a wider variety of outlets. Many people of ethnic background have become involved in the industry and they add diversity. The expectations of the public have changed. People go to hotels for entertainment, to enjoy a variety of food and to consume alcohol. The drink-driving laws have changed the way the industry has operated in Victoria. The number of changes that have taken place over the past few years justify the actions being taken by the government in removing the revenue collection process from the Liquor Licensing Commission.

I have no doubt there will be a close liaison between the Liquor Licensing Commission and the State Revenue Office regarding the collection of fees. I believe it will free up the management of the commission so that it can examine the development of the industry into the future.

I note the comments made by the honourable member for Geelong North in referring to the recent report of the Liquor Licensing Commission. The honourable member referred to page 29 of that report which indicates the changes that will be implemented by the government in assessment collection and the investigation of liquor licence fees.

In speaking to the reasoned amendment, the honourable member for Geelong North said there would not be the opportunity to reassess licence fees imposed on the industry. Licence fees are paid in advance on 31 December each year or by instalments with the first instalment payable no later than when the grant or renewal of the licence comes into operation, and quarterly instalments being paid thereafter on 10 March, 10 June and 10 September respectively. An interest fee of 10 per cent is chargeable up front on the last three quarterly fees. The commission allows some flexibility in the payment of the licence fees with final payment to be made by 22 January of each year. I am critical of the fact that the licence fee is paid up front and determined on the previous year's sale of liquor. That is of concern to the industry and to the government, which will investigate and assess it in the future.

Section 118 of the Liquor Control Act allows for a reassessment of fees under certain circumstances. The Liquor Licensing Commission has some empathy and sympathy for people who have problems paying their licence fees and it extends payment under certain circumstances. Clause 10 of the bill refers to the recovery of amounts payable and covers some provisions referred to in subsections (2) and (4) of section 118, dealing with the reassessment of fees. The bill does not amend section 118(1), which provides for the commission to reassess the fees imposed.

The government will take on board the comments made by the honourable member for Geelong North. The opposition supports the bill and the comments made by the honourable member are put forward in good faith to get better legislation. However, in assessing the amendments and in taking on board the comments made by the honourable member I do not believe the government should support the reasoned amendment because section 118 allows for a reassessment if the licensee believes there is an error in the assessment of fees or if he or she has problems in meeting the fees.

I shall be interested to hear the response of the Minister for Small Business on this issue, but I believe the government should give an undertaking that it will reassess this aspect of the legislation while the bill is between here and another place.

I am interested in the control of the state's liquor industry. I believe the government is listening to the concerns expressed by those involved in the industry which will make the industry a better one. Those involved in the industry can then provide the best service to those who want to take advantage of the various activities provided by licensees.

The legislation is supported by the opposition. I trust that while the bill is between here and another place the government will, in good faith, take up the points made by the honourable member for Geelong North who is trying to make the industry more efficient. Without accepting the reasoned amendment moved by the honourable member for Geelong North, the government can provide sympathy and empathy for licensees.

Mr HAMILTON (Morwell) — Unlike the honourable member for Murray Valley, I am not an expert on the liquor industry. The liquor industry is an important industry and the opposition is pleased to support the bill with the qualification provided in
the reasoned amendment moved by the honourable member for Geelong North.

It is appropriate that the honourable member for Murray Valley should paint a glowing picture of the liquor industry. However, as the shadow Minister for Roads and Ports I know there are some downsides about which the community is aware. I refer particularly to the abuse rather than the use of alcohol. Many crimes are attributed to alcohol, as are a number of road deaths. It is important that the government maintain good regulatory control over the liquor industry. The opposition is pleased to see that the government is continuing to do so in the interests of the community, given the amount of domestic violence that is attributed to the use of alcohol and under-age drinking.

The honourable member for Murray Valley stated correctly that there has been a tremendous change in the liquor industry with the interrelationship of the hospitality and tourism industries and the way in which the Liquor Licensing Commission has managed those significant changes. I am old enough to remember 6 o'clock closing and the pots lined up on the bar. It is important to note that the bill transfers:

... the collection of licence fees payable under the act from the Liquor Licensing Commission to the State Revenue Office and enhances the efficiency of collection of those fees.

The evidence presented in the annual report of the Liquor Licensing Commission shows a tremendous productivity improvement in revenue collection. Revenue per staff member has increased from $1.35 million in 1990 to $2.03 million in 1994 and the number of licences managed per staff member has increased. No matter how much the Treasurer might argue that his office can do it better, I do not believe we will obtain the same productivity improvements under the State Revenue Office. I do not think it can be done much better. Certainly one will not see those productivity benefits within a four-year span as has occurred under the Liquor Licensing Commission.

The reasoned amendment moved by the honourable member for Geelong North is important for two reasons. Firstly, there should be an avenue of appeal by the licensee against the assessment of the licence. That is a perfectly normal right that we should give to business people who are subject to control by government regulation. Secondly, there should be consistency. Many of the provisions in the bill are an exact copy of the Business Franchise (Tobacco) Act. There should be consistency in relation to appeals against the licence fee. It is important to note that 3 per cent of fees were not collected in due time in the previous year.

I turn to country hotels and licensed clubs that are doing it hard. The Latrobe Valley has lost 8000 jobs from one industry; that is 8000 potential customers lost to our local hotel and licensed clubs. They are feeling the pinch because they do not have the same numbers of salaried people who are by and large blue-collar workers and good supporters of the pubs and clubs.

I am surprised that so few National Party members are contributing to this debate given the close relationship they had for many years with the Australian Hotels Association. That is well known and recognised. Recent changes have made it more difficult. The introduction of poker machines into some hotels has meant that hotels without that particular facility have suffered further losses of custom. There have also been projected changes in that some of the hotels will lose their Pubtab. That will also reduce their custom and make it harder for them.

We should be aware that some liquor outlets in the bush are doing it hard. We must ensure that their licence fees are properly assessed and that they have the opportunity to produce the evidence, just as I have, about the hardship they are experiencing. They should have an opportunity to appeal against licence fee decisions made by the Liquor Licensing Commission.

Quite often the only place of entertainment for young people in country towns is provided by the local hotel. It is an important social focus for young people in the town and the responsibilities associated with those licensed premises is by and large well controlled. Most of the licensees have responsible attitudes. One of the biggest changes in the liquor industry has been the growth of licensed bottle shops in supermarket chains which provides another outlet. It is a simple marketing tool where, with bulk billing and bulk purchases, the supermarket chains can quite often undercut the hotels and clubs. That is not always a good thing for the community because they do not provide the venue and the supervision that exists within the industry. We must be aware of the pluses and minuses; many country hotels and clubs are currently doing it hard and there should be avenues, as the honourable member for Geelong North.
pointed out, for appeals to be made. I am pleased that the honourable member for Murray Valley has suggested to the minister — I hope it is taken up — that while the bill is between here and another place the spirit of the reasoned amendment will be examined by the government and there will be a better outcome for what is an important industry in this state.

Mr HAERMeyer (Yan Yean) — I am grateful for the opportunity of participating in this debate having for some years earlier in my life spent time as a partner in a small family hotel business. I still feel for the people who are actively involved in the industry because it is a hard slog.

The opposition supports the bill but I will speak in support of the reasoned amendment proposed by the honourable member for Geelong North. The propositions in the bill are not offensive to the opposition and seem to make sense. There is a lot to be said for having a revenue collection function, which the collection of liquor licensing fees effectively is, being assumed by the State Revenue Office. By the same token, it is hoped we do not go down the path of this being a precursor to the ultimate subsuming of the Liquor Licensing Commission under the State Revenue Office or some other body. The minister is nodding that it shall not be. I hope that is not the case because the functions carried out by the Liquor Licensing Commission are not essentially revenue functions but are effectively control functions. It plays an important role in controlling and regulating the liquor industry in this state.

The liquor industry is an important industry and one about which precautions need to be taken to ensure the distribution and marketing of liquor is conducted in a way that is beneficial to the community and so that any potential effects of the distribution and marketing of liquor are minimised.

The reasoned amendment moved by the honourable member for Geelong North proposes to put in place a means by which people may appeal against or object to a determination in relation to their liquor licensing fee. It would put in place a vehicle under which 30 days after the service of a certificate a licensee would be able to lodge an objection with the chief executive officer of the State Revenue Office and must then state the grounds on which he or she is appealing. If that is not upheld the licensee may again write to the CEO — I will not go through the laborious detail of it — in which case the CEO is obliged to ask the commission to review the appeal made by the licensee.

At present there is absolutely no right of appeal for a licensee against the determination of a liquor licence fee. I do not expect there would be an enormous flood of people wanting to take up the appeal right but the fact is that it is not there. It exists in other legislation such as the Business Franchise (Tobacco) Act and currently enables similar, if not identical, appeal or objection procedures to those proposed for the Liquor Control Act.

The honourable member for Murray Valley said he was of the view that section 118 of the Liquor Control Act 1987 provided an appeal mechanism or a mechanism for objection. There is no express provision for objection or appeal against a determination in that section. It is very much a section that is preoccupied with licensees giving incorrect information or making incorrect statutory declarations in the assessment of their licence fee. It is geared very much towards the upward not the downward assessment of liquor licence fees. It really leaves the initiative for a re-assessment with only the Liquor Licensing Commission and does not give an express right of appeal to an individual licensee.

I will go through some of the relevant clauses fairly carefully so that we understand what is being talked about here. Clause 10 will amend section 118, which deals with the re-assessment of fees. Subsection (1) states:

If the Commission has determined a fee for the grant or renewal of a licence on the basis of —

(a) in the case of the grant of a licence, particulars given in the application; and

(b) in the case of the renewal of a licence, a statutory declaration given under section 117 —

and the Commission is of the opinion that the particulars of statutory declaration was incorrect, the Commission may re-assess the fee.

That provision is specifically directed at a situation in which the commission is of the view that the statutory declaration provided by the licensee is incorrect. It is unlikely that licensees would overstate their obligations so far as their liquor licensing fee is concerned, so it is a provision directed at the upward movement of a liquor licence fee.
Subsection (2) goes on to state:

If under sub-section (1) the Commission re-assesses a fee in respect of the grant or renewal of a licence and —

(a) the re-assessed fee is greater than the fee first determined —

there is no discussion of it being lower —

by the Commission for the grant or renewal; or

(b) the Commission is of the opinion that the person who gave the particulars or made the statutory declaration —

(i) knew or ought to have known that the particulars or statutory declaration was incorrect; or

(ii) gave the particulars or made the declaration with reckless indifference as to whether it was correct or incorrect —

the person who paid the fee first determined is liable to pay to the Commission an amount determined by the Commission being —

(c) not less than the amount by which the re-assessed fee exceeds the fee first determined; and

(d) not more than twice that amount.

This is very much a punitive clause. It deals with people who give incorrect particulars or provide an incorrect statutory declaration as to their obligation in respect of a liquor licence fee. The remaining provisions in that section relate very much to payment procedures or postponement and instalments of liquor licence fees.

It can be seen from that that at present there is no express right of appeal or express right to object against the determination of liquor licence fees. This bill provides an ideal opportunity for that right of appeal, which does exist in other industries and in other legislation, to be extended to the liquor industry. After all, the liquor industry comprises mainly small businesses. It is made up of many ordinary Victorians and their families. People from all walks of life — shop assistants, bricklayers, taxi drivers, and even footballers and former members of Parliament — have invested their life savings in hotels or other forms of licensed liquor outlets as a means of giving their families financial security and independence. Most of those operate small leaseholds and they struggle to make ends meet, and I speak from bitter experience in that regard.

Changes to the trading hours that have been brought in recently by the government have made it even more difficult for these operators. They work seven days a week, often 20 hours a day. Many of them do it all themselves: the cleaning, the bar work, the cooking, the ordering and the clerical work and bookkeeping. It is stressful work and is not conducive to healthy family life: it places an enormous strain on the families involved. It is important for the financial stability and quality of life of the people engaged in the liquor industry that cognisance be paid to the issues that affect them when we are drafting and debating legislation that affects the industry. For that reason I urge the government to take on board the reasoned amendment moved by the honourable member for Geelong North. It is moved in good faith, not with mischievous intent, and I ask the government to look at it seriously.

Mr HEFFERNAN (Minister for Small Business) — I thank the shadow minister for small business and the honourable members for Murray Valley, Morwell and Yan Yean for their constructive input into this debate.

It was interesting to hear the shadow minister indicate his opinion with regard to the industry as a whole, that it is a good industry Australia-wide compared with the industry in other states. In times that I acknowledge have been very tough for the industry, when enormous changes were brought about by both the previous government and ourselves, considering everything the industry generally has adjusted reasonably well. There have been hard economic times and people in the industry ought to be complimented on the standards they have kept. I also thank the shadow minister — and I understand his concern in that area — for acknowledging that the government has made sure that in light of the conditions in the marketplace no fee increases were made in the liquor industry. I hope that situation will continue over time. We can no longer look at the liquor industry as a milking cow for governments. It has gone through enormous changes and pressures and it is still there, and we ought to be very concerned to make sure people in the industry retain their viability.

As the honourable member for Yan Yean said, a lot of young people, including footballers and sports people and their families, have gone into the industry and have got their fingers burnt. It is no longer a case of just opening the door in the liquor industry; it is very specialised, and many people have failed to realise that and have paid the
LIQUOR CONTROL (AMENDMENT) BILL (No. 2)

Tuesday, 8 November 1994

consequences. We ought to look at fee collection full stop, up-front. I am against people having to pay fees 12 months prior to delivery. If we are honest about it I think it is tough and cruel to expect anyone to operate like that in a business. There is very little I can do at this stage in regard to that issue because of finances that we require and the way it has been governed over the years both when we were in government and when the Labor Party was in government. This is the way we assessed the situation: we had the funds coming in up-front. Because of financial turnover the government cannot at this stage, as the opposition would understand, allow the situation to revert to anything else in the short term. I have constantly put these matters up-front to the Treasurer. It is my desire in the longer term and, I hope, in my lifetime in Government and when the Labor Party was in government. This is the way we assessed the situation: we had the funds coming in up-front.

It is interesting to see that no criticism was made of the Liquor Licensing Commission. I agree with the shadow minister that it is efficient and clean and runs a good service for the industry. It has an important relationship with the industry and there is a certain amount of mutual respect between the chief executive officer, Mr Kearney, and the industry that has been built up over many years. That was acknowledged by the shadow minister, who constantly came back to the situation that the transfer of fees collection ought not to be a criticism of the operation of the commission. It is not in any way a criticism; it is just that the government believes there may be, and I believe there is, a more efficient way in the long term to get greater benefits from the overall collection into one area - the short-term money market - of all our finances, as he would understand. As enormous fees come into the commission quickly the money will go straight out again and can help to generate further wealth for the state of Victoria. I understand the honourable member for Yan Yean was also concerned about how far we go with this transfer: is this just the first step? I can assure him this is the only step as far as I am concerned: the commission has a part to play, and it is good that it has been acknowledged by everyone in the liquor industry how important it is.

In regard to staff requirements, the shadow minister raised a query about the 14 positions being transferred over. I understand the Treasurer's staff gave the honourable member some sort of commitment or mentioned the matter. I cannot speak on behalf of the Treasurer and say that this is what he is going to do, but I will take that matter to the Treasurer in reference to the staff and mention that the shadow minister brought it to my attention today. As far as I am concerned the 14 positions mentioned will be transferred. The longer term will be the Treasurer's responsibility.

In reference to the amendments, I do not believe at this stage that I would support the delaying of the bill. I take on board the concerns and very good intentions of the opposition in regard to this issue and I am not violently opposed to them, but I think there are better ways of handling this area and I think we ought to take a look at it first.

The shadow minister acknowledged that the collection of fees was very efficient and praised the Liquor Licensing Commission on the amount of money it obtained this year and the few debts that were incurred, not on the commission but on the taxpayers, so it is an enormous imposition on them, and he acknowledged that. The system generally is working well. There is a great relationship between the industry and the commission, and that remains. The door is open for people who have problems with their assessments. In my time as the minister with responsibility for the liquor industry I have received no letters that I can remember about problems with assessments on liquor. There may have been one or two in two years, but I honestly cannot remember any, and in light of that why do we need to go down that path when there is no problem?

I understand that the big concern of the honourable member for Yan Yean is that he is giving more time to the liquor industry, and that is his big concern. However, when I look at some of the delays that could be brought about, I believe that if I were in the industry and had to pay a large amount of money for my fees and it was not available, I would seek this way out. I know the honourable member said at the end that there would be interest payments, but I can assure him that in the long term the industry on the weaker side, unfortunately — and not all, because we lost $80,000 odd — may take advantage of further options to delay the process of paying the bill. Sometimes this could go for 90 days and if it went into a further 90 days the taxpayers of this state would lose more money. I do not think we ought to look at it as blankly as we have tonight by saying, 'Let's withdraw it and put this in'.

The Public Bodies Review Committee, which has four representatives from the Labor Party, is now going to review the Liquor Licensing Commission.
and is seeking correspondence and submissions for all people involved in the commission. As I indicated earlier, I believe the intentions of the honourable member for Yan Yean are good, and I am not against the proposal. I will now immediately refer the matter to both the opposition and government members of the committee, saying that it has been brought to my attention and asking them to do an assessment in the submissions back to me taking into consideration the proposed amendments in reference to the overall assessment of the operations of the Liquor Licensing commission in light of the transfer of the responsibility for collection of fees.

When the committee assesses the commission, it may find a slight problem with it not having the flexibility in its power to be able to say 'Look, yes, I've had a quick look at it and you're different'. There may be rigidity in the financial side of the system in the collection of the fees. I understand the honourable member's concern. I have concerns, too. Nevertheless the best way to go is to let opposition and government members who are joint members of the Public Bodies Review Committee investigate it, and I am sure it will come back and assure me that that is the commission's responsibility and that it is okay. If the legislation does need amendment, by all means I will look at it. However, on those grounds I cannot accept the amendment.

Sitting suspended 6.31 p.m. until 8.03 p.m.

House divided on omission (members in favour vote no):

- Ayes, 53
  - Ashley, Mr
  - Bildstien, Mr
  - Brown, Mr
  - Clark, Mr
  - Coleman, Mr
  - Cooper, Mr
  - Davis, Mr
  - Doyle, Mr (Teller)
  - Elder, Mr
  - Elliott, Mrs
  - Finn, Mr
  - Hayward, Mr
  - Heffeman, Mr
  - Henderson, Mrs
  - Honeywood, Mr
  - Jasper, Mr
  - Jenkins, Mr
  - John, Mr
  - Kennett, Mr
  - Kilgour, Mr
  - Leigh, Mr
  - Lupton, Mr
  - McGill, Mrs
  - McGrath, Mr J.F.
  - McGrath, Mr W.D.
  - McLeilian, Mr
  - McNamara, Mr

- Noes, 23
  - Andrianopoulos, Mr
  - Baker, Mr
  - Batchelor, Mr
  - Bracks, Mr (Teller)
  - Brumby, Mr
  - Coghill, Dr
  - Cole, Mr
  - Cunningham, Mr (Teller)
  - Dollis, Mr
  - Garbutt, Ms
  - Haermeyer, Mr
  - Hamilton, Mr
  - Ashley, Mr
  - Maughan, Mr
  - Paterson, Mr
  - Perrin, Mr
  - Perton, Mr
  - Pescott, Mr
  - Peulich, Mrs
  - Phillips, Mr
  - Plowman, Mr A.F.
  - Plowman, Mr S.J.
  - Reynolds, Mr
  - Richardson, Mr
  - Rowe, Mr
  - Ryan, Mr
  - Smith, Mr E.R.
  - Smith, Mr I.W.
  - Spry, Mr
  - Stegall, Mr
  - Stockdale, Mr
  - Tanner, Mr
  - Thompson, Mr
  - Traynor, Mr
  - Treasure, Mr (Teller)
  - Turner, Mr
  - Wade, Mrs
  - Weideman, Mr
  - Wells, Mr
  - Leighton, Mr
  - Loney, Mr
  - Marple, Ms
  - Mildenhall, Mr
  - Pandazopoulos, Mr
  - Sandon, Mr
  - Seitz, Mr
  - Sercombe, Mr
  - Thwaites, Mr
  - Vaughan, Dr
  - Wilson, Mrs

Amendment negativated.

Motion agreed to.

Read second time.

Passed remaining stages.

IMPOUNDING OF LIVESTOCK BILL

Introduction and first reading

Received from Council.

Read first time on motion of Mr MACLELLAN (Minister for Planning).

BUSINESS FRANCHISE ACTS (AMENDMENT) BILL

Second reading

Debate resumed from 21 October; motion of Mr STOCKDALE (Treasurer).

Mr BRUMBY (Leader of the Opposition) — The opposition supports the Business Franchise Acts (Amendment) Bill. The opposition has analysed many of the bills that have recently been passed in this house. Government members will be surprised to learn that it has supported well over half the bills that have been presented to Parliament.
The opposition opposes bad legislation that is not in the interests of Victorians or which is designed to look after the mates of the government. Although it opposes legislation that encourages and fuels the gravy train, it is happy to support good legislation that wipes out tax avoidance.

Mr Finn interjected.

Mr BRUMBY — I believe there is a standing order about interjections from members who are not seated in their right places. The honourable member for Tullamarine is being unparliamentary.

The ACTING SPEAKER (Mr Cunningham) — Order! The honourable member for Mordialloc is also out of his place.

Mr BRUMBY — The Business Franchise Acts (Amendment) Bill provides for the strengthening of the franchise fee regime. Indeed, in this legislation it relates almost specifically to tobacco. The government estimates that rorting of the existing system of franchise arrangements could be costing up to $100 million a year, which is a significant amount of money. When one thinks of revenue measures, the $100 home tax brings in about $140 million or $150 million a year. The possible loss of approximately $100 million a year through this system must be checked.

Although this legislation does not solve all the problems associated with tobacco sales, the principal intention of the bill is to strengthen the position of the State Revenue Office with respect to ‘interstate sales’ by Victorian wholesalers. Currently sales are deemed to be ‘interstate sales’ if the wholesaler reasonably believes this to be the case. Under this legislation the test will be whether the Commissioner for State Revenue is satisfied that the sales are of an interstate nature.

Generally, as I said, the opposition applauds this move by the government. I wrote to the Treasurer in May this year enclosing information forwarded to me by an anonymous and confidential source alleging tobacco tax avoidance. The Treasurer was good enough to write back to me in June to say that he appreciated me bringing this matter to his attention. As a result of that, and the fact that the same person had also been providing useful information to the State Revenue Office since February this year, the government has been alerted to the problem and has been able to draft and bring forward this legislation to the Parliament.

In his letter to me the Treasurer states:

At present the activities of a few unscrupulous tobacco wholesalers are leading to revenue losses and are disadvantaging legitimate businesses. Knowledge of the loopholes is spreading and consequently I am keen to avoid further advertising their existence...

The government plans to introduce legislative amendments in the spring session of Parliament. I hope that the opposition will agree to support the amendments.

He then mentioned arrangements for briefing sessions on the changes. When these matters were brought to the attention of the opposition we conveyed them to the Treasurer and he had the courtesy to thank us for that. The result is this legislation, which will remove most of the rorting in the system.

Having said that, I point out that we have some concerns about the lack of clarity in clause 7, pursuant to which all wholesalers will have to provide details of sales in a prescribed form. Failure to do so will result in some form of penalty. As yet we have not been provided with details about the particulars that will be required for sales or the penalties that will be imposed for failing to meet those requirements. It is possible and even likely that the legislation will result in additional paperwork for business. The opposition supports the removal from business of paper burdens and unnecessary red tape and I am sure the Minister for Small Business shares our concerns about that. That is our concern about clause 7 and I hope the minister will take it into account.

Clause 7 extends the present requirement upon wholesalers, upon a delivery of tobacco, to provide invoices to both retailers and other wholesalers. We join with the government in seeking to remove the opportunity for avoidance but we would like the paperwork burden on business to be kept to a minimum.

The legislation concerns business franchises that affect the tobacco industry. It is about overcoming illegality and tax avoidance in the system. Tobacco is legal around Australia. We often hear the Premier telling the Parliament and the general public that because tobacco is a legal product he sees no reason for inhibitions on its sponsorship of events like the grand prix. That is one thing, but it is another to overlook the illegal sale of this drug to people under the age of 18 years. The honourable member for
Thomastown will have something to say about that in a few minutes.

It is of major concern to the opposition that although Victoria has laws making illegal the sale of tobacco to people under 18 there is flagrant abuse of that law. We have a responsibility to make sure that the family and social environments in which young people are raised are the best possible ones. It concerns me greatly that a drug that may be sold to people over the age of 18 years is being marketed strongly at people under the age of 18. I believe that although it is illegal to sell tobacco to people under 18, such sales do occur and that the government is, in a sense, turning a blind eye to these breaches of the law.

A parallel of that concern lies in the issues I raised in Parliament today about the casino, its eventual design and whether it will actively court young people. I have no doubt that the revised casino proposals that went to cabinet this week include provisions for virtual reality machines, video games and video arcades designed to entice young people into the broad casino complex and to give them a taste for video machines and gambling so that when they turn 18 they can go straight into the casino and gambler away their dollars. I view that with great concern indeed.

The legislation is designed to remove illegalities. I have mentioned the sale of tobacco to young Victorians and said that I believe breaches of the law are taking place. I make the broader point that we do not want to see this city's casino established in such a way that it can actively promote its product to young people. I do not think that is healthy for Melbourne, Victoria or young Victorians. While the government is looking at these franchise arrangements and the laws that affect young Victorians I hope it will take into account the matters I have raised.

The opposition supports the broad aspects of the legislation. We believe there is roting of the existing business franchise system and we support the government's efforts to make sure that roting is brought to an end. However, we caution against the unnecessary burdens on businesses of red tape and make the general point that if the government is prepared to crack down on rots and illegal activity it should look at what is happening with the most lethal drug of all — tobacco — which is being sold illegally to people under 18. I ask the Minister for Small Business, who is also the Minister responsible for Youth Affairs, to examine this issue in a bipartisan way so we may be assured that young people are not able to gain access illegally to tobacco products.

Mr BATCHELOR (Thomastown) — I join the Leader of the Opposition in supporting this bill, which makes a number of changes to several acts, particularly the Business Franchise (Tobacco) Act. The bill deals with, among other things, the evasion of tobacco franchise fees, a scam that costs the Victorian government, on its own estimates, up to $100 million a year in lost revenue. That is a lot of money in anybody's language. It is money that rightfully should be going to the Victorian government and used to provide many of the essential services that are being withdrawn or withheld from the Victorian population.

However, in one sense it should not be surprising that such huge amounts of money are involved because we are talking about the permitted sale of a drug of addiction. As we know, the trademarks of the sale of illegal drugs of addiction are big money and crime. They are also the trademarks of the sale of this drug of addiction — tobacco. It is strongly typified by large amounts of money and crime. They go hand-in-glove; they go together.

The opposition wants to ensure that the revenue due to the government and hence the taxpayers of Victoria is collected. The sale of addictive drugs, whether it is tobacco or heroin, involves industries awash with money. Addictive drugs, large sums of money and criminality go hand in hand. That is what is happening with this tax avoidance scheme. The bill will address one aspect associated with the sale of tobacco products in Victoria.

Scams associated with the sale of tobacco products are not new. The tobacco franchise fee has been avoided by people smuggling tobacco products, mainly cigarettes, into Victoria from other states. Truckloads of cigarettes were smuggled into Victoria, primarily from Queensland, resulting in millions of dollars of taxes being avoided and crooked business operators growing fat on the scam.

Those people were able to operate because of the different tax rates imposed on tobacco products in the eastern states of Australia. The criminal tax avoidance industry was nurtured in Queensland by the then conservative government, the mates and cronies of Sir Joh Bjelke-Petersen. Following the election of a Labor government in Queensland that criminal activity was eliminated. The tobacco franchise fee in Victoria, New South Wales and
Queensland has been struck at 75 per cent, thus eliminating a tax avoidance scheme. According to the industry magazine, *Australian Retail Tobacconist*, in September 1994 the price of a Peter Jackson 30-cigarette packet was $5.43 in each state. That is evidence of the success state governments have had eliminating the smuggling that took place previously. A common franchise fee does not provide the opportunity or reward for smuggling between adjoining states.

Unfortunately, once that loophole was plugged the crooked operators looked around for another loophole, another opportunity to defraud the taxpayers of Victoria, and came up with a scheme that is estimated to be costing the government $100 million a year. The scheme is very simple. If a tobacco wholesaler in Melbourne reasonably believes that his client will retail cigarettes interstate the Victorian tax does not have to be collected because the tax will be collected in the other state. However, cigarettes supposed to be sold interstate are being sold within Victoria with the result that the tobacco franchise fee is being pocketed by the corrupt business people. The invoices may be made out to interstate customers but this massive fraud is being committed on Victorian taxpayers because the product does not go interstate. Delivery trucks supposed to travel up the Hume Highway to interstate destinations tour the suburbs selling untaxed tobacco products to the domestic market. In some instances these products are sold at a discount and in other instances — this is more often the case — they are sold at normal prices with the extra money being divided up among those people involved in the scheme.

The scheme involves kickbacks and illegal payments. The opposition wants it stopped and will support this legislation and any other initiatives that will remove the illegality from the sale of tobacco products. However, these amendments do not deal with all aspects of illegal tobacco sales. The Leader of the Opposition has referred to the illegal sale of tobacco products to children under 18 years of age.

There are problems at every stage of the supply side of tobacco products. As the government closes one scam another bob's up. It is clear that the amendments will not stop the insidious illegal activity involving children. It is not just the fact that tobacco products are sold illegally to children, but that these products are drugs of addiction and will have a lasting impact on the lives and wellbeing of these children. For many it will lead to a much shorter and less healthy life. It is not just involving them in an illegal activity, it is developing a lifelong addiction and many people will struggle throughout their lives to try and give up that addiction.

Victoria has approximately 11,000 licensed tobacco outlets. It is a convenience product and can be purchased easily. Although there are outlets at almost every corner of Melbourne, only two officers are charged with monitoring the selling of tobacco in Victoria! Clearly, they cannot cope; the task is beyond them.

They do not know the names of all the outlets that are selling tobacco. Industry sources say that about 60 per cent of outlets selling tobacco are licensed in accordance with the law. We have another illegal activity associated with the sale of tobacco. A more damaging aspect is the impact tobacco has. The annual fee for most small corner milk bars is about $50, and as many as 50 per cent of them may not be licensed. They provide easy and accessible points where children can buy tobacco.

It has been estimated that about $7 million a year in tax is collected when children buy tobacco products. One can see why when there are only two officers involved in the licensing process and when the licensing fee for selling tobacco at the retail end is so low. Much of tobacco companies' strategies and marketing schemes are targeted at getting children addicted to tobacco products — so much so that they do not want a regulatory scheme that actively imposes restrictions to make it difficult or inconvenient for children under the age of 18 years to purchase tobacco products.

In a sense it is fair to say that the government is the recipient, to the tune of about $7 million a year, of this illegal activity and does not want to pursue the matter, either. The government is happy to have the taxes paid by children in the illegal purchase of tobacco products. Rather than trying to provide long-term benefits to the children of this state the government is happy to sit back and accept the taxes that are collected from the illegal sale of tobacco products to children. It is devastating.

We must ask ourselves a simple question: why is teenage smoking more of a problem now than it was in the past? In the early 1940s the average age of the uptake of smoking for women was 40 years. Three-quarters of all current and ex-smokers started smoking before they were 20 years old. Every year the average age of smoking uptake has progressively dropped. A study recently completed in New South Wales shows that 50 per cent of
students who are going to start smoking have actually started by the time they are 13 years of age. This can only mean that more sickness and health problems directly attributable to smoking will start at an even earlier age. It is a tragedy.

I refer to a report of August this year compiled by Lyndon Bauer entitled, 'Our smokers are getting younger'. It is the most recent and available up-to-date information based on studies undertaken in 1993 and 1994 to check the veracity of the first survey. The report found that the data was consistent between the two study periods. What were the findings? Children as young as 12 years are finding it easy to buy cigarettes from thousands of retailers who are flouting the laws that restrict the sale of tobacco to young children. The report was commissioned for the New South Wales health department and, on balance, I do not think it would be much different in Victoria.

Bearing in mind that the legal age is 18 years in New South Wales just as it is in Victoria, the survey found that 72 per cent of 13-year-olds who smoke have no trouble buying cigarettes. About 61 per cent of 12-year-old smokers and 84 per cent of 15-year-olds have never, or rarely, been refused the sale of tobacco — cigarettes. This is a damning indictment. I suspect sales of similar magnitudes are taking place in Victoria.

The survey states that 78 per cent of those surveyed who smoke said they were never or only sometimes refused cigarettes. The report found that 32 per cent of girls smoke at least monthly and girls were most likely to take up smoking when they reached 15 years. However, 5 per cent of 12-year-old girls smoke and 15 per cent of 13-year-old girls smoke and were most likely to take it up when they reached 15 years of age.

The news for boys is bad. They are heavy smokers and the report indicates that their heavy smoking was a product of their addiction, their poor self-esteem, comradeship and rebellion against quit smoking messages. The report found that by the age of 16 years most boys were very heavy smokers.

That is a damning indictment, and I take the house back to the comments I made earlier about the sale of products that are addictive drugs. Such products bring in a lot of money and draw in criminal activity. The report also refers to its criminal nature. Page 3 states:

Care must be taken to portray the unscrupulous vendor as the criminal, and the youth as the victim.

That is exactly the situation: these criminal business operators are placing young people's lives at risk by pocketing massive amounts of money and defrauding the Victorian taxpayer. Page 4 of the report states:

It is probably best to portray tobacco merchants, both large and small, as the criminals who exploit young people by getting them hooked. We want to avoid making criminals of the children who smoke, as this may only glamorise the habit. It would also make it more difficult to prosecute, or even focus attention on the 'tobacco pushers'.

Even with such academic research being undertaken, one can identify how easy it is for children to smoke and why they take it up. The report has clearly zeroed in on the area that is of equal concern to me and the opposition. That goes back to the fact that the bill deals with one aspect only of a huge fraud being perpetrated but does nothing to deal with another ongoing and more serious fraud and illegal activity that is being perpetrated on our young people.

We ask the government to seriously look at this issue; to not just bring in changes to the Tobacco Act that increase the age at which tobacco may be legally sold to people and do nothing else. We want the government to increase its commitment to enforcement, to take up the issues that are raised in the New South Wales report and to do something to look after the lives, health and future wellbeing of young children.

Mr HEFFERNAN (Minister for Small Business) — I thank the Leader of the Opposition and the honourable member for Thomastown for their contributions to and support of the bill. As Minister responsible for Youth Affairs I took in the concerns of the honourable member for Thomastown concerning prosecutions. There is no doubt that if the facts are as he says they are and that not enough action is being taken in relation to the selling of tobacco to young people, I have a responsibility to pursue the matter further. I assure him that I will have the matter looked at and if stronger action needs to be taken, so be it. It is the responsibility of the government to do that.

Motion agreed to.
Tuesday, 8 November 1994

ESTATE AGENTS (AMENDMENT) BILL

ASSEMBLY 1505

Read second time.

Passed remaining stages.

ESTATE AGENTS (AMENDMENT) BILL

Government amendments circulated by
Mrs WADE (Attorney-General) pursuant to
sessional orders.

Second reading

Debate resumed from 6 October; motion of
Mrs WADE (Attorney-General).

Mr MILDENHALL (Footscray) — This is
somewhat of a minor occasion in that it is the first
bill for which I will have responsibility for dealing as
a shadow spokesperson on a particular area of
responsibility. It is fair to say that I have landed a
stinker at the first opportunity. By and large this is
appalling legislation that will in effect leave
consumers defenceless against arbitrary and
unscrupulous price rises which, based on the
experience in other states, are sure to occur. It
emasculates another watchdog body, as though we
have not seen enough of that in this state in recent
times, and disposes of one of the most widely
respected regulators of the real estate industry in
Australia.

The bill opens the door to the wider possibility of
shonks and shonky practices coming into the
industry, including the possibility of insider trading
by agents shopping within the list of properties their
practice has been commissioned to sell. The bill also
pays off the real estate industry with the possibility
of major grants

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of the notorious Victorian land deals. It will reduce
the independent surveillance of people involved in
property transactions at a time when the
government is showing that it has little respect for
proper process and scrutiny of any of the projects
under its control or transactions in which it is
involved.

But it does not stop there! It gets worse! This
legislation dilutes or weakens many of the controls
of the 1980 act, which was conceived in the context
of the notorious Victorian land deals. It will reduce
the independent surveillance of people involved in
property transactions at a time when the
government is showing that it has little respect for
proper process and scrutiny of any of the projects
under its control or transactions in which it is
involved.

Despite the stirling efforts of some estate agent
industry identities, such as an agent from my
electorate, the President of the Real Estate
Institute of Victoria, Mr Frank Trimboli and other identities
close to him to improve the prospects and image of
the industry, the sorts of provisions contained in this
bill will do long-term damage to the reputation of
the industry, which I fear has been seduced by the
lure of the fast government-sanctioned dollar.

The bill should be withdrawn and the whole issue
revisited to enable groups and individuals other
than just the organised industry groups to
participate in a balanced and open review of the
legislation.

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 the matter of
pricing and regulation of the real estate industry with
particular reference to residential property transactions
has been referred to an all-party parliamentary
committee for inquiry, consideration and report'.

Were this bill to proceed in its present form, the
most significant impact for consumers would be that
house prices would rise and costs for those involved
in transactions would rise for all but a very few at
the top end of the market as a result of clause 23.

It is interesting that the Attorney-General in her
second-reading speech, as reported at page 638 of
Hansard of 6 October 1994, said:

This proposed amendment will foster competition
within the market by enabling clients of real estate
agents to negotiate with agents as to the services
provided and the appropriate price for the services to
be performed.

This was meant to create the impression that
competition and negotiation are not options at the
moment. The present scale of commisions is a
maximum scale only. Competition can and should
occur within these limits, so we have this initial
sham suggestion that competition needs to be
injected because there is no competition under the
present situation.

It is certainly the case that the Prices Surveillance
Authority report has noted that the maximum on the
scale has become the standard and has created an
impression among consumers that the rates are a
fixed percentage of the price and are therefore the
prices that are to be charged. I have in my
possession a scale of commissions provided by a
building group which does not indicate that the rates are negotiable and falls for the trap that was noted by the Prices Surveillance Authority. However, we should have a look at what is likely to occur under this deregulation of commission. The experience in other jurisdictions has been that in New Zealand the Prices Surveillance Authority notes that following deregulation in 1985, agents' fees rose 136 per cent in four and a half years. On a $100 000 sale the maximum fee in Victoria at the moment is $2660. In New Zealand the comparable fee had moved from $2100 to $4450 by 1993, an extraordinary increase.

In Tasmania, where the deregulation has occurred in much more recent times, the fee following deregulation is set by the industry body on a recommended scale. This has resulted in an increase of 14 per cent over the previous specified rates. On a $100 000 sale, again the fee is $3185 in a market widely acknowledged as having much lower values and being more subdued than the Victorian market.

The Housing Industry Association alerted the opposition to the Tasmanian situation and wrote indicating that it was concerned that the impact of the bill would be that commissions would rise.

In New South Wales the situation is still settling down after deregulation, which occurred in May last year, but an early survey after seven months showed that while 57 per cent of estate agents had not changed their rates from the previous specified levels, more than twice as many agents increased their rates as decreased them. Those figures were 29 per cent to 13 per cent. That situation was described in an article in the Sun Herald of 20 February 1994 headed 'A deregulation debacle' — this is ominous for Victoria — under a column called 'Home Truths' by Jonathan Chancellor that stated:

"Despite being a free marketeer, it wasn't hard to scoff when state development minister Peter Collins promised that strong competition would follow in the wake of the deregulation of estate agent commission fees."

I could take sections out of the press release of the Minister for Fair Trading that would claim exactly the same thing.

"Certainly, while never advertising the fact, select 1-on-1 commission cutting has occurred in some suburbs — especially those like Peter Collins's North Shore electorate, Willoughby — long before deregulation."

But widespread anecdotal evidence since fees were deregulated last May suggests fees up to double the previous maximum — 3.1 per cent on the first $100 000 and 2 per cent thereafter — have been charged by some estate agents, particularly in the outer western suburbs.

And an official industry survey has now dashed housing minister Robert Webster's hope that price competition among agents would deliver universal savings to property vendors.

The survey of 900 agents, conducted by the Real Estate Services Council (RESC) in the initial five months after deregulation, revealed 29 per cent of real estate agents increased their fees immediately after deregulation.

Only 13 per cent have discounted their rates, according to the RESC survey, with discounts often taking the form of free advertising and fees being reduced for quick results.

Ominously, in the western suburbs of Sydney a survey conducted by the New South Wales opposition in February this year showed that 18 of the 22 agents in Blacktown, Penrith, Parramatta, Illawarra and Hunter quoted fees of between $3600 and $4400 for a $120 000 sale. The maximum rate at present in Victoria is $3060. We are looking at fees of well over $1000 more than the present rates in Victoria arrived at in a random sample in those areas.

The comment from sources in New South Wales is, 'Your people have seen what has happened up here and they want parity, they want a piece of the action'. There is nothing wrong with the instinct. There is no doubt they are in it for business, but for the minister to be putting out press releases saying that the costs will be reduced, that there will be cost savings and cost efficiencies is just appalling.

Mr Leigh — And shocking!

Mr MILDENHALL — Even the Age property section of Wednesday 19 October, which repeats almost in total the minister's press release, states the ominous:

"However, most agents expect commissions to rise."

It is only properties at the higher end of the market in New South Wales that have seen a reduction in fees. The $16 000 fee on a $750 000 sale can be negotiated down to, say, a $13 000 or even $10 000 fee. But in country areas — and country people will love country members for this — the Real Estate
Services Council was so concerned about the lack of competition and the rapid escalation in fees that it quickly launched new advertising to try to promote competition, to try to inform vendors that they can negotiate and that they do have some rights.

It is clear that as a result of this legislation Victorians can expect to pay another $1000 on the standard house transaction of the $100,000 to $120,000 mark very soon. This is the dramatic, the practical, the business end of the outcomes of this legislation.

But consumer education will save us! Consumer education is the magic answer to prevent the rip-offs from deregulation, to counter the characteristic of the industry, which unfortunately at page (ix) of its report the Prices Surveillance Authority described as a difficult industry:

The industry has a history in Australia of anti-competitive practices and behaviour, including price fixing practices and a general reluctance to compete on fees.

This characteristic would appear to be inherent in the nature of the industry. That was not a condemnation of any particular state. It was based on survey work the authority had done on worldwide characteristics and behaviour of the real estate industry. With common characteristics like that one would have thought that we would need something greater than just consumer education. And what does that consumer education consist of?

As the minister said, it is true that the Prices Surveillance Authority recommended deregulation, but there are a number of quite significant difficulties with its report, including the extraordinary time lines under which it was completed and the lack of information that the authority had to deal with. I point out that it had very little experience like we have the benefit of in Victoria of what has happened to fees in other states and what has happened in practice. It looks like a handbook of economic rationalism, the deregulators’ credo!

The Tasmanian experience also required consumer education. This consisted of a quarterly advertisement of recommended rates published by the Real Estate Institute of Tasmania and a notice of recommended commission rates, which was to be displayed in estate agents’ offices. Nevertheless there is no mention in the advertisements that these rates are negotiable and that consumers have the right to come in, look at the rates and talk about variation of services, fees and rates of fees. It is not within the instinct of somebody whose business is derived from these fees to actively go out and invite people to negotiate on a recommended set of fees, so it is not surprising behaviour.

What sort of consumer education can you expect in Victoria? We have been told that a program will be initiated by the REIV. In New South Wales the equivalent is the occasional advertisement in the property pages, what has been described as an advertorial — ‘we will buy an advertisement, you put our press release in’.

Observers and commentators I have spoken to have not been either impressed with or praiseworthy of the level of advertising. The example I gave before of the filling-in of the gaps and trying to plug the holes in the program shows that it was particularly ineffective advertising out in the western suburbs and country areas.

What we need are guarantees. We need contracts and we need some sort of undertaking. At the moment we have the trust-me option: ‘We will do it, it is part of the package’. But it is not guaranteed under the legislation. It will depend on arrangements entered in between the minister and the institute body. It is difficult to ask honourable members in this chamber to accept that, given the history in other states and given the ineffectual impact of the legislation as it has been implemented in other jurisdictions.

The other protections are to provide for documentation signed by the vendor that the transaction was subject to negotiation, details of how the fee was calculated and an acknowledgment of where a consumer can complain. Nevertheless the obvious potential difficulty here is that we all know the sorts of documentation and the sorts of forms that can be presented to a seller, or indeed a purchaser, in something like a property transaction. They really do weigh a table down. Without clear guidelines as to the nature of the language, and the prominence of information in the lay-out or the presentation of the forms, the temptation is for these measures to be buried in the fine print.

I shall talk later about the bodies that are established. The monitoring will be carried on by an advisory council, which has far fewer powers and sources. It could be chaired by an estate agent with an obvious interest in certain outcomes in the industry.
On the basis of experience in other jurisdictions and on the basis of such formal indicators as industry performance, the complaints against estate agents recorded in the last annual report increased from 1991-92 to 1993-94 from 396 to 486 and in the four years before that, in 1986-87, they increased from approximately 250 to more than 400, so we do not have a reasonable prima facie case for deregulation because the complaints show no sign of abating.

The experience in other states shows that there will be a detrimental impact on consumer prices, but I guess that is consistent with the way we and this government approach industry regulation in this day and age. It follows reports received about introduction agencies. We were reminded of that by the tragic case reported in the news tonight. A poor chap was ripped off to the tune of $88 000 by one of the notorious introduction agencies mentioned in a report tabled in Parliament earlier this year, and still the minister argues for self-regulation of this industry.

I turn to some of the structural features of the bill. The abolition of the Estate Agents Board is another key feature of the legislation. Clauses 3 and 4 of the bill establish an Estate Agents Council, an authority and a tribunal from the remnants of the old Estate Agents Board. In quite an extraordinary feat of micro-economic reform one central cohesive body is replaced with three new ones! In so doing the bill removes the possibility of policy being driven by the practical licensing, regulatory and tribunal experience of one organisation. Those matters were formerly dealt with by one body and, according to reports, quite effectively.

The peak advisory body under this proposed legislation is now the Estate Agents Council, which is in stark contrast to the present board. The present board has substantial power to regulate and control activities. It provides substantial protection for its members, who are appointed for four-year terms. Previously members were not subject to removal unless they had been absent for four consecutive meetings, were more than 72 years old, bankrupt, convicted, insane, or died. The board had statutory independence and advised the minister on matters related to the administration of the act. It had significant resources and funds it could allocate towards that purpose.

The council is now subject to the immediate direction and control of the minister. Its members may be removed at any time at will by the government. The Estate Agents Council has substantially reduced independence because of that. The minister can stack a meeting if certain people are unable to attend. That is totally unnecessary given that it operates on a quorum.

Mr Spry interjected.

Mr MILDENHALL — We have some experts in crude political behaviour here who could give us much more advice on this! The government claims that this is similar to other legislation and that there are similar powers and conditions relating to the appointment of councils or advisory groups under other comparable acts such as the Motor Car Traders Act. However, that is simply for the membership of the licensing and claims committees, and it is just not true. There are no provisions for the immediate and arbitrary removal of members of advisory committees as exists in this legislation.

The Estate Agents Licensing Authority is another body set up under this legislation that was previously contained within the old board. It will regulate the industry, administer the guarantee fund and the professional conduct rules, initiate inquiries before the Estate Agents Disciplinary and Licensing Appeals Tribunal and assist the council.

The effect will be a redistribution of the practical power of the previous board in two areas. Power will go back to the minister, who will direct the council and the authority via the council. Under this bill the authority will be the Director of Fair Trading. The authority will obviously be an employee of the minister. The bill also redistributes power by allowing deregulation of the licensing, complaints and education functions to be handled by industry bodies. As I said in my opening remarks, the bill disposes of the chief executive officer of the previous board. The people to whom I have spoken hold him in high repute. References from elsewhere suggest that he is one of the most skilled and experienced regulators of the industry in this country. It is a shame to lose such skill and talent. I wonder if he will go to Queensland, too, along with much of the other talent in the Victorian public sector.

The bill also establishes the Estate Agents Disciplinary and Licensing Appeals Tribunal. Although it will continue the disciplinary matters, licensing appeals and commission disputes that were previously heard by the board, it has some unusual features. Proposed section 91A states that the tribunal must consist of at least three people, one of whom must represent the industry and another the consumers. I should have thought that — —
Mr Leigh interjected.

Mr MILDENHALL — I will explain it to you. I know some members will have difficulty with the concept I am about to explain and the honourable member for Mordialloc would certainly be one of them. Most people would expect tribunals to put aside bias and reputations in their attempt to deal with cases on an impartial basis. The government's argument is that it wants on the tribunal people whose experience will help in a practical way in the resolution of the issues that are raised.

Rather than by seeking representatives, this can be done by seeking people with particular experience. I have been advised that this was the intention of this part of the bill, but if that is so it would be easy to say that these tribunal members will represent particular interests as part of a quasi-judicial function. It is regrettable that the decisions of the tribunal will not be appealable on merit and that the ability to appeal to the Administrative Appeals Tribunal will be removed. Even before the establishment of the AAT appeals could be made to the County Court, so the bill removes a time-honoured tradition. Now only appeals on points of law may be made to the Supreme Court, and we all know the expense and difficulty that can involve for people who are inclined to take that course. It is a further restriction on people's rights and access to justice.

Another significant aspect of the bill is clause 29 which deals with conflicts of interest and amends section 55 of the Estate Agents Act. It may need to be explained in detail to government members because an appreciation of its principles is not readily apparent. This provision allows the relatives of an employee of an agency to purchase a property listed for sale by that agency provided the vendor is alerted to the prospective purchaser's relationship to the employee of the agency. That is a significant dilution of the current ban on that sort of activity.

Even worse is the delegation allowed by new section 7G, which means that the authority has the power to exempt anyone who is prohibited — for example, an agent or a salesman — from purchasing from the agency's list. Under the provisions of the bill that power can be delegated to an industry body. That is extraordinary. It provides that the authority can, with the minister's approval, delegate that exemption from prohibition to an industry body. One can imagine what unscrupulous practitioners in the field — that minority on the edge of acceptable practice — could do with that sort of provision.

One can imagine a vulnerable older person being interviewed by an agent and the agent saying, 'We would like to do business with you. What sort of intentions do you have?' The older person might say, 'All I really need is to get $70,000 to get into a retirement village. That is what I want'. In this chain of events the agent or salesperson could say, 'I have found a buyer and all expenses are taken care of. Here is the person who will buy it', and the person may well be someone in that agency or even that agent himself. The acknowledgment is buried in the fine print. The possibility of that occurring is extraordinary.

The argument the government uses for the exemption for relatives of employees — the first exemption I mentioned — is that in country areas the market is too small and would be unnecessarily restricted or reduced if relatives of employees were not able to participate. In respect of larger corporations the argument used is that because of the considerable number of employees corporations cannot be expected to know to whom people in minor positions in those agencies are related. Is it not better to have a blanket prohibition on these sorts of activities and practices and ban them outright to keep the intention of the industry and its regulators clean? We should take a stand on principle to prevent the possibility of the exemptions allowing those sorts of activities.

Another significant aspect of the bill is the licensing and eligibility criteria for people coming into the industry. There have been changes to the ways in which unsuitable persons are prevented from becoming agents or agents' representatives. It has been pointed out to me that there is a serious gap in the way this has been structured. The present test is a catch-all — —

Mr Leigh interjected.

Mr MILDENHALL — Perhaps if the honourable member for Mordialloc read the bill he would know where the gap emerges.

The ACTING SPEAKER (Mr Maughan) — Order! The honourable member for Mordialloc is out of his place and out of order.

Mr MILDENHALL — The catch-all provision prevented unsuitable people from entering the industry, the test being whether one was a fit and proper person. It was supported by case law within the board, goes back a number of years and centres
on the question of whether a person would pose a risk to the public as an agent or subagent.

The new criteria include specific convictions or proven offences of fraud, dishonesty, drug trafficking or violence punishable by imprisonment of three months or more. No-one argues with those, but there is a gap in the offences involving obscene, indecent or threatening behaviour referred to in section 17 of the Summary Offences Act punishable by imprisonment of two months. These offences are not included as crimes of violence.

Case studies have shown that unsavoury behaviour has occurred in the industry. One such act was detailed in the last annual report of the Estate Agents Board involving a Mr Edwin Christopher Thomas. The activity centred around the use of addresses, telephone numbers and contacts for a person to prey on vulnerable women or to harass, with threatening behaviour, women who had come under the notice of this particular person in his employment as a subagent.

I acknowledge that in this case, because of a series of other offences that were not part of that behaviour, he would have been snared by the new provisions. If that person's behaviour had come under the notice of the provisions of the bill and he had been reported he would have been caught, but I use that person as an example because it illustrates that had there not been a conviction for other offences a person with a record of that behaviour may not have been prevented from entering the industry.

The other issue that may pose difficulties is the responsibility for subagents to be included in the new bill. As I said before, the de-licensing of subagents removes them from being scrutinised. However, these are the representatives of the agent the community sees most of, the sales staff, the people with whom customers will have most contact.

Clause 8 makes agents responsible for anything done or not done by their representatives within the scope of their authority or for the benefit or intended benefit of the agent or agent's business. Rather than being independently responsible and accountable to the licensing body, the estate agent will bear responsibility for the action of his representative or subagent. There is some doubt whether that clause covers liability under section 11 of the Fair Trading Act or section 52 of the Commonwealth Trade Practices Act for misleading or deceptive conduct.

There is concern that it would be easy for an agent to deny the authority that was purported to have been given to an agent's representative, which would have been there when the behaviour came under notice. These provisions could narrow the scope of action of an agent's representative to the extent that it could threaten the rights to compensation under the Estate Agents Guarantee Fund. I would have thought we should be clear about that because in transferring that responsibility to estate agents we may be reducing the rights of consumers to access the guarantee fund. I look forward to the comments of the minister on that matter.

The final area of significant amendment to the act in terms of its practical impact is the allocation of funds under section 76 of the act. The Estate Agents Board allocated approximately $12 million to $15 million after consultation with the minister. The onus is now being reversed, with the minister allocating the funds after consultation with the Estate Agents Council. It is important to remember that these funds are derived from the interest accrued on money held in trust and one would have thought we need to be particularly careful about the destination of that money.

The Prices Surveillance Authority believed, firstly, that the money should be allocated to community housing to improve access to housing and, finally, that the money should be given back to consumers because it is not money that belongs to the government or any other group. That money is presently used for access to housing, to support the HOLPS program, renovations to housing for low-income groups and community information, with a minor part being set aside for industry education. It is now proposed that a proportion of the funds will be used for the administration of the Office of Fair Trading. Some people will be paid partly out of consolidated revenue and partly from these funds. The monitoring of the allocation of funds will be a difficult exercise in itself.

The government is intent on funding projects in the Land Titles Office, an extraordinary provision for facilitating the registration of interest in land and compilation of other information relating to ownership of land. The best guess is that this will be a substitute for other forms of funding for conventional government projects within the Land Titles Office and perhaps other government departments. Much of the remaining funds will obviously go to bodies such as the Real Estate Institute of Victoria or other industry groups. No wonder they support the bill; there is a pot of gold at
the end of this legislation with deregulated activities such as the delegation of licensing, education and the complaints process and the promotion of investment and ownership in real estate. It is an ideological piggy bank. If someone at the socialist end of the spectrum suggested that funds should be spent on the promotion of collectivism or collective action, how would they go? This is an extraordinary provision: the promotion of the ownership of real estate rather than the promotion of education about housing.

Given Australians' fixation about and propensity for owning houses and real estate I would have thought the promotion of real estate would have been the least needed purpose for those funds. Although spending on training is acceptable, there is a possibility that funds will be used for the internal dispute resolution processes of the industry bodies. That is consistent with the scenario painted earlier of a widespread range of functions being delegated in toto from the licensing and regulatory authority out to industry bodies.

In another sense it represents a real cut of some $12 million to $15 million in other very worthwhile housing activities. I should be interested to hear whether there will be compensatory allocations from consolidated revenue to make up the shortfall by supplementing Department of Planning and Development programs that had been supported by those funds. There will be a substantial reduction in government resources that had previously supported many worthwhile programs by providing substantial housing assistance to many groups in the community, mainly vulnerable people on low incomes.

In conclusion, in contrast to what is presented in the bill, the reasoned amendment seeks a consultative process with time to enable both consumer and industry input. The bill is a one-sided development process. The reasoned amendment also takes into account what has occurred in other states, a fact about which the bill takes little cognisance.

Because the bill has done none of those things it should not proceed in its present form; it is anti-consumer, irresponsible and discriminatory in respect of benefits and will result in another slug on Victorian families. It will cost another $1000 for those who are selling their houses in the near future on top of the additional $1900 tax bill since the change of government in 1992. The bill may return us to the bad old days of Victoria in the 1970s. I urge honourable members to support the reasoned amendment and reject the bill in its present form.

Mr SPRY (Bellarine) — Before I commence my contribution on the Estate Agents (Amendment) Bill I declare an interest in that I am a licensed real estate agent. The honourable member for Footscray opened his remarks by saying that this bill will allow shonky insider trading to flourish when it is proclaimed. That indicates how little the honourable member for Footscray and the opposition, if it shares his views, know about the subject. Proposed section 68 details one of the objectives of the council. I remind the honourable member for Footscray that it states:

(1) The functions of the Council are:

(d) to advise the minister —

(i) in respect of any matter relating to the operation of this Act, including the impact of the deregulation of the charging of commission.

That is only one of the matters I wish to bring to the attention of the honourable member for Footscray. Real estate may not be the oldest profession known to man, but it would probably run a close second. Man has always been territorial, with a profound interest in staking a claim to the uninterrupted enjoyment of property. In Victoria prior to the 1884 legislation property negotiations were probably conducted either by accountants or legal practitioners who negotiated on behalf not only of vendors but also purchasers.

In 1884 the Victorian industry was organised when, for the first time, auctioneers were required by law to be licensed. As a result the Auctioneers and Estate Agents Association came into being. However, it was not until 1922 that estate and business agents were recognised by legislation.

Following the land boom of the 1920s the original legislation was enacted. It was designed as a safeguard against what were perceived to be land sharks. The status of estate agents was lifted by the association — which became the institute — pressing for a model act to give further professional recognition to qualified practitioners. In 1956 the Estate Agents Act, incorporating the aspirations of early institute members, was proclaimed. Over the next quarter of a century the act was subjected to a number of amendments.

In 1980, as honourable members will be aware — at least those who are familiar at all with the
profession — a major reform of the industry was brought about by the implementation of the current Estate Agents Act.

Debate interrupted pursuant to sessional orders.

ADJOURNMENT

The SPEAKER — Order! Pursuant to sessional orders I must interrupt the honourable member to give consideration to the adjournment of the house. The honourable member shall have the call when the matter is next before the house.

Director of Public Prosecutions

Mr COLE (Melbourne) — I raise for the attention of the Attorney-General a serious matter of the resignation of Mr Bernard Bongiorno, the Director of Public Prosecutions. It has been brought to my attention that his resignation was in response to his inability to function under the Public Prosecutions Act 1994.

In fact, it is much worse because it would appear, or it has been asserted, that although theoretically the act asserts the independence of decision making, according to Mr Bongiorno the Director of Public Prosecutions can no longer implement his or her decisions and must rely on the Attorney-General and public servants. That means that the system has lost its independence.

I believe Mr Bongiorno will make it very clear in his annual report to this Parliament that the Office of the Director of Public Prosecutions has lost its independence. It would also appear that the Attorney-General has achieved both of her original aims, namely to get rid of Mr Bongiorno and to curtail the independence of the DPP, confirming my view at the time he resigned that he had been hounded from office by the Attorney-General and the government.

I am led to believe that the Attorney-General has not had the decency to meet with Mr Bongiorno to either wish him well or to discuss the problems of the office. That shows an appalling lack of respect and total inability to learn from mistakes of the past.

Mr McARTHUR (Monbulk) — On a point of order, Mr Speaker, I understand that matters raised in the debate on the adjournment must deal with the administration of a minister’s responsibilities. Although I accept, and I imagine that other honourable members would accept, that the minister’s responsibilities for the Office of the Director of Public Prosecutions relate to ensuring that the office carries out its duties properly, that a sufficient budget is provided for the office and that the staff are fulfilling their duties as required by the laws and operations of the government, I very much doubt — —

Mr Cole — Sit him down!

Mr McARTHUR — I doubt whether the Attorney-General’s responsibilities — —

Mr Cole — You are hopeless, hopeless, hopeless!

The SPEAKER — Order! I warn the honourable member for Melbourne.

Mr Cole interjected.

The SPEAKER — Order! I ask the honourable member for Monbulk to come to his point quickly and to be conscious of the time.

Mr McARTHUR — I very much doubt whether the Attorney-General has any authority or ability to affect or alter a member of his staff’s decision to resign.

The SPEAKER — Order! There is no point of order. Had the honourable member for Melbourne had sufficient time I would have asked him to say what action he wanted to be taken but I believe he was developing his speech. There is no point of order.

Mr COLE (Melbourne) — With all due respect, Mr Speaker, I raised the question of independence and the question of Mr Bongiorno’s decision. The question I wanted to ask the Attorney-General was whether she was going to address the issue of independence that Mr Bongiorno has raised. I could not do that because government members orchestrated a position to silence criticism yet again by speaking for 2 minutes on a point of order during the 3-minute period available for raising matters during the adjournment debate. That is an abuse of the processes of this place. You know it, Mr Speaker, as well as I do. He should be kicked out. And so should the — —

The SPEAKER — Order! The honourable member’s time has expired.
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Shepparton water supply

Mr KILGOUR (Shepparton) — I raise a matter for the attention of the Minister for Natural Resources and, in his absence, ask the Attorney-General to direct it to his attention. It involves an important issue for people in my electorate, particularly 90 farms in the Cosgrove area that during summer rely on water from a stock and domestic system that is supplied from the Broken River at the Gowangardie Weir.

In the past the system has been administered by the Shire of Shepparton with the assistance of the administration charge it has collected. However, the system is basically looked after by a committee representing the people supplied by it, which for many years has been headed up by Mr Tom Cochrane, a former Shepparton shire councillor. Mr Cochrane did a tremendous amount of work to ensure that the system continued, was correctly maintained and that the weeds were sprayed so that the water pumped from the river to the Gowangardie Weir could flow freely.

The major concern of those people is that changes to local government boundaries mean that the Shire of Shepparton will become part of the City of Greater Shepparton and that, therefore, the committee that currently administers the system will no longer exist. A couple of weeks ago the minister made announcements concerning a similar system close to the Gowangardie system in the Shire of Tungamah to the effect that that system will be taken over by Goulburn-Murray Water, part of the former Rural Water Corporation.

I ask the minister to advise whether he has any intention of changing the role of the committee that currently runs the Gowangardie water supply system and whether it is likely that in future Goulburn-Murray Water will take over that operation. It is my personal view that it would be good for the farmers involved to have the support of Goulburn-Murray Water. If the minister has taken that into consideration and intends that Goulburn-Murray Water should take over the operation I am sure the people who currently run the system will be pleased to know his intentions. I ask him to provide some advice on the issue as soon as possible.

Local government commissioners

Mr BRACKS (Williamstown) — I direct the attention of the Minister for Planning, who represents the Minister for Local Government in this place, to the draft guidelines for etiquette and protocol on the appointment of local government commissioners.

I have been handed a copy of guidelines headed 'Notes on Civil Etiquette' that appear to have been issued by the Office of Local Government to newly restructured municipalities around the state. The guidelines appear to have been adopted by those municipalities.

I request that the minister investigate whether these are universal guidelines for etiquette and protocol which have been adopted by new commissioners. The two pages I have contain guidelines concerning the arrival of commissioners, the time of reception, precedence, mode of address and toast list or order of procedure and an accompanying document. It may be that these notes apply only in certain councils but they appear to be common among restructured councils and commissioners appointed to those councils.

Under the heading 'Arrival' it states that commissioners should be met on arrival by a responsible person and escorted to their proper positions, that care should be taken to ensure that commissioners are accompanied by someone at all times during functions and that at the conclusion of a function or on retirement from one place to another during a function commissioners are given due precedence by the remainder of the assembly. That seems to be an overcautious response to the place of commissioners in the new municipalities.

Under the heading 'Time of reception' it is stated that except where the commissioner is asked to take part in the reception of guests, the time given on the request form should be such so as to ensure the commissioner's arrival 5 minutes only prior to the commencement of the function. It states that that arrangement will avoid unnecessary waiting on the part of commissioners and permit them to proceed without delay on their arrival.

The document goes on to deal with the procedure by which commissioners should be addressed. It states they should be given precedence before members of Parliament or other representatives in most cases, an exception being when vice-regal representatives are present. It then deals with the mode of address of commissioners and with a toast list and order of procedure.
Is this a response from the Office of Local Government to the minister’s asking the Office of Local Government to prepare universal guidelines for commissioners on this matter? It appears to be different from the guidelines which operated for the separate elected councils. Is it that commissioners who do not have a constituency but are appointed feel insecure about their roles and therefore need this support in the conduct of their duties?

**Speed limits in Echuca**

Mr MAUGHAN (Rodney) — I raise for the attention of the Minister for Roads and Ports in another place the speed limits in both Ogilvie Avenue and High Street, Echuca. Recently Vicroads raised the speed limits in Ogilvie Avenue and High Street from 60 kilometres per hour to 70 kilometres per hour. That is too fast and it has created a great deal of concern among local residents and school principals.

It is fine for trucks and through traffic to be travelling at 70 kilometres per hour but in all of these situations we need to strike a compromise between a reasonable speed for through traffic on the one hand and a speed slow enough to consider the safety of school children and local residents on the other.

The areas I refer to are Ogilvie Avenue from the Northern Highway roundabout to the railway line and High Street from Ogilvie Avenue to Darling Street. The principal of Echuca South Primary School, Ian Lochland, has raised this matter with me because many of his constituents cross Ogilvie Avenue to get to school.

The school community has expressed some disquiet about the threat of speeding motorists. Large transports — and many of them go along Ogilvie Avenue — pose a threat when they are travelling at 70 kilometres per hour, passing children riding their bicycles on their way to school. The wind blown from the trucks creates a vacuum for the children on their bikes.

The lollipop lady manning the school crossing has also expressed concern, and I quote from the Riverine Herald, in which Mrs Heather Bradley says that she has supervised the Ogilvie Avenue crossing for more than 18 years and has never seen an accident:

> She really notices the higher speeds, but is careful to only step out to stop traffic when there is a long gap.

She makes some other interesting comments also. The principal of the Echuca Secondary College, Mr Martin Culkin, also commented that a significant number of his students cross that section of the road twice a day going to and from school:

> ‘We’ve had complaints from residents who have observed potential dangers ... the speed limit is highly inappropriate, and absolutely unnecessary,’ he said.

Numerous complaints have been made by residents, and the Echuca City Council is concerned about the speed limits on both those sections of roads and has twice written to Vicroads on the subject. I ask the minister to use his best endeavours to have officers of his department reassess the situation.

**Drivers licences: minimum age**

Ms MARPLE (Altona) — I raise with the Minister for Roads and Ports in another place the age at which young people can gain a licence to drive a car. I am aware that this issue has been examined before and that the previous government made some decisions to help with the breaking of the nexus between the age at which young people are allowed to drink in hotels and the age at which they can get their licence.

I am pleased that the decisions made by the previous government, including the provision that probationary drivers have a zero blood alcohol level while driving, have continued to make a considerable difference to the number of accidents involving young people, but it is probably time to revisit that issue, and I am asking the minister to do so.

My request is made because of a letter I received from one of my constituents. It was the first time he has written to a member of Parliament and I believe it is important that we take up the issues young people raise and that we encourage them to write to their members of Parliament and see how those issues can be worked through.

In the letter Andrew Whittington of Altona asked me to bring to the attention of the minister a transport difficulty he has. It takes him a long time to travel from Altona to Richmond by public transport. It is unfortunate that that is the case and he would like to see the minimum age for obtaining a licence lowered.

Personally, I would like to see public transport improved so that it would not take so much time for
that trip, but perhaps the minister could refer this issue to the Road Safety Committee to investigate whether additional ways could be examined to break the nexus between the age of being allowed to drink at hotels and getting a licence to drive. Young people find that having the two things brought together at the same time is — —

Mr LEIGH (Mordialloc) — On a point of order, Mr Speaker, as the honourable member would be aware, the adjournment debate is for the purpose of bringing matters of administration to the attention of the appropriate minister. The honourable member is calling for a policy change which means calling for legislation, which is out of order.

The SPEAKER — Order! I do not uphold the point of order. The honourable member’s time has expired.

Drought: relief

Mr JENKINS (Ballarat West) — I raise for the attention of the Minister for Agriculture the drought and the sad state of affairs in northern Victoria, New South Wales and Queensland. Recently an offer was made to me of spare grazing land with a good lush growth of grass. The farmer concerned has offered his land for drought relief for stock.

Interestingly, I took this issue to the public last Saturday and I had an amazing response from people in the Ballarat area. Some people have responded in a negative manner to the concept of opening up land around Ballarat and beyond to drought-affected stock, however, there has been an amazing response in favour of land being made available. The lands I am talking about are quite often Crown land, public land and national parks around not only the Ballarat area but other areas of the state not yet affected by the drought.

I ask the minister whether an inventory could be made to show them his artwork or to drop off material but, especially in the city. Mr Gary Thorn, who runs a design company called On the Ball, wrote to me saying he frequently has to visit clients in the city to show them his artwork or to drop off material but, because he does not drive a 3-tonne truck, which is now the standard for commercial vehicle registration, he is therefore not allowed to park in loading zones to carry out their business, especially in the city. Mr Gary Thorn, who runs a design company called On the Ball, wrote to me saying he frequently has to visit clients in the city to show them his artwork or to drop off material but, because he does not drive a 3-tonne truck, which is now the standard for commercial vehicle registration, he is therefore not allowed to park in loading zones. He has copped many parking tickets because he is forced to park illegally or risk being late for his appointments.

This is a matter of serious concern for a government that spouts a great deal of rhetoric about supporting small business. It is small business which is being negatively impacted on by these changes. I ask the minister to review that change in the registration of commercial vehicles. It was reported to me by another complainant that when the matter of reduced revenue for Vicroads, because of the fewer vehicles that will have commercial registration, was raised, the officer said, and I hope it was a flippant remark, ‘That really doesn’t matter because we have increased registration for everybody else so we are not going to lose any revenue’.

I think that is a pretty sad comment from the government on a serious complaint from small business. We must ask whether the government has inadvertently done a favour for big businesses that
make deliveries using large vehicles with commercial registrations. Companies like TNT, Linfox and Brambles can quite legitimately park their vehicles in loading zones, whereas florists, photographers or computer retailers are unable to do so because they use station wagons, cars or even light commercial vehicles in their businesses. It is most unfair. Small business is finding it a great inconvenience. It believes it is not being supported by this government and that the change should be reviewed as a matter of some urgency.

**Local government: commissioners**

Mr LEIGH (Mordialloc) — I raise with the Attorney-General a matter of possible discrimination concerning the appointment of local government commissioners. The Attorney-General will be aware that people such as the Honourable Frank Wilkes, a former Minister for Local Government, and a number of other people have been appointed commissioners for local government as we change the municipal structure. The Attorney-General may also be aware that Barbara Champion and Frank Thompson are serving ministers of the Socialist Left and commissioners of the City of Yarra and that both these people and other Labor Party luminaries have been told that if they accept jobs as local government commissioners from the Kennett government they will have to hand in their Labor Party membership while they do 'the dirty work of the Kennett government'.

Mr SEITZ (Keilor) — On a point of order, I put it to you, Mr Speaker, that the matter raised by the honourable member for Mordialloc is not concerned with government administration, a point you raised earlier this evening.

The SPEAKER — Order! The Chair understands that the honourable member for Mordialloc was raising a matter of law with the Attorney-General, and I believe it is quite in order.

Mr LEIGH (Mordialloc) — People do have rights in this democracy and if serving members of the Labor Party wish to be commissioners and seek to close swimming pools — —

Mr SERCOMBE (Niddrie) — On a point of order, Mr Speaker, it has been a matter of frequent rulings and observations by the Chair that the Attorney-General cannot be asked for a legal opinion. The way the honourable member for Mordialloc is phrasing the matter he is raising is quite clearly leading up to seeking a legal opinion from the Attorney-General. I believe in those circumstances it is important for you, Sir, to make a ruling that he be sat down because he is not able under all sorts of previous rulings to seek a legal opinion from the Attorney-General. That has been the clear basis on which the house has proceeded for many years and certainly in the time that I have been here.

The SPEAKER — Order! I have heard sufficient on the point of order and at this stage I do not believe legal opinion is being sought. I am listening carefully to what the honourable member for Mordialloc has had to say and he should make clear what action he wants taken.

Mr LEIGH (Mordialloc) — There is legislation in place in this state to deal with cases where people are discriminated against, and if people are members of the Labor Party and wish to help the Kennett government introduce proper reforms into local government they should be able to do that and should not be stood over by the Leader of the Opposition and others who are seeking to discriminate against their own people because they wish to serve the people of Victoria. I wonder how many people know these individuals are members of the ethnic community.

The SPEAKER — Order! The honourable member's time has expired.

**City of Broadmeadows**

Mr THOMSON (Pascoe Vale) — I draw to the attention of the Minister for Local Government, through the Attorney-General, the concern held by residents in the present City of Broadmeadows south of the Western Ring Road at the proposals by the Local Government Board that they be transferred to the City of Moreland. Their concern is so great that over the past fortnight they have been able to collect more than 13 000 signatures which have now been lodged with the minister seeking a poll of all local residents in the affected area on the basis that they wish to remain with the City of Broadmeadows with which they have been connected for many years and in which they have confidence. They are used to receiving services from the City of Broadmeadows, and the City of Broadmeadows has lavished quite a deal of tender loving care on that part of the municipality.

Collecting more than 13 000 signatures in 14 days — more than 10 per cent of the population of Broadmeadows of 104 000 — is a striking
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demonstration of local support for a poll and local resistance to the actions of the Kennett government through the Local Government Board in seeking to transfer them from the City of Broadmeadows to the City of Moreland.

I support their position on a couple of grounds. First, I think it is the right of local people to have a degree of self-determination about the municipal boundaries in the municipality in which they live, and secondly — —

An honourable member interjected.

Mr THOMSON — Yes, in your case opting out completely would be a good idea. Secondly, this change makes no sense. The City of Broadmeadows has a present population of 104,000. The Kennett government said it was 100,000. That is a good size for a municipality. In this case it takes 45,000 people from an existing municipality and move it to another one, so even by the Kennett government's own standards and yardsticks this makes no sense. I ask the minister to call a poll at the earliest possible opportunity in recognition of the 13,000 signatures. I ask him to undertake to abide by the result of the poll, unlike the way the Kennett government has refused to take note of polls in the past, and to note that this is a municipality where many of the people south of the Western Ring Road have aged-care needs and services. We are adding those to the City of Moreland, which has many aged-care needs in its own right. It does not make any sense. The sort of municipal mix Broadmeadows has is the right way to go. It has the confidence of the people living south of the Western Ring Road. On that basis the minister should undertake to abide by the result of the poll and to call it at the earliest possible opportunity.

Local government: amalgamations

Mr E. R. SMITH (Glen Waverley) — I raise a matter for the attention of the Minister for Local Government through the Minister for Planning. It concerns the use of Monash as the name for the new municipality in the area containing mainly the current municipality of Waverley and parts of Oakleigh. I have received a number of petitions, which I have passed to the Clerks, and have also received a letter from the current chief executive officer of Waverley council. The local residents are adamant that as Waverley has about three-quarters to 80 per cent of the area and the population, the name Monash not be used and the name Waverley be retained. They have given a number of alternative names but they believe the confusion of using the name Monash would cause such consternation that the minister should give more consideration to using the name Waverley instead.

Responses

Mr COLEMAN (Minister for Natural Resources) — The honourable member for Shepparton raised the issue of the stock and domestic channel system which runs out of Gowangardie weir, which supplies some 90 farms in the Cosgrove district. The system has had the potential to be a net loser of water. On that basis some work has been done on establishing whether it is possible to pipe the whole system. As it stands, the system could still run under the auspices of the City of Greater Shepparton. In its present form as a customer group the system could equally be well run by Goulburn-Murray Rural Water. I will take up the issue with both entities to see which of them is to be the preferred operator of the system. However, the system will require some funds to get the water savings that are available. Accordingly I respond to the honourable member on the issues he has raised.

Mr MACLELLAN (Minister for Planning) — The honourable member for Williamstown is concerned about some protocols that have apparently come his way. I do not know whether he has asked his municipalities about whether they have issued the protocols. It sounded to me like the typical municipal production which is undertaken to introduce any new commissioners or mayors and to brief them on the ways in which they should conduct themselves and be conducted during their mayoral years. I should not worry too much about it: I do not think it is a major production of the Department of Planning or Development or the local government branch. However, I will refer the honourable member's remarks to the minister just in case the minister has some other comments he wishes to make.

The honourable member for Pascoe Vale is concerned about the transfer to Moreland of the good citizens of Broadmeadows who live south of the Western Ring Road and asks whether a poll might be conducted, given the enthusiasm of those citizens for signing petitions. The honourable member may have been more persuasive if he had put his request in more neutral terms instead of identifying the Local Government Board and its recommendations with the government.

Ms Marple interjected.
Mr MACLELLAN — The government certainly appointed the Local Government Board, but the recommendations are its recommendations. To assist the honourable member for Altona I point out that I have a representative on the board, a former director of planning, Mr Paul Jerome. So far as I know he is not a member of any political party. He has been an impartial public servant who has served governments of all political persuasions with great distinction. I rely on the fact that he would have brought a completely professional impartiality to his work with the Local Government Board.

Given that the board has made its recommendations, it is open to both the honourable member for Pascoe Vale and the good citizens of Broadmeadows, or the good citizens of the area that the honourable member suggests be transferred to Moreland, to make their representations to the Local Government Board and to have the board consider them. That is probably the most appropriate step — if it is done by Monday. If it has not been done by Monday, and I know that today is Tuesday, I will certainly do my best to direct the honourable member’s views to the attention of the members of the board and ask them to take that into account in their consideration of the responses to their initial report.

An honourable member interjected.

Mr MACLELLAN — Yes, I am having a double dose of niceness today. This is be nice to the opposition week.

Honourable members interjecting.

Mr MACLELLAN — The honourable member for Glen Waverley, who could be included in those categories, raised the question of whether his municipality should continue to be called Waverley or have its name changed to Monash. I make no value judgments about the names Waverley and Monash other than to say that I will refer the matter to the Minister for Local Government in the other place, as he has asked me to do formally in the house — and privately by sitting behind me! Other than that, I shall refrain from making any comment about the matter at all.

Mr W. D. McGrath (Minister for Agriculture) — The member for Ballarat West referred to the potential of the Crown land, state park and national park reserves in the Ballarat area that are carrying an abundance of grass to provide some relief for drought-affected stock. My drought advisory committee has asked the Department of Conservation and Natural Resources to provide it with an inventory of Crown land that may be available for the grazing of stock from drought-affected regions — and we would not have to go interstate to find that stock.

Paddocks in the area between St Arnaud and Seymour have very little fodder left for stock, so we need to examine the feed potential of Crown land. Some difficulties arise with water points and fencing requirements. The honourable member asked about financial support for temporary fencing. We believe the transaction levies for transport subsidies, fodder subsidies or fencing subsidies should not be part of the support system. We believe low-interest loans are the best way to go. Farmers can make their own commercial decisions about whether they borrow money while having the benefit of subsidy support from both the federal and state governments, if that comes to pass.

At present there are already about 20 fairly large herds of cattle, some from New South Wales, on roads in the Western District. It is fair to say that my department has some concern about the management of those herds. The Department of Agriculture is also concerned to see that, if the cattle are to be killed or sold through the saleyard network in Victoria once they are in better condition, declarations are issued saying that the cattle are free of hormonal growth promotants. If they are to go back to their home base, it will be difficult to return them given the decision by the New South Wales government that stock going into New South Wales has to be declared free of Johne’s disease if where they came from cannot be readily identified. I thank the honourable member for Ballarat West for raising a constructive suggestion.

Through his department the Minister for Natural Resources is offering advice to the drought advisory committee about the potential of that land. I hope that in the near future the Department of Conservation and Natural Resources will be able to advise the committee on the most appropriate use of those reserves, whether they be Crown land, state parks or national parks.

Mrs Wade (Attorney-General) — The honourable member for Melbourne suggested that Mr Bernard Bongiorno had been forced to resign from the position of Director of Public Prosecutions because he lost his independence. As I understand it, the honourable member for Melbourne was trying to ask me whether I would address the issue of the
independence of the DPP. I will not address the issue because there is no need to.

I shall make two points about the matters raised by the honourable member for Melbourne. The first is that I do not believe Mr Bongiorno has resigned from his office because of anything to do with independence. My understanding is that he has resigned from his office to return to the bar. He always said that he intended to remain in that office for only three or four years and, in fact, I believe he has been in the office for nearly four years. Mr Bongiorno has given me no reason to believe that there is any other cause for his decision to return to the bar.

However, I clearly recognise and believe everyone in the house recognises that the office of the DPP must be independent insofar as the DPP is responsible for very important decisions — namely, whether to institute prosecutions, whether not to institute a prosecution in a particular case, whether to appeal in a particular case, whether not to appeal, and what charges should be laid in particular instances. All of those decisions must be made, as I told the Leader of the Opposition this morning, quite independent of government. Indeed they are made quite independent of government and nobody has suggested otherwise.

There have been some changes to the office of the DPP. The Director of Public Prosecutions is required to consult with senior prosecutors prior to making certain important decisions, but that consultation having taken place, it is still quite clear that the only person who makes the decision on these particular matters is the Director of Public Prosecutions himself and, in a very wide area of decisions, he does not need to consult with anyone at all before making a decision.

Mr Mildenhall interjected.

Mrs WADE — I hear the honourable member for Footscray referring to the resources of the DPP. There are issues about the budget of the DPP and the administration of that office, and naturally any government would wish to get the best value from the taxpayers’ dollar wherever it is used in the government system and that is true of the DPP’s office.

As the honourable member for Footscray would know, and no doubt it has caused him to make these comments, the DPP’s budget has been overrun on numerous occasions over recent years. For instance, it has been a matter of concern to the Legal Aid Commission which has consistently approached me and talked about the fact that sufficient money is not available for the defence in cases where there is a Rolls Royce prosecution for the defendant to be properly defended by the commission.

I believe it is extremely important that we should have equity in these matters. I am very pleased to say that the solicitor for public prosecutions has been talking to the Legal Aid Commission about getting appropriate resources for both sides in the criminal trial system. I should have thought the honourable members for Footscray and Melbourne would be pleased to hear about that.

So far as Mr Bongiorno is concerned, my recollection is that I read a newspaper report where he is reported as having told a parliamentary committee that there had been no problems with resources.

Mr Cole — Didn’t you read it properly! He said there were enormous problems!

Mrs WADE — The honourable member for Melbourne made the comment that the annual report of the DPP will make all clear. I do not know exactly what the honourable member for Melbourne understands about the annual report of the DPP. In fact, I have been somewhat surprised that Mr Bongiorno did not present an annual report to me prior to leaving. I had expected to receive the report from him prior to him retiring from office last week. As I have not received it I will be taking up with the acting DPP the need to present to me an annual report as soon as possible.

The honourable member for Melbourne suggested that I should have met with Mr Bongiorno. I did speak to Mr Bongiorno at a social occasion not long before he left. We had quite an amicable and pleasant discussion. He did not suggest there was any problem about his retirement, nor did he suggest that he wished to meet with me.

It is most unfortunate that the honourable member for Melbourne and indeed other members of the opposition have cast slurs over people who have made decisions of a personal nature to retire from office. The honourable member for Melbourne is endeavouring to do this with Mr Bongiorno.

I was horrified when the honourable member for Melbourne raised similar issues about the coroner, Mr Hal Hallenstein, in suggesting that there was something wrong about his reasons for resigning.
from the position of coroner. Mr Hallenstein, as
honourable members will know, will remain in his
position as a magistrate. To the best of my
knowledge Mr Hallenstein announced his intention
to retire from the position of coroner for personal
reasons after 10 years of excellent service to the state
in what is a very difficult job. To my mind he
deserves to be able to retire from that position
without having slurs cast on him when there is
absolutely no reason for that to happen. After 10
years of service he has now found himself leaving
that position of service to this state under a black
cloud as a result of comments made by the
honourable member for Melbourne and other
members of the opposition.

The honourable member for Mordialloc has raised a
question of discrimination and said it appears that
members of the ALP, who have been appointed as
local government commissioners by this
government, have been told that if they accept jobs
from the Kennett government they will have to hand
in their ALP membership.

It is clear from the appointments that have been
made that the Kennett government is not in any way
biased in the appointments that it makes. It is
willing to recognise that there are members of the
ALP, albeit not all that many members of the ALP,
but some members, who are appropriate for
appointment as local government commissioners
and who will do a very good job.

Frank Wilkes has been mentioned as a particularly
outstanding member of the ALP in this regard, but
there are a number of other people who have been
appointed by the government on the basis that there
should be no discrimination and that the best person
should be appointed to the job.

It is unfortunate that the ALP itself appears to be
discriminating against its own members in its
acceptance of these positions. It would seem that
they are depriving these members of their
democratic right to engage in political activity.

While I do not believe that falls within the Equal
Opportunity Act, it is clearly discriminatory and I
would seek advice as to — —

Mr Cole interjected.

Mrs WADE — This is not a legal matter, this is a
matter of commonsense. It is clearly discriminatory
to say to someone who is qualified for a job that he
or she cannot have that job and retain membership
in a political party. That is disgraceful and I shall
take the matter up with the Equal Opportunity
Commissioner.

Mr COLE (Melbourne) — Mr Speaker, on a point
of order, we know that the Attorney-General is
disgraced very easily. The fact of the matter is that it
is palpably untrue. There has been no suggestion
whosoever that these people will be turfed out of
the ALP. In fact, we recently gave one of them a — —

The SPEAKER — Order! There is no point of
order.

Mr COLE — They should stop playing around
with these ridiculous lies!

The SPEAKER — Order! There is no point of
order. I ask the honourable member to resume his
seat.

Mrs WADE (Attorney-General) — There were a
number of matters raised for the attention of the
Minister for Roads and Ports. The honourable
member for Rodney raised the dangerous situations
for children in Echuca caused by fast traffic. I shall
refer the matter to the minister.

The honourable member for Morwell raised an issue
that has been raised on previous occasions about the
fact that commercial vehicles smaller than 3-tonne
vehicles are unable to park in loading zones. He has
asked me to raise with the Minister for Roads and
Ports the position of small business people who
wish to pick up or deliver goods.

This has been a matter of some debate and I believe
there has been some abuse in the past under the
previous rules of the ability for people with
commercial registration to park in loading zones. I
imagine the Minister for Roads and Ports in the
other place has weighed up the advantages and
disadvantages of the system. I will direct the
comments of the honourable member to the
minister's attention.

The honourable member for Altona also raised a
matter for the Minister for Roads and Ports in the
other place regarding the nexus between the age at
which young persons are allowed to drink and the
age at which they are allowed to drive. She
suggested that the Road Safety Committee might be
able to consider further ways of breaking the nexus.
I will refer the matter to the minister.
The SPEAKER — Order! The house stands adjourned until next day.

House adjourned 10.51 p.m.
PETITIONS
Wednesday, 9 November 1994

The SPEAKER (Hon. J. E. Delzoppo) took the chair at 10.04 a.m. and read the prayer.

PETITIONS

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

Dogs: leashing

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The humble petition of the Kintala Club in the state of Victoria respectively sheweth that:

The section of the domestic animals act pertaining to the leashing of dogs when outside the owner's property be amended to stipulate that:

(1) dogs may be permitted to be exercised off-lead and under effective control in appropriate environments; and

(2) councils be obliged to allocate areas where this may occur.

Your petitioners therefore humbly pray that the government take this action.

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

By Mr Tanner (10 signatures)

Mount Stirling

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The humble petition of the undersigned citizens of the state of Victoria sheweth that Mount Stirling being an undeveloped mountain available to all Victorian citizens for a wide range of recreational wilderness experiences and activities is under threat of being developed as a downhill ski resort with ski lifts, the associated infrastructure and a gondola linking Mount Stirling with nearby Mount Buller.

Your petitioners therefore pray that Mount Stirling be forever protected from such mechanical gondola, ski lifts and associated infrastructure and it be preserved for all time.

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

By Mr Tanner (15 signatures)

Proposed City of Monash

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

Whereas the Local Government Board has proposed that the City of Waverley become the major part of a new City of Monash, we the undersigned request that the name 'Waverley' be retained to ensure a historical connection with the settlement of the district and to avoid confusion with Monash University and the Monash Medical Centre.

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

By Mr E. R. Smith (39 signatures)

Laid on table.

PARLIAMENTARY REPORTS

Mr J. F. McGrath (Warreembool) presented reports of:

Department of the House Committee for year 1993-94; and

Presiding Officers for period October 1993 to September 1994.

Laid on table.

ROAD SAFETY COMMITTEE

Demerit points scheme

Mr Richardson (Forest Hill) presented report of Road Safety Committee on inquiry into demerit points scheme, together with appendices and minutes of evidence.

Laid on table.

Ordered that report and appendices be printed.

PAPERS

Laid on table by Clerk:

Mr BRUMBY (Leader of the Opposition) — On a point of order, Mr Speaker, my office has just been advised by SBS radio that it has been barred from taking audio tape coverage of this morning's grievance debate. I ask you, Sir, whether you have issued any instruction to the media regarding this morning's grievance debate, whether the claim by SBS is true and whether such a decision is consistent with the rules governing communications from the Parliament.

Mr BRUMBY — On a further point of order, Mr Speaker, I understand that in the past there have been certain practices in this place regarding the televising of the grievance debate. However, the televising is not the subject of my point of order. I have been informed that this morning you ruled that the taking of audio tape during the grievance debate has also been prohibited. I put it to you, Sir, that is inconsistent with the practice that has applied in this place in the past. I acknowledge that there has been a prohibition on the television medium, but there has been no such prohibition on the use of other electronic media, particularly radio, to cover debates in this place.

The grievance debate is an opportunity for members of all sides to raise matters in the interests of the Parliament, individual members and their constituents and reflect the broader public interests and concerns of Victorians. I should have thought it would bring this place into disrepute and open you, Sir, to ridicule and criticism if you were to ban electronic coverage of matters raised this morning in this privileged debate. I ask you to reconsider any decision you have made to ban electronic coverage of this morning's grievance debate.

The SPEAKER — Order! The Leader of the Opposition would appreciate that I did not come to a hasty conclusion on this sensitive matter, but based on the fact that it is difficult for the recording of both the grievance debate and the adjournment debate to give a balanced view of this house and on the information and advice I have received my decision still stands.

Mr HAMILTON (Morwell) — I grieve about the government's decision to privatise Victoria's prisons. My views on the privatisation of other government responsibilities and essential services are well known, but this particular decision is probably the most reprehensible and irresponsible decision that has ever been made by any government. To opt out of the responsibility for the operation of our prisons is something of which this government should be eternally ashamed. Clearly the government, being driven by nothing other than ideology, has made the worst decision it has ever made.

At this stage the only justification for the decision has been the government's statement that it thinks it is a good idea. There has been no public debate and this very important decision goes against the general interests of the proper and thoughtful taking of action against people who have been convicted of a crime. The concept of punishment for profitability is abhorrent to all of us. Unfortunately, that is what this is all about.

The government has not provided any detail as to how a privatised prison system would be monitored, supervised or made accountable. Indeed, it is incumbent on the government to hold a public inquiry and to create public debate so that the community is convinced this important responsibility of government is open and transparent. There is no evidence that money will be saved by the privatisation of the prison system. In fact, I will argue that if done properly, the privatisation of prisons will cost more money. The
only reason to privatise the prison system is so private companies can make profits.

On 17 August this year the Coburg Brunswick Community Legal and Financial Counselling Centre conducted a forum at which research evidence was given that there was a very high suicide rate at the private remand centre in Brisbane, allegedly relating to the private management of the prison. There were allegations about poor monitoring of contracts, poor accountability, low staff levels and the use of high-tech electronic surveillance equipment. There was also evidence that private prisons both here and in the United States of America had not proven they could make cost savings; there was correctional policy imperialism and defamation threats by the companies.

This is a very important subject. Indeed, one could argue that one of the most important responsibilities of government is to ensure the proper and humane treatment of prisoners. It is easy for those who are observers of the system to assume that a person convicted of a crime and sent to gaol has lost all basic rights — that is not true. Indeed, through organisations such as Amnesty International, this country spends considerable time examining the cruel and inhumane treatment of prisoners throughout the world. For this government to embark upon a system of privatisation, together with the claim of secrecy because of commercial confidentiality ensuring that no-one can monitor the treatment of prisoners, is more like a decision of a Third World government than an enlightened government in this country.

The arguments fall far short of what we should be looking at in the 1990s. Indeed, although for the past three successive years we have seen a decrease in the number of crimes the government is proposing through the privatisation of prisons to increase the capacity of prisons by 400 so that 40 per cent of prisoners would be held in private prisons. On any world comparison, that is an unacceptably high rate.

Even in the capitalised and privatised United States far fewer than 40 per cent of prisoners are held in privately controlled prisons. There is nothing to show that law and order policy prevents crime or makes communities safer. In fact, the United States is the prime example, because it has the highest rate of incarceration in the world. In New South Wales there has been a 50 per cent increase in prison numbers since 1988 while the crime levels have remained stable. Similarly, harsh and degrading imprisonment policies have only negative effects on prisoners making their survival inside and outside of prison much more difficult.

Mr E. R. Smith interjected.

Mr HAMILTON — I remind the honourable member for Glen Waverley that since I have been a member of Parliament I have spent some time speaking to and working with prisoners at the Morwell River Prison, a low-security prison. Indeed, it housed two of the longest serving prisoners in the state. During the past six years those two prisoners have been released. They were convicted of heinous crimes and, after serving prison sentences of more than 20 years, they are not the same people they were when they were convicted. Although they have spent a long period in prison they are now different people. One was released three or four years ago and the other 18 months ago. According to reports from their parole officers and the police their behaviour has been exemplary. Therefore, people who have been convicted of crimes against society must have opportunities for rehabilitation. We should support that by ensuring that the responsibility for the conduct of prisons remains with the elected government and not private companies.

The deprivation of liberty of people convicted of crimes is fundamentally a quasi-judicial role of government. It should not be delegated to anyone. Both the Minister for Corrections and the Director-General of Corrections agreed that imprisonment is a government responsibility. They argue that their control over the companies and contracts will defeat the concerns which I am expressing and which have been expressed about the conduct of privatised prisons. I say privatised prisons cannot and will not work. Indeed, if the system of privatised prisons is transparent, open to public scrutiny and properly accountable to government and, through government, to the people of Victoria it will be a very costly and inefficient way of conducting our prisons.

Mr E. R. Smith interjected.

Mr HAMILTON — I have not been to Borallon but the research evidence indicates that some of the goings-on and difficulties experienced by community groups, including prison chaplains, relating to access to prisoners and access to information about contracts that govern the private operators of these prisons is a cause of concern. The proposal by this government is worse than that in other states because it does not propose that the
state will own the prison. Prisons will be owned and operated by private companies that successfully tender for the contract. I shall say more about those companies and their record overseas in a moment.

If the operator of the prison proves to be unsatisfactory that operator will own the prison and it will be extremely difficult for any government to remove it as the operator of the prison that it owns and allow another operator to move in. Regardless of its best intentions and regardless of the regulations that are put in place to monitor the prison system, that will create enormous difficulties for the government.

I am very surprised that there has not been a public debate about this major social issue. As responsible members of Parliament and as members of a responsible government we must not fail to have a wide-ranging public debate so that the community is aware of all the problems associated with this unwholesome and I would argue unrepresented move by the government. There is no way the community has accepted that the privatisation of prisons is inevitable as it has with so many other initiatives of the government. It is not inevitable.

Australia already has the largest number of prisoners in private prisons of any country in the world, with about 10 per cent of prisoners in private prisons. The United States of America has less than 2 per cent of its prisoners in private prisons and the majority of states in the USA have rejected privatisation of prisons. In Texas, which has the most private prisons, fewer than 30 per cent of prisoners are in private prisons.

On the figures put forward on the government's proposal, Victoria will have 40 per cent of its prisoners in privatised prisons. That is a world record, and one we should be ashamed of.

The companies that are proposing to operate the private prisons are in each case half-owned by overseas companies. It is indefensible that we are allowing companies to come in and exploit for profit the running of this country's prison systems!

Privatised prisons allocate punishment. They run internal disciplinary procedures on which there is no appeal and there is no governance from outside under Victorian law. This is of major and serious concern. There is a danger that if we create more prisons we will simply get more prisoners to fill them. The profit motive will not move us toward what I and the community believe would be a far better state: one in which we would concentrate on keeping people out of prisons to create a more equal and fairer society in which people would not be sent to prisons but in which other forms of punishment for those who break the law would be pursued with great vigour and determination by any government.

The accountability of those running private prisons will be suspect. A stumbling block will be the arguments of operators that they cannot release details because of commercial confidentiality. Already we have seen the problems experienced by the opposition in bringing to account the government in relation to projects such as the grand prix and casino. It is argued that information cannot be made available because of so-called commercial confidentiality. That may be all right for projects such as the grand prix and the casino, but quite clearly — —

The DEPUTY SPEAKER — Order! The honourable member's time has expired.

Drought relief

Mr BILDSTIEN (Mildura) — Today I grieve for the drought-stricken farmers of Victoria, and particularly for farmers in the Mallee. It is important to put the issue into perspective so that honourable members understand the full impact the drought is having on the rural sector, not only in Victoria but right around Australia.

Honourable members ought to recognise that a strong recovery in the rural sector in the 1994-95 financial year will be turned around as the drought reduces the net value of our agricultural production in Australia by around $1.3 billion. It is estimated by the Australian Bureau of Agricultural Resource Economics (ABARE) that on top of that, the value of our agricultural exports this financial year will be reduced by about $450 million. More than half of that forecast fall in the value of both exports and production is attributable to wheat. It is estimated that the drought has resulted in a $700 million fall in the gross value of wheat production in 1994-95 and a $350 million reduction in our export returns.

If one looks at the total Australian winter crop, including wheat, barley and legumes, it will be seen that we are looking at a reduction of around 40 per cent to about 17 million tonnes. In particular, wheat production is expected to fall by about 38 per cent from 16.9 million tonnes last year to 10.4 million tonnes this year. On top of that, the summer crop for 1994-95 is expected to be well down, with around
50 per cent of average plantings. The production of cotton lint is likely to be reduced by some 42 per cent.

What does all this mean in terms of dollar decline? It is estimated by ABARE that for every dollar decline in the net value of production in the farm sector there is a decline in the non-farm sector of around 50 cents. That means the reduction in Australia's national income as a result of this drought is estimated to be about $2 billion. Obviously if you take $2 billion out of the national income there will be a reduced rate of economic growth, which will have an impact on employment.

The estimates are that employment in the farm and the non-farm sectors will be reduced by as many as 23,000 people. The human cost of the drought is the loss of jobs for more than 20,000 people around Australia.

Last week the Agriculture and Resource Management Council of Australia and New Zealand met in Adelaide and the Kennett government, through the Minister for Agriculture, lodged a submission for a declaration under the rural adjustment scheme of exceptional circumstances in the drought. The minister and the government have argued strongly that it is important to consider regional characteristics when assessing the impact of the drought.

Before making his decision on that submission, the federal Minister for Primary Industries and Energy, Senator Collins, asked the Rural Adjustment Scheme Advisory Council to consider the submission and make a recommendation to him. A member of that council, Fran Rowe, came to Victoria last Friday as representative of the minister. I accompanied her to Swan Hill, where we explained the submission to her.

In summary, our submission explains the severe rainfall deficiency we have had in Victoria, the reduced crop yields, insufficient pasture growth, our low stocks of conserved fodder, low availability of agistment and high grain prices, the depressed farm income levels and the high probability of major soil losses.

It was obviously important to note the losses that we expect in our grains industry this year as a result of drought. Total crop production in Victoria is expected to be no more than about 50 per cent of the 1993-94 production. Wheat yields are likely to drop from 2.1 million tonnes to 800,000 tonnes and barley production from 1.4 million tonnes to 400,000 tonnes.

We highlighted that this comes after a succession of adverse events. One can look at the low barley prices that farmers experienced last season, the poor wool prices that have existed over the past couple of years, rain and weather damage to crops and, of course, the mouse plague. Recent figures suggest that the mouse plague cost Victorian grain growers in the order of $40 million to $50 million, and when one adds the losses experienced in South Australia the figure reaches approximately $70 million.

We put forward a strong submission that argued that the minister ought to trigger the exceptional circumstances provisions which provide for up to a 100 per cent interest rate subsidy on loans to farmers. We arranged for a group of people to present submissions to the RASAC member. The group included representatives of the Department of Agriculture, who gave assessments on crops and livestock and on the financial situation of farmers in the Mallee; the Victorian Farmers Federation; the Shire of Swan Hill representing local government; the banks; rural counsellors; and, we talked to small business facilitators and went into the field at places such as Ultima and Lalbert, where we met about half a dozen farm families who were given the opportunity of explaining their position in detail.

I think we presented a very good case. I am confident, as is the Minister for Agriculture, that the RASAC committee, which meets in Canberra today to consider the Victorian submission, will recommend favourably to the Minister for Primary Industries and Energy. The minister has his last cabinet meeting at the end of this month, and therefore we would expect a decision by the end of November.

The banks estimate that some 75 to 80 per cent of farmers in the Mallee will require extra funding to tide them over through this drought, and obviously they will be in close liaison with their farmer clients over the next 15 to 20 months.

It is suggested that in the eastern Mallee there will only be between 0 and 20 per cent of average yields and in the western Mallee between 25 and 30 per cent of average yields.

On a typical Mallee farm, if you can find a typical Mallee farm, if the farmer does not have any crop income at all this year he can expect to have to borrow between $80,000 and $100,000. If a farmer
can get as much as about a third of his crop he will still have to borrow between $50,000 and $60,000. That is the sort of financial assistance that these people will need to carry them through. The Grain Elevators Board has suggested that it will receive only about 35 per cent of the average intake of grain over the past few years, which has been 2.9 million tonnes. Obviously the drought is taking its toll on the dry-land farmers, and rural counsellors now estimate they are seeing some 14 per cent of dry-land farmers in the Mallee, and it is interesting to note their observations on the deterioration on the middle group of farmers. They are saying that farmers in that middle level who had about 70 per cent equity in their properties over the past three or four years because of the adverse circumstances I mentioned have now found their equity has dropped to as low as 40 per cent, and that is obviously increasing concern. When the farmers' incomes deteriorate to the extent they have, the farmers do not spend and there is a flow-on for small business.

In my electorate of Mildura the impact has been quite significant as I have found when I phoned around and talked to small businesses. Fuel distributors, for example, who supply bulk deliveries to farmers say that deliveries are down by as much as 60 per cent. One panel beater in my electorate has closed down and moved interstate because he cannot get the business. A cartage contractor also has closed and moved interstate. One of the major machinery dealers says there has been a standstill in sales of major equipment for six or seven months, a massive drop-off in pre-season service and about 40 per cent drop-off in the sale of spare parts. I have talked to another mechanic who says he has not had a vehicle in his workshop for nearly a month. Retailers in some of the towns say that their business has been abnormally low.

One of the great concerns of these rural communities is that they will lose their skills base and expertise. If a motor vehicle business cannot afford to keep its mechanic on because he cannot get the business, the likelihood is that when a recovery occurs and times get better he will not come back. It is of great concern that we will lose expertise and skills base. The government made that point strongly to the Rural Adjustment Scheme Advisory Committee member when we met her last week. We also made the point that it is very important that farm families get the Austudy allowance. We met with a number of young people who have just finished their VCE studies and want to continue, but the likelihood is that farm families cannot afford $10,000 or $12,000 to send their children to Melbourne for further education. We certainly have impressed upon RASAC the importance of the federal government looking favourably at granting the Austudy allowance to rural families.

One of the other things that has concerned the government is the environmental impact of the drought. When I drove to Melbourne on Monday afternoon — and as we all know, the wind was very gusty on Monday — the amount of dust and top soil that was blowing between Hattah and Berriwillock was quite disturbing, and as I passed through Sea Lake the shire's graders were on the road moving a couple of feet of topsoil that had blown across the highway and back off the side of the road. A whole range of factors has affected farmers in the past few years and they are now hoping that the Victorian submission will be successful. I must commend the Minister for Agriculture for putting together a comprehensive document which argues that it is not just drought in Victoria that should be considered: we have not had three years of drought as they have had in northern New South Wales and Queensland, but there are other relevant factors. They include the vegetation loss, crop and pasture failure, stock conditions, water supplies from the rivers and dams, environmental damage, soil erosion and farm income levels. The scale of the drought in Victoria is different because of that succession of adverse circumstances that I talked about earlier, and the minister suggested that support for farmers ought to be considered, as I say, on a regional basis.

This is a matter that concerns local members representing that area in particular but should be of great concern to all honourable members who represent Victorians in this Parliament. We should urge our federal colleagues to accept the submission and to announce that exceptional circumstances will apply under RASAC for drought-stricken farmers in this state.

Workplace health and safety

Mr MICALLEF (Springvale) — I wish to grieve about workplace health and safety. Following on from the previous speaker, we certainly have sympathy for the plight of people on the land and the consequences of the drought and other hazards they have to deal with from year to year to survive.

I also feel on that basis that there should be reciprocal sympathy for the issue that I am about to raise, which is workplace death and injuries. Last
year about 150 workers lost their lives through work-related injuries and the consequences of their work. I believe, Mr Acting Speaker, that you have an interest in that area and you have raised many of these issues. I want to place on record my concern about what I believe is censorship of raising these issues and our ability as members to communicate with the electorate. I hope that the Speaker will review the decision that has prevented the audio reporting of the grievance debate this morning. I will not say anything more but just express my concern. My major concern is that I believe that while Nero is fiddling, Rome burns, and that is literally what is happening. I have a couple of newspaper clippings here including one from the local journal which talks about an employee who is fighting for his life after having been burned in a cooker explosion. He continues to fight for his life in the Alfred Hospital.

That is a consequence of the issues of health and safety in the workplace not being adequately policed and adequately supported by government agents. The union representative, Mr Bill Shorten, went out and inspected the site, and said:

Investigations by the union since the explosion have found serious fundamental flaws in the plant's safety.

Several provisional improvement notices (PIN) came out of that inspection. I have heard that a worker is fighting for his life after having been being burnt in a horrific way, and that when the union inspected the site it found fundamental safety flaws within the plant. That is just not good enough!

Recently we heard about the tragic circumstances of Thursday, 27 October when four men were badly burnt from a gas explosion at the Premier's Treasury Place offices, just across the road from Parliament House. Being in such close proximity to that disaster brings it home to us in a very real way. I imagine that people in the precincts of Parliament on that day would have heard the explosion, may have even felt its vibrations, and probably winced at the consequences and the fact that the workers amazingly survived, although as a consequence of that tragic blast, one of them has since died. I believe he is the father of three children. The other three survivors are fighting for their lives, and one questions the quality of life they will have in the future.

The Premier said in a statement that he was appalled at the event and the injuries suffered by the workmen, but we need more than condescending platitudes, if I can put it in those terms. If the Premier is really concerned about such issues he would make sure that the ministers responsible adequately resource occupational health and safety and its advisory facility to make sure that potential accidents and potential disasters are minimised.

There is absolutely no reason why that disaster should have happened — absolutely no reason! The definition of an accident is something that can be prevented, and in this case it is something that certainly could have been prevented. The explosion at the Premier’s Treasury Place offices is a spectacular case, but there are still literally hundreds of workers each year who are seriously injured or killed from their work. And what is the government doing? Workers and their organisations are asking what the government is doing. Is it increasing resources for the Occupational Health and Safety Authority and its advisory arm? Is it increasing the number of inspectors? Is it resolving the industrial disputes it has with the SPSF, which is hampering the working of that body? Do we see any evidence of that? We certainly do not. If anything, we see the opposite. We see a cutback in resources moving towards self-regulation and so on.

The Occupational Health and Safety Act requires a duty of care, which is important. It provides for employers in a legally binding way to provide a safe and healthy work environment. In the past few months the Trades Hall Council has issued a number of statements about what the government has been doing to undermine health and safety standards in Victoria. It says that the government has:

- revoked critical workplace safety regulations and codes, including the first aid code.
- deliberately delayed the introduction of new national chemical safety laws.
- removed the regulations controlling cancer causing substances such as DCBs, which were at the heart of the Hoechst dispute.
- asbestos regulations to be amended to reduce the obligation on employers to control asbestos risks.

Despite the deaths of a dozen of workers over the last decade from entering contaminated confined spaces, confined spaces regulations have lapsed and no new regulations have been made.

Last month the government announced its plans to deregulate plant and equipment safety standards. They
are proposing standards for guarding of machinery that are not even as stringent as those passed in 1885 — 110 years ago.

Is it any wonder that the Herald Sun, which is not known to be sympathetic to workers, has taken up the issue. An article by Neil Wilson says:

The government may be trying to shift blame for workplace accidents from employers to workers ... The rigger's hip was crushed by the bucketful of fabricated steel he had helped to load. It caught on the truck, came back and pinned him.

He is one of the state's 56 000 workplace health and safety victims. That is a disgraceful figure, and that particular accident occurred during the lead-up to Occupation Health and Safety Week that took place in October. The article continues:

In the two years of the Kennett government, staff levels at the authority have been cut from 480 to about 400, with another 50 job losses in the wind.

For nearly a decade, the staff has worked to implement the former Labor government's OHS act.

We still have the framework of that act, which was certainly supported by employers during the last changes to the act.

Most employers wrote saying they basically supported the thrust of the act and that it had been working well. Therefore we had a dedicated work force in the authority working to implement the act with the full support of the government, employers and trade unions. But the resources have been cut back, and we are starting to see the consequences of the lack of morale. The article states:

Authority staff sources claim that since 1992 the number of on-road inspectors has been cut from 162 to about 100 and that the state government figure of about 140 now counts management and administrative staff not previously included —

That is certainly unsatisfactory —

The Auditor-General's report in May said only 3 per cent of workplaces were being audited each year.

That is certainly totally unsatisfactory. The article also says there were not enough vehicles for the inspectors to do their work effectively. They have a pooling system, which means that in some cases non-specialist inspectors are assigned to jobs for which they do not have the expertise — for example, in scaffolding, boiler and pressure vessels, and areas where staff are required to have a high degree of specialisation to effectively inspect jobs.

Another interesting point that came out of that article was a claim that at least twice the investigation files on alleged health and safety breaches by two national companies have gone missing. The government needs to explain what happened in this case when files on breaches of the act by prominent companies have certainly gone somewhere. The government owes it to the community to investigate that matter and present a report.

The building and construction division of the department has seen the number of inspectors reduced from 24 to 16. The horrific pictures in the newspapers showed the consequences of the blast at the Treasury building which was a result of such cutbacks.

The opposition is concerned about what is happening. We are getting hints from sources within the Occupational Health and Safety Authority (OHSA) that they could be soon subsumed by the Victorian Workcover Authority. It is spending $8 million on publicity and we see slogans like 'Workcover is working for you'. Maybe some of that money should be spent on resourcing the authority.

Those who work in the authority are demoralised; they are wondering whether they will retain their independence within the authority, whether they will be taken over by Workcover or whether they will be taken over by the Department of Business and Employment. At the moment it looks as though they are responding to three ministers: Pescott, Gude and Hallam.

The minister and the Premier need to establish very firmly who is the minister responsible for occupational health and safety in this state. OHSA has been under review for almost the entire period this government has been in office, and that is very demoralising. Recently we received information that in seven cases where inspectors applied PIN notices six were cancelled. The inspectors are certainly under pressure. It seems that occupational health and safety standards are falling.

The advisory committee set up by the minister has been a joke. Its advice has not been sought by the minister and it is making a mockery of replacing the old Occupational Health and Safety Commission. The first aid code was changed without any
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consultation. The hazardous substance regulations are stalled. Where are they? We are moving towards a national pollutant register in the chemical and agricultural chemicals areas. We need a national hazardous chemicals register to complement and supplement those regulations. Confined spaces regulations have lapsed. I understand the new regulations are sitting on the minister's desk.

The ACTING SPEAKER (Mr Cunningham) — Order! The honourable member's time has expired.

Police: detective training

Mr McLELLAN (Frankston East) — I join this debate today somewhat reluctantly because the issue I raise should and I believe could have been dealt with internally by the Victoria Police Force. However, I firmly believe the people capable of addressing the matter have neither the will nor the intention of doing so. The issue concerns the detective training school, and course 162 in particular. This course was doomed from the beginning. As a result, 16 of the 27 students who attended the course failed. That is an unprecedented number. And I believe they failed for a number of reasons that I will outline shortly.

I shall outline the demanding criteria on which police apply for detective training school. To be eligible to enter the CIB students have to be in the top 5 per cent in their districts. Application to work must be consistently high and supported by district supervisors' reports on individual merit. Because the officers work at consistently high levels and standards they are given opportunities to perform temporary duties. Some have worked for up to two years in the CIB above other officers in their district. That is a clear indication that the students as police officers have matured, grown with experience and earned the right to progress into the CIB.

Three-monthly reports are submitted regarding suitability and progress. Not one of those reports made adverse comments about poor work performance or precluded a student's progress from job promotion or from entering the detective training school and, as a consequence, the CIB.

Students must appear before a CIB suitability board, which consists of an inspector and two senior sergeants who are currently serving CIB officers.

All of the students on course 162 met the criteria. The course is no different from any other course that is conducted. I should point out that the policy of Victoria Police is that officers have only one chance of entering the detective training school. If they fail they are precluded from pursuing certain roles. Many police specifically join the force because they want to become detectives. If they cannot go back and complete the course it places limitations and restrictions on their future careers.

I shall move on to the course itself which, as I said, was doomed from the start. I base that belief and opinion on the unprofessionalism displayed by some of the course officers and instructors from the outset. There was constant personal, sexual and ethnic harassment. It would be most unparliamentary of me to repeat the words used on occasions. They derived from the names of two male students and from comments overheard by the students of one instructor about what he would like to do to one of the female students. It would be most inappropriate to repeat those comments; suffice it to say they had a negative effect on the students forcing them to remain silent so as not to draw attention to themselves and incur further similar comments.

By the end of week one students were performing below standard. The officer in charge, Mr Sprague, said he would fail 20 students if he had to. This was unfortunate news for the students at that time because even after the first week their morale was at a very low point. Students complained that the course information was outdated, the firearms justification and legislation were outdated, some of their team leaders were not available, they were unable to take notes at the weekly debriefings after exams and insufficient time was given to debriefings. When questions were raised, they were told they were being argumentative and, as a result, the debriefing was concluded, denying them further questions.

When students complained about the lack of ability to ask questions they were told they were nothing but whingers. Students wondered why, during the fact-insertion exam, words like 'and/or' were applicable. When students are on the streets they are not required to know that information verbatim; they can refer to the Crimes Act or any other act to complete paperwork.

Not one of the 16 students who failed the course has ever lost a case or had writs issued against them because of poor, ineffective or shabby paperwork. There were constant leaks from the course to people outside which resulted in negative feedback to students. At a dinner in a Brunswick restaurant during the course an officer connected with the
course told past and present detective training school instructors that he would fail 20 students. That is consistent with comments made to students in the first week and consistent with the attitude displayed by other instructors during the course.

As a result of that and many other factors, 16 students failed the course. As I said, this was unprecedented in the history of the detective training school. Not many people were prepared to come forward and criticise the course and the manner in which it was conducted. On the morning of the final oral examinations Detective Sergeant Bux was told the name of a student who would fail and that, in all, 16 would fail. So concerned was Detective Sergeant Bux that he submitted a report detailing his concern about the leaks and other aspects of this course.

Reports and complaints to the Victoria Police Association and senior officers resulted in an investigation of course 162 by a so-called independent officer. I say 'so-called' because Inspector O'Sullivan, who was appointed to conduct the inquiries, was a former instructor at DTS during 1990-91. I believe that rather than being independent he was biased. At the beginning of his interviews, he stated to the students that DTS was very close to his heart and when asked by a student who had passed the course why he thought so many had failed he said, 'They were 16 dummies so you should be grateful you passed this elite course'.

During interviews with the students who had failed he said, 'I am here to tell you why you have failed. If you wish to raise other matters, write them down in the questionnaire'. At no stage did Inspector O'Sullivan concede in his report that the unprofessional behaviour of the instructors had contributed to the high failure rate of the students on the course. In his report he states that the instances of unprofessional conduct by the two DTS staff had 'impacted on the integrity of DTS and that measures should be taken to correct this situation', and recommends:

(a) that as a result of five questions considered to be inappropriate being included in the SFSL exam, all students should be credited with 10 marks in line with the policy adopted throughout the course by DTS staff; and

(b) that as a result of recommendation (a) two students would fail the course by 1.14 marks and 3.87 marks respectively. In light of these findings I recommend that they be granted a pass.

That has not happened, and as recently as two weeks ago both students were told that they would remain failed. In October I went to the William Street offices to speak to Assistant Commissioner Robertson, who is in charge of training, and while I received a warm welcome I got a snow job, as I expected. Assistant Commissioner Robertson pointed out the code of ethics that hangs on the office wall, part of which states that all personnel must be responsible for their own actions, or words to that effect. Obviously that does not apply to DTS staff because if it did there is no way that he could accept the results of course 162.

He told me that the students were not up to standard and had been allowed into the job at a time when entrance standards were lower and that the course simply reflected that low standard. He stated also that a number of the students had made more than one attempt at other exams and were low achievers. He said that DTS was an academic course, but no other academic course anywhere has a multiple-choice answering system. Academics to whom I have spoken have laughed at such a system.

Out of 70-odd courses, only two in the police force preclude a person from re-applying. If courses for senior constables, sergeants and — dare I say it — officers had such a policy, quite a few current senior officers would not be in the positions they now enjoy. I am not suggesting that Victoria Police lower its standards of training. However, in this instance, given all the complaints and comments by students who passed and failed the course and the conditions under which the course was conducted, those who failed should be given another go and the two students who were recommended for passes should be granted them immediately. To do less would be to deny them natural justice. I believe also there should be a total review of this particular course.

There has been a bias or a lack of procedural fairness, considerable unreasonableness, personal and sexual discrimination and ethnic slurs. It is shameful that one officer resigned as a result of this course. I understand DTS is a very intensive and stressful course, but it stands out among all other courses for its standards of training. However, in this instance, given all the complaints and comments by students who passed and failed the course and the conditions under which the course was conducted, those who failed should be given another go and the two students who were recommended for passes should be granted them immediately. To do less would be to deny them natural justice. I believe also there should be a total review of this particular course.

There has been a bias or a lack of procedural fairness, considerable unreasonableness, personal and sexual discrimination and ethnic slurs. It is shameful that one officer resigned as a result of this course. I understand DTS is a very intensive and stressful course, but it stands out among all other DTS courses in that while past average failure rates have been around 4 per cent of this course had a failure rate of 55 per cent. Never in the history of DTS has the percentage been so high. I do not believe it is due entirely to students not meeting the usual standards; it is due to other reasons which must be addressed to make sure this situation never recurs. When I read the students' work reports, records of arrests and achievements there was no doubt in my mind that
something was drastically wrong with course 162. As a result of the failures the officers are now limited in what future paths are available to them.

It is worth noting that the Australian Federal Police and police forces in other states do not follow Victoria’s procedure on D1'5 courses but train detectives on the basis of ongoing practical and academic learning combined with testing and assessment at various stages. I suggest that the syllabus and results of course 162 be further reviewed and that a total review and assessment of DTS methods be undertaken to make it more practical and productive. As I have said, to do less is to deny these people natural justice.

Over the past few months I have met with a number of the students and I have found them to be dedicated and devoted police officers. Contrary to the belief that they were low achievers and ‘dummies’, I point out that two have passed university courses. I cannot see how the officer in charge of training can dismiss that out of hand and fail to give them another attempt at pursuing the careers they have chosen. Their results are on the board. I have not seen all their reports but those I have seen are outstanding. I can only repeat that so far as I am concerned Assistant Commissioner Robertson, who is in charge of training, indicated to me that he would speak to the commanders about the course. I put it to him that he as the officer in charge has the power to do something about this matter and should do so forthwith.

Crown Casino: bid

Mr COLE (Melbourne) — I grieve about the tendering process for the casino licence. As honourable members would be aware, for some time the opposition has been calling for a full independent judicial inquiry into the casino tendering process. We believe the reasons for holding an inquiry are both overwhelming and compelling. In recent times we have been joined in that call by the Sunday Age editorial of 16 October and the Age editorial of 17 October. As of today’s date we believe the reasons for conducting a judicial inquiry into the casino tendering process have not diminished in the slightest. In fact, they have been exacerbated and the argument is now much more compelling.

Recently we learnt that the Chairman of the Victorian Casino and Gaming Authority, Mr John Richards, has stated more than once that the winner of the bid was financially superior to that of the Sheraton ITT bid. Those statements have been made despite the fact that the financial analysis done by merchant bank SBC Dominguez Barry could not split the bids and suggested that other criteria be used when assessing them. We have learnt also that the deadline for final submissions was extended and that this extension enabled Crown to increase its bid by up to $80 million.

The Chairman of the Casino and Gaming Authority has stated that both applicants were given a fair and equal opportunity to vary their submissions. However, a senior executive of Sheraton ITT has expressly denied that it was given a chance to raise its bid. We have further learnt that a member of the four-man planning panel which recommended that Crown win the Melbourne casino licence had a previous and indeed very recent financial relationship with Crown’s biggest shareholder, Hudson Conway.

As reported in the Sunday Age of 16 October, Mr Michael Barlow, a director of town planners, A. T. Cox and Partners, admitted that his company had ‘previously had an ongoing relationship with Hudson Conway’. He confirmed that he delivered a submission on behalf of Hudson Conway to the Hawthorn City Council in June 1981 supporting development plans for Tooronga Village land. There was in this case such a significant conflict of interest that in our view he should not have been on that planning panel.

The matters outlined above more than satisfy the call of the opposition for a full judicial inquiry into the casino tendering process.

A further matter that I want to spend some time on this morning is the issue of probity and whether or not the current operators of the Melbourne casino are appropriate people to be involved in the casino.

On 20 October this year the Leader of the Opposition asked the Premier whether there had been any changes to the probity requirements that were set out in the registration-of-interest brief issued on November 1991 to the bidders for the casino licence. In his answer to the Leader of the Opposition’s question, the Premier stated:

... the probity requirements were established in 1991 by the former government. To my knowledge, nothing has changed. To my knowledge, Sir, I am not aware of any of the individuals in any way contradicting the requirements that were set by that probity test.
It is important to note that the requirements set out in the brief state at page 4:

Registants will be required to demonstrate that those parties proposed to be associated with the development, ownership, management and operation of the casino are of excellent repute and have adequate resources and experience to develop a world-class casino.

At page 11 of the brief the following appears:

The information requirements of the Casino Control Authority will be a matter for the authority itself to determine, and registants must understand that exhaustive checks of companies and key individuals will be undertaken to ensure that companies or persons with known criminal records, habits and associations or deficiencies in business probity, ability and experience are barred from any role or association with the development, ownership, management and operation of the casino.

If the Premier has not misled the house in his answer on 20 October, then Mr Lloyd Williams, a director of Hudson Conway, and the managing director of Crown Casino and formerly a director of Dominion Properties, could not possibly have passed any probity check to do with the casino.

Further to this, Grocon Constructions could not have been involved in the building of the casino if the requirements as set out in the original registration of interest brief, particularly as they relate to people involved in the initial development of the casino, are to be followed.

On 21 October in this house the Leader of the Opposition asked the Premier a specific question about Dominion Properties and that company’s conviction in 1983 of giving secret commissions to the secretary of the Builders Labourers Federation, Mr Norm Gallagher. The Leader of the Opposition asked whether this was the same charge that Mr George Herscu was convicted of and which resulted in Mr Herscu’s company, Hooker Harrah, losing the licence and the contract to build and operate the Sydney casino in 1985.

The Premier seemed to take offence at the question asked by the Leader of the Opposition, which is not unusual, and stated that although Mr Herscu was individually charged with this offence, Mr Lloyd Williams was not. Nonetheless, it is clear that Dominion Properties of which Mr Lloyd Williams was a director at the time was indeed convicted of giving secret bribes to Norm Gallagher, which of itself would be sufficient to exclude Mr Williams from anything to do with the casino pursuant to the original brief of registration of interest and the act.

Unfortunately, the Premier did not bother to read the transcript of the proceedings of the royal commission into the Builders Labourers Federation because had he done so he would have found a full and frank admission by Mr Williams that he was personally responsible for the giving of the bribes to Norm Gallagher.

Mr Williams gave his evidence before the royal commission in camera, but this information is now available. It must be remembered that Mr Williams, through his company Dominion Properties, gave Mr Gallagher thousands of dollars worth of electrical, plumbing and carpentry work that was done on Mr Gallagher’s beach house at McLoughlins Beach, Yarram.

At page 1019 of the transcript the following questions were asked of Mr Williams:

So the favours, if I can call them that, that you have been prepared to bestow upon Gallagher have been part and parcel of what you believe is the establishment of good relations between you and your companies and his union?

Mr Williams answered:

I think it has been an excellent public relations exercise.

The next question and answer have to be understood in the context in which they were asked. It has to be remembered that Mr George Herscu and Mr Morris Alter, who both personally pleaded guilty to giving secret bribes, advised the royal commission that while they in broad terms knew about the favours that were being bestowed upon Mr Gallagher, they did not really want to know about any of the particular details.

The following question was asked by Mr O’Callaghan, who was assisting the royal commission:

I am telling you what Mr Herscu is saying. Mr Alter came along yesterday and said much the same thing. I knew about favours but that is part of your authority, you fix it up, I do not want to know about it.

He then asked where he stood on that question? Mr Williams answered:
I am the person who authorised it. It happens that Mr Gregson was the person who implemented it. I am not sort of absolving myself as you are telling me Mr Herscu and Mr Alter seem to have done. I am the person who did it. I am not taking the Herscu or Alter view if that is the view they have taken. I directed Tom Gregson to do these bits and pieces for Norm Gallagher and I generally believe they were bits and pieces.

Mr Gallagher got four and a half years imprisonment for bits and pieces? This answer by Lloyd Williams is compelling and makes it quite clear that he was personally involved in giving bribes to Norm Gallagher. The fact that it was his company that was convicted of giving bribes and his admissions at the royal commission indicate that Mr Williams could not and should not have passed any probity check done by the casino authority.

Further to this, you have the following observations by the royal commissioner on pages 2976 and 2977 of the transcript when he says of Lloyd Williams:

One gets the impression from all that he was not doing it —

the favours for Norm Gallagher —

simply as an act of charity but that there might have been something else behind it — to use his words, ‘to maintain good public relations’ — which would rather indicate that he was seeking to secure some sort of advantage to himself or the companies he was representing.

This observation by the royal commissioner, the damning admissions to which I have referred and his association with people convicted of bribes as joint owners of companies, makes him an unsuitable person to be involved in a casino.

There were originally 23 bidders in the race for the casino and the 23 applications were whittled down to a final eight. In that list of eight applications was the construction company Grocon, run by the Grollo brothers, Bruno and Rino Grollo. As a result of the Grollo brothers conviction of giving secret bribes to Norm Gallagher, their company was knocked out of the casino race appropriately on probity grounds. Mr Williams should also have been knocked out of the race for exactly the same reason. How is it that the Grollos are knocked out in relation to the building and operating of the casino, but they are now able to come back into the race via the back door and have been awarded the contract to build a casino that is to be owned and operated by the same Mr Williams who gave such indicting evidence before the Winneke royal commission.

It is interesting to note that Mr Morris Alter also pleaded guilty to giving secret commissions to Norm Gallagher as a result of the report of the royal commission. Mr Alter is a director of Halberton Pty Ltd, which is in business with a company run by Mr Lloyd Williams, namely, Davidson Hughes Developments Pty Ltd. That partnership owns the complex at 800 Toorak Road, which has been leased to Coles Myer until the year 2000. Would that alone — being a director of that company, with a person who committed crimes and who was convicted for bribery — eliminate Lloyd Williams from owning the casino? That alone would be sufficient because the registration of interest brief refers to ‘association’.

Frankly, the issue is whether those who did the probity checks for the casino were aware of the conviction of Dominion Properties and, indeed, the evidence of Lloyd Williams before the royal commission. In light of the elimination of the Grollo brothers from the short list of the eight tenderers on what the opposition believes were probity grounds, one can expect that the people associated with probity check for the casino were aware of the Winneke royal commission.

Everything about the probity of this issue shows clearly that if the probity people were aware of the Winneke royal commission they must have been aware of the conviction of Dominion Properties and of the evidence that was given by Mr Williams; and, if they were not, they should have been.

The opposition believes we need a full, open and independent judicial inquiry. On all the points we have raised here, it is clear that Mr Lloyd Williams could not possibly have passed a probity test. Mr Williams is as much entitled to have a casino licence as the person engaged in bribing Mr Norm Gallagher. There is no difference whatever between Mr Williams’s involvement in bribery and Mr Gallagher’s actions in receiving bribes.

The opposition believes that Lloyd Williams is not an appropriate person to hold a casino licence. The probity check was either done negligently, not at all or was overruled. Mr Williams and his cohorts and the mates of the Premier, including the de facto leader of the Liberal Party, Mr Ron Walker, have taken crime and carpetbaggery to a new level. In this particular case the probity check on Mr Williams was not done properly.
Dysfunctional families

Mrs HENDERSON (Geelong) — I am happy to have the opportunity of joining the grievance debate today. I wish to grieve for dysfunctional families. Whatever form it takes, the family is the basic unit of our society. Certainly we would all agree that the family promotes the wellbeing of, nurtures, provides security for, supports, educates and maintains its members. However, from time to time families need support at different times of the family cycle. Dysfunctional families require additional support.

There is no doubt that the family brings great joy and, although sometimes it brings sadness, in general the family unit is something to celebrate. As 1994 is the International Year of the Family it is a time we can use to focus on families, to reflect on the importance of families to the community and to take the opportunity of celebrating its importance in society.

The International Year of the Family has been important in raising awareness of the issues affecting families in the 1990s. Earlier this year the Minister for Community Services appointed a Ministerial Council for the International Year of the Family, which I have had the privilege of chairing. Part of the launch of the council earlier this year was a document entitled, Victorian Families, which takes a factual look at family life in Victoria. The document has been circulated widely throughout the community and to agencies that provide family services.

A portion of the document looks at facts on families and attempts to define what family type Victorian families fall into. The major family type in Victoria is still the two-parent family with dependent children, but they form fewer than half of all families. Two-parent families with dependent children make up 45.5 per cent of all families. The second largest family type is couples without children, which represent 30.2 per cent of all families. That group includes older couples whose children have left home permanently. One-parent families are the third-largest family type and have been one of the fastest growing groups in Victoria in the past decade, with 12.4 per cent of all families being headed by a single parent, the majority of whom are women.

In a little more than two-thirds of all families there are children, including adult children, living within the household. Since 1986, the number of couples with dependent children in Victoria has declined while the number of couples without children and the number of one-parent families with children has increased. In 1991, families with adult children living with them represented 14.3 per cent of Victorian families, an increase from a figure of 12.7 per cent in 1986.

Victorian Families has been important in focusing on families and a whole range of things concerning families. The booklet covers items such as the formation of families, and there is a particularly important chapter about migrant families, which examines the long history of migrant families settling in Victoria.

This year the ministerial council has been looking at issues affecting families. We went out and actually spoke to people in the community in an attempt to recognise the main issues that families face in the 1990s. We have had numerous public consultations in rural Victoria and regional Victoria and have met with agencies and peak bodies in metropolitan Melbourne.

We talked to women from the Rural Womens Network, to peak bodies, to church organisations, to general practitioners, to organisations with responsibility for families that have a family member with a disability, and to community health centres, marriage and relationship counsellors and many more.

A great number of issues emerged during those consultations, one of which was the importance of parenting skills and education. As we all know, parenting is probably one of the most important responsibilities a person can face in his or her life and many people at different stages of family life face situations which they have not been prepared for and from time to time need support in addressing these issues.

Teenagers can often change the dynamics in a family and families, whether they are dysfunctional or healthy families, need support and enhanced skills to cope with these changing dynamics. They certainly need the skills to cope with the crises that arise in just about every family from time to time.

Another interesting, vital and important issue that emerged was relationships within a family. Patterns of separation and divorce within families have changed considerably in recent times. Victorian Families refers to work done by the Australian Institute of Family Studies on that changing pattern.
Family violence continues to be an enormous social problem in our community and many women and children are subjected to serious harassment and violence from violent partners. I am very pleased, as are all Victorians, that the government has introduced legislation to provide for indefinite intervention orders to protect women from violent partners.

Recently the Attorney-General has reached agreement through negotiation with the commonwealth government that these orders will override Family Court orders. This will be of enormous benefit to women who are subjected to violence from their partners. The new anti-stalking laws that are being introduced into the house will also give great comfort to women and give them further protection from violent partners.

In recognising the enormous problems of domestic violence the government has not only addressed the matter in terms of the legislation, but has increased funding for domestic violence programs from $8.4 million to $10 million. The government will provide further support to families that are caring for a member with disabilities, and further support in the respite care area. The extension of this service will provide an expanded system for respite care for about 1000 families. The government currently spends $18 million per year to provide respite care.

The expansion of the Making a Difference program, which has an annual budget of $1.1 million, will provide individualised support services or grants to families who are caring for a family member with disabilities. The Making a Difference Program can help with equipment and certainly makes the job much easier for families caring for a disabled family member at home.

In the past 12 months mandatory reporting of child abuse has been very successful. It has resulted in a much higher level of calls from the community, and the reporting of concerns about children who are subjected to neglect and abuse has been very positive. An additional $11.6 million has been provided for the child protection budget since the first stage of mandatory reporting began 12 months ago. This extra funding includes an $8 million boost in the last budget which provided for extra child protection workers, an extra after-hours expansion and an additional 200 beds which can accommodate about 400 abused children or children at risk over a year. In total, the government is now spending $40 million a year on the investigation of suspected child abuse and on protection for children at risk.

Victoria has more specialist child protection workers than any other state and is the only state which provides a specialist 24-hour-a-day, seven days a week statewide child protection service. It is recognised that the strong commitment of community and its willingness to make reports is a strong endorsement of the government’s decision to introduce mandatory reporting. An ongoing redevelopment away from institutions and towards foster care and family-based placements recognises that most children do better when they have a continuous caregiver and an opportunity to live in a family environment.

There is no doubt that the family is a great cause for joy. It is the basic unit of our society and I feel very optimistic about the future for families in the state. The family is a great cause for celebration, and this International Year of the Family has given not only government but people in the community an opportunity to be involved in that celebration. The family, if it is an effective family, is a perfect support mechanism for a healthy individual and a healthy society. I think it is opportune that I commend the work of the ministerial council during this year as it has certainly put in place a number of programs to look at the long-term benefits that will go well beyond the International Year of the Family. National Family Week begins on 20 November and during that week the ministerial council will be giving some awards to foster families and caregivers who so unselfishly and generously give their time and the time of their family to take in a young person for further development and a basic family life. It is most important that we recognise the enormous service these foster families have given. Some of those families have been providing care for children who are not part of their own family for 25 or 30 years. The awards will be made during National Family Week.

In conclusion, I reiterate that the family is a great cause for joy and provides a great opportunity for us to celebrate what I consider to be the most basic unit of our society.

Crown Casino: bid

Mr BRUMBY (Leader of the Opposition) — The matter I wish to grieve about today concerns the government’s failure to undertake a full judicial inquiry into the awarding of the Melbourne casino licence. Premier Kennett said that the casino would represent ‘the new spirit’ of Victoria, and how right he was: the new spirit of cronyism, the new spirit of special deals for their mates, the new spirit of no
rules, no proper processes, the new spirit of no accountability — this is the new spirit of the Kennett gravy train. The only train that runs on time in this state is the Kennett gravy train. The only train line that has not yet been attacked or cut back by the National Party is the Kennett gravy train.

The matters I have raised in this Parliament and the matters I raise today are serious indeed. They require the full investigation of an independent judicial public inquiry because Victoria’s reputation is at stake. Our reputation as a place to do business nationally and our reputation as a place to do business internationally are at stake. Our investment climate is at stake, and the type of future we want for our children is at stake.

The tendering process for the casino and the subsequent operation of it has made Victoria a laughing-stock. Where else in Australia could a company structure that bears no resemblance whatsoever to the structure approved for the licence in September 1993 now be approved by this government? Where else in Australia could a company design and hotel complex be approved which bears no resemblance whatsoever to that approved in 1993, and where else except in Jeff Kennett’s Victoria could a new hotel and gaming complex be approved which is targeted fundamentally at the young children of our state?

The only person in this state who is standing in the way of a full judicial inquiry into the granting of the casino licence is the Premier, Mr Kennett: no-one else. We still get the calls every day from the business community saying, ‘Push on; this is a dirty, rotten, stinking deal; push on’. The only person who will not agree to a full judicial inquiry is the Premier of Victoria. We in this state have been witness to a political conspiracy at the highest level — a conspiracy to deliver Victoria’s cash cow to friends of the Liberal Party and to friends of the Premier, and if anybody here wants to prove me wrong, call an inquiry: hold an inquiry; let the facts come out because the facts will show the truth. There is a lot of explaining to do. How do you explain the massive discrepancies in comments from government members and the Casino Control Authority? How do you explain government decisions taken without independent advice such as the change to poker machine rules designed to reopen the bidding process to give the Crown consortium another chance? How do you explain the fact that Mr Williams was able to ring the Casino Control Authority and find out about his rival bid? How do you explain the process of appointing Grocon as the builder, and most important of all, how do you explain the process of probity checks and the granting of the licence to Mr Williams?

There are eight compelling reasons why there must now be a full judicial inquiry into the granting of the casino licence. The first is the massive inconsistencies in explaining the merits of the winner’s bid. We have the financial documents from SBC Dominguez Barry that say quite clearly that as both proposals are very similar, it recommends:

that the Casino Control Authority selects the preferred applicant on grounds other than the financial attributes of each applicant’s proposal.

It is a clear, unambiguous statement. We have the document and that is what it says. Yet when the winning bid was announced, the Minister for Gaming, Mr Haddon Storey, said:

I can indicate categorically ... that on every basis of measurement the financial offer of Crown Casino Ltd was greater than that of Melbourne Casino ...

That is the Sheraton-Leighton company.

The head of the Victorian Casino Control Authority, Mr John Richards, said:

Crown had won the unanimous endorsement from the authority and its design and financial subcommittees.

The fact of the matter is that those two statements are grossly inconsistent with the financial documents of SBC Dominguez Barry. To put it not too politely, someone is lying. It is not SBC Dominguez Barry because we have the document, so either Mr Storey or the head of the Casino Control Authority is not telling Victorians the truth.

In any other state of Australia that would be ground enough alone to have a full judicial inquiry, but that is just the first of a number. The second issue is the security of the bidding process. And what a remarkable bidding process it was! ITT Sheraton said of this process that it was dudged; that the process leaked like a sieve, and there was no security of process. An article in the Herald Sun of 15 October reports a representative of ITT Sheraton as saying:
We were given every assurance that the Premier would keep at arms-length distance from the selection process and it appears ... that was not the case ...

They put it pretty well, didn't they? The Prime Minister said 'This deal stinks like a dead cat in the middle of the road'. He put it very succinctly:

A tender that was $100 million behind miraculously became a tender where the financial adviser could not make a judgement. And who got the deal? Good old Ron Walker and his mates.

That is what the Prime Minister said. The opposition has more evidence from Mr Williams himself, who in a recent article in the Melbourne Age, confirmed that there were leaks all over the place from the bidding process.

So whether you are talking to Mr Williams, whether you are talking to Sheraton-Leighton or whether you take the Prime Minister's view, the fact is that the bidding process was corrupted. It leaked like a sieve and someone was giving information to Mr Ron Walker and to Mr Lloyd Williams. And I wonder who.

The third issue is the government's manipulation of the process. This refers to decisions taken by the government without Treasury advice to dramatically change the number of gaming machines available in this state. This was the decision to restrict to 45,000 the number of gaming machines in Victoria and to 105 the number of gaming machines in venues within 100 kilometres of the casino. This was a decision taken after bids were supposed to have closed on 16 August. One has to ask why the government made that decision? It made that decision because it materially benefited Crown Casino. It did not benefit Sheraton-Leighton, which had its capital locked up! This materially benefited one of the bidders, Crown Casino, which went back to the market and borrowed money on the basis of that Cabinet decision. When I raised this matter in Parliament, the useless Treasurer of this state said that Cabinet took that decision without any advice whatsoever from Treasury.

What a great way to do business! The government had to do it that way because if there had been Treasury advice it would have said it would have benefited Crown Casino. So they did it without advice, in the dark of the night to benefit their mates — and benefit their mates they did! They manipulated the gaming process.

One must ask why it was that the TAB withdrew on the night of 16 August? The fourth issue I shall raise is the probity requirement. This matter has been the subject of debate today by the honourable member for Melbourne, but I shall quote the documentation put out by the Casino Control Authority, which states:

The information requirements of the Casino Control Authority will be a matter for the authority itself to determine, but registrants must understand that exhaustive checks of companies and key individuals will be undertaken to ensure that companies or persons with known criminal records, habits and association or deficiencies in business probity, ability and experience are barred ...

I repeat, 'are barred'; it is not 'might be barred'.

are barred from any role or association with the development, ownership, management and operation of the casino.

In the circumstances, if the probity checks were done and if the letter of the law was followed, it is absolutely impossible, absolutely inconceivable, that Mr Lloyd Williams could have passed that probity check.

If the probity check was done the only explanation is that it would have been an adverse finding. It could not have been anything else. It must have been overruled by the Premier and the government because giving the licence to Mr Williams is tantamount to giving it to Mr Norm Gallagher. There is no difference whatsoever, and that is what this government has done.

The fifth issue I shall raise is insider trading. This relates to the matter of the grand prix and the recent confession — because that is what it is — in the Melbourne Age by Mr Lloyd Williams, that he was aware of 'all negotiations going on at all times' for the grand prix.

That is not bad, is it? ITT Sheraton-Leighton did not know about the grand prix. It did not know that the heads of agreement had been signed. This is the grand prix, which in the Premier's words, will bring $100 million of extra business to Melbourne. It will bring $15 million or $20 million extra each year for 10 years to the casino — $150 million to $200 million — and only Lloyd Williams was aware of the negotiations going on at all times.
Someone told Mr Lloyd Williams. Was it the Premier? Was it Mr Ron Walker? Was it someone else? Nevertheless the bottom line on this is this is insider trading. That is what it is. It is insider trading where one of the bidders has access to privileged information that enabled that one to bid higher than the other contender did. This is a matter that is being investigated by the Australian Securities Commission, and we shall wait and see what the commission discovers on that.

The next matter concerns the potential breaches of a significant number of laws of this country. I have already mentioned the Australian Securities Commission’s investigation into insider trading. The next matter concerns Federal Hotels and section 9(2)(e) of the Casino Control Act. That section of the act requires that the successful bidder be someone who has experience running a casino. When the bid was lodged on 16 August, Federal Hotels was a 10 per cent owner; it was an essential part of the consortium. But immediately Mr Lloyd Williams and Crown Casino were given this contract, this licence to print money, Federal Hotels was shoved out of the arrangements. The fact is that it represents a clear breach of section 9(2)(e) of the Casino Control Act. There is no-one in that corporation who has experience running a casino.

The next matter concerns the issues raised in the Herald Sun by Mr Terry McCrann, namely, the fact that before the prospectus closed Crown Casino had informed the planning department of this government of its intention to build a 1000-room hotel. Here they go! They put out a prospectus for 360 rooms — that is what they went out to the public for — and before the prospectus has even closed, they are into the Victorian planning department with a 37-page submission to build a 1000-room hotel. The fact is this is a misleading prospectus, a grossly misleading prospectus, and Mr Williams knew at all times that it was misleading!

Finally, we have the whole process. What we have seen since Crown Consortium won the casino licence is the following: the structure of Crown Casino Ltd has changed dramatically; the structure of the company operating the casino, Crown Management Pty Ltd, has changed; the design of the casino has been changed once, and Crown is now seeking to change it a second time; the marketing strategy of the casino has changed from a focus on live entertainment to a focus on virtual reality machines and other electronic games designed to attract children and young people to the casino; the casino will no longer be built in the time required under the Casino (Management Agreement) Act; Crown has sought and obtained additional space, gaming machines and tables at the temporary casino for no additional cost; and Crown is now seeking exemptions from the penalty provisions of the Casino (Management Agreement) Act.

Does this not make an absolute farce of the whole process? The company is totally different. The hotel and casino complex is totally different. The marketing strategy is totally different.

We will now have this vulgar, cheap marketing — and that is what it is — to young kids. It smells like a dead cat! It stinks like a dead cat! We have seen potential breaches of at least three areas of the law, the Casino Control Act, the Corporations Law and stock exchange requirements. We have heard statements from the responsible minister that are in conflict with the facts that we know from SBC Dominguez Barry, and the only person stopping a full judicial inquiry into the corrupt bidding process in this state is our Premier.

Why? Because he is part of the gravy train. He is looking after his mates. He is into the new spirit of Victoria — the new spirit of looking after your cronies. It is the new spirit of corrupting processes, the new spirit of awarding cash cows to your mates in the federal Liberal Party so that they can milk Victorian taxpayers and fund a federal election campaign. That is what this is about. It is a dirty, rotten, stinking deal and I say this: if the Premier will not call an inquiry, we put him on notice — we will! We will do so in 1996, and all the dirt, the rottenness, and the corruption in this deal will come out in a full judicial inquiry.

**Hot-water services**

Mr HONEYWOOD (Warrandyte) — The matter I wish to grieve about today relates to the potentially 7000-plus time bombs ticking away in the suburbs of Melbourne. When I say time bombs I am sure all honourable members will agree with me: the issue I raise concerns pressure valves on hot-water services. I am sure a number of honourable members would have experienced their domestic hot-water services blowing up or ceasing to work. They would have been inconvenienced by having cold showers and so on as a result.

In Victoria no law prohibits the sale of non-approved safety valves for domestic hot-water services. Although Melbourne Water has by-laws outlawing the connection of non-approved products
to the water supply system, the new plumbing inspectorate covers only sewer connections to Melbourne Water mains. It is nonexistent for water supply plumbing work. In other words there is no inspectorate for safety relief valves that control water which often boils and reaches dangerously high temperatures. There is no policing or monitoring of this safety feature, and I will come to the reason in a moment.

One of the manufacturers of the original valves, GSA Industries Pty Ltd, has concerns about the safety of the so-called reconditioned or re-manufactured P and T safety relief valves. This goes back to 1989 when a person by the name of George A. Douglas — then of Wantima and trading as the Tap Doctor and now of Bayswater — was purporting to recondition or re-manufacture Reliance Manufacturing Company (RMC) pressure and temperature relief valves.

NATA, which I understand is the leading laboratory in Australia for this type of testing, conducted a test on one of the reconditioned valves. It showed pressure relief opening between 106.5 degrees Celsius and 107.1 degrees Celsius, which is highly dangerous. I am informed that water boils and will explode in hot-water services at 99 degrees Celsius. Therefore, the reconditioned valves are performing at temperatures that are highly dangerous by any national laboratory testing procedure.

Later tests on another 22 of the reconditioned valves produced a failure rate of 69 per cent. Some 39 per cent of the valves tested failed because they did not open when temperatures reached 99 degrees Celsius or below. Other multiple failures related to incorrect pressure settings and low-temperature opening. Therefore, we are talking about a very dangerous situation. As I said, since 1993 there has been a minimum of 7000 time bombs ticking away in the suburbs.

I will mention specific examples of thousands of dollars worth of damage being done to people's homes. Once hot-water services have exploded it is very difficult to trace the exact cause. However, because the trend is increasing, we have found at least one of the culprits.

After complaints by the manufacturer of the original valves, GSA Industries, in May 1989 to the Melbourne and Metropolitan Board of Works, as it was then known, Mr Douglas the reconditioner, said he was no longer involved in the business of supplying reconditioned P and T safety relief valves to the public. Unfortunately, in 1993 after what would appear to have been a four-year absence from the market, Mr Douglas again appeared on the scene advertising in The Melbourne Trading Post and operating a mobile service.

As a result of threatened action by the original manufacturers against Mr Douglas for breach of trademark and what they call 'passing off' Mr Douglas withdrew from using old RMC rating plates on valves 'reconditioned' by him and started to use his own plates. One would have thought that since 1989 legislation would have been put in train to try to stop somebody trading in on the original manufacturer's name by using their trademark plate. The plates Mr Douglas started putting on the reconditioned hot-water services read 're-manufactured by George A. Douglas.' They did not indicate whether the valves conformed to the relevant performance standard or were approved by the relevant bodies. Although the new rating plate referred to temperatures set at 90-95 degrees Celsius, four out of seven that were tested did not operate according to temperatures within that range.

In March 1994 at the request of GSA Industries, Melbourne Water again visited Mr Douglas. However, it had to concede that its powers were limited to requiring that non-approved products be removed from installations connected to the Melbourne Water supply system and did not extend to preventing the sale of non-approved P and T relief safety valves. I am sure honourable members would agree that we have quite a glaring loophole in the law.

Mr Douglas allegedly boasted in March 1994 that he had sold 'some 7000' re-manufactured valves with a 'steadily expanding market'. Mr Douglas planned:

- to set up four mobile units and keep them working for about eight months of each year ...
- sales of reconditioned units would easily be achieved by 1000 per week throughout southern Australia.

Mr Douglas has expanded his activity into South Australia and New South Wales with further plans for 'the top half of Australia'. Melbourne Water is concerned that there is no point-of-sale control of non-approved safety products, particularly as the final inspection of new water connections has been abolished and was never effective for repair work anyway.

This situation was not of this government's making. It inherited it from the previous Labor government.
The problem dates back to well before 1989 when nothing was done about the problem. Despite Melbourne Water being alert to the expanding problem of the sale of non-approved reconditioned products and its expressed intention of issuing a warning bulletin to plumbers, nothing has yet happened.

I am pleased to say, however, that South Australia recently moved on the issue. I seek leave to incorporate in Hansard a copy of the South Australian government's Engineering and Water Supply Department public circular. I have consulted with the Leader of the Opposition, Hansard and the Deputy Speaker. I will make the document available to the house. The public advice circular is titled 'Reconditioned Water Heaters and Associated Safety Valves'. It explains the dangers I mentioned earlier.

Leave granted; document as follows:

ENGINEERING AND WATER SUPPLY DEPARTMENT

PUBLIC ADVICE CIRCULAR 94/1

RECONDITIONED WATER HEATERS AND ASSOCIATED SAFETY VALVES

It has been brought to the attention of the respective authorities and principal manufacturers that reconditioned water heaters and safety valves are being offered for sale with their original identification tags/name plates unchanged or with inadequate modifications.

Whilst it is a requirement of the statutory authorities that products connected to the respective infrastructures are manufactured in accordance with the relevant Australian Standard(s) or Specification(s), it is difficult to police this policy. Reconditioning, where appropriate, should only be performed by the original manufacturer or a licensee.

From the information available, it would appear that the persons and processes involved with the reconditioning operations and the testing equipment being used in conjunction with this work do not meet the required level of accreditation. This may result in unsafe water heaters and safety valve componentry entering the market place.

Members of the Plumbing Industry and the General Public are therefore advised to be extremely cautious in their dealings with people or companies offering reconditioned safety valves or water heaters for sale as they may become dangerous when installed.

For further information please contact Mr John Young, Senior Plumbing Investigation Officer, Engineering and Water Supply Department, telephone (08) 204 1167.

This Public Advice Circular is jointly supported by the principal water heater and associated valve manufacturers.

C. Wear
General Manager
Engineering and Water Supply Department
20.09.94

Mr HONEYWOOD — I understand Melbourne Water has obtained legal advice as follows:

1. Reconditioning/re-manufacturing of a product will void the original authorisation or approval. The reconditioned valve is essentially a 'new' product and would need separate authorisation.

2. It has no power to prevent reconditioned products being sold. The installation of unauthorised products is illegal but it is virtually impossible to enforce in the repair/maintenance market.

3. Melbourne Water does have some duty of care to the public under its present by-laws. If an instance was to occur they would suffer not only adverse publicity but may be found to hold some liability.

Mr Douglas further boasted in July 1994 that he was about 'to sign a deal which will allow a Victorian purchaser to produce up to 4000 reconditioned valves a month'.

Obviously there are big profits to be made in this business and it concerns me that somebody who has no standard protection requirements and no safety monitoring is able to get away with this sort of thing. New legislation to address and outlaw the situation I have described could be introduced in schedule 2 of the Mutual Recognition (Victoria) Act, which would permit state legislation to ban the sale of non-approved safety valves in the absence of commonwealth power to regulate the sale of non-approved safety products within the states. Through the Office of Fair Trading the government could examine that issue to see whether the situation can be resolved.

I understand there is a similar problem with reconditioned hot-water systems, which would retain the original approval plates but would contain a variety of mixed and inappropriate parts,
thereby adding to the problem of non-approved products being offered for sale in the marketplace.

I should like to refer to a letter signed by
Mr O. G. Clark, Deputy General Manager of the South Australian Gas Company Ltd and dated 20 September 1994. Under the heading
'Reconditioned water heaters' the letter states:

It has come to our notice that refurbished mains pressure storage type water heaters are being distributed in South Australia. We understand that the second-hand appliances are sourced from Melbourne.

While we understand that because these appliances are relatively cheap, there could be a demand for them and we would recommend strongly against their use, having discussed the matter with our Victorian counterparts, the Gas and Fuel Corporation of Victoria —

the corporation is aware of the situation but seems to be powerless to do anything about it.

These appliances are likely to be fitted with any or all of:

- repaired storage cylinders.
- repaired pressure relief valves.
- repaired temperature/pressure cut-off valves.

Although they may bear the original manufacturer's name and the relief valves and cut-off valves may bear the names of the original suppliers, none of those organisations guarantees any part of the refurbished appliance and will not stand behind any claims for damages. All strongly oppose the sale of these appliances.

Furthermore, many of the appliances carry the Australian Gas Association (AGA) approval badge, whereas in fact the AGA cannot testify to their safety, durability or efficiency as they have never been submitted for approval.

Since the units are likely to have spent five or six years in service in Victoria, it is unlikely they would provide two or three years further service in South Australia, especially as there is some concern regarding the effectiveness of the anti-corrosion treatment, including the replacement of anode.

For reasons of economics, as well as safety and dependability, we strongly urge all plumbers and gasfitters to recommend against the use of these appliances.

There is hard evidence of the situation getting worse rather than better. Rumour has it that Mr Douglas has sold franchises or licensed his business of reconditioning pressure and temperature release safety valves to various parties and that four or five companies have franchised to do this type of work, again with no safety approval standards required. The original manufacturing company sells more than 1 million P & T safety relief valves every year so it is not concerned about a competitor that sells 1000 a week; the concern arising from the sale of these products is safety. The purchaser of a reconditioned safety valve would have no easy way of knowing whether he or she has purchased such a valve or whether it meets the safety requirements for which it was originally designed. They could be fitted to properties being renovated for resale, which takes place all over Melbourne, the result being that a hot-water service could become an unsuspected time bomb, with no effective relief against explosion were the heat source to run away, as happens with arcing when electrical conductors weld electric hot-water services.

In calling on the government to consider introducing mutual recognition legislation, I mention two examples of what can happen. On 17 February 1993 in Invercargill, New Zealand, an exploding hot-water cylinder caused more than $10 000 damage to a used-car dealer's showroom and four cars therein. At the time it was said that anybody walking past could have been killed or maimed. Earlier this year in Beresford Road, Lilydale there was the near-tragic situation of an electric hot-water service exploding like a bomb and almost totally destroying a house. The owner, Mrs Pam Sherburn, was asleep at the time. She was very fortunate not to be killed or injured when the hot-water service blew up. Pieces of the roof and frame were hurled through plaster and the front door by the force of the explosion. Although the bedroom window was blown out, Mrs Sherburn's bedroom was one of the few rooms not destroyed. It was difficult to determine whether the explosion was caused by a re-manufactured valve.

There is an increasing trend towards this type of damage to homes and businesses and I ask the Minister for Fair Trading, in cooperation with the Minister for Natural Resources, who is responsible for Melbourne Water and to whom I have spoken about this issue, to look urgently towards legislating next sessional period to ensure that the 7000 time bombs do not go off sooner rather than later.
Information technology outsourcing

Mr BATCHELOR (Thomastown) — I grieve about the very serious matter of information technology outsourcing in the Public Transport Corporation and Vicroads. I should like to raise as a matter of urgency a number of different aspects of this issue because I understand the government is about to complete the process and enter into a long-term contractual arrangement in circumstances that are less than satisfactory.

The buzz around Ballarat is that this Monday the Premier will announce that an IBM-led consortium will be the successful tenderer and will be given the contract for outsourcing information technology. The contract is worth millions of dollars. I understand it will be a five-year contract that will cost the government between $100 million and $200 million. That is a very large amount of money and the matter deserves better treatment and examination than it has been given to date by the Department of Finance, which has responsibility for the outsourcing deal that will be announced this Monday, if not later in the week.

The contracts will have to be signed by the end of the week if the government is to meet this politically expedient timetable. In trying to meet the timetable the government has thrown caution to the wind and all concerned are working with undue haste to meet the political desires of their masters to have the matter finalised and the IBM consortium given the contract.

On 13 October I pointed out to the house that the consortium would be the successful tenderer and that it would be announced very soon. Now I understand an announcement is likely to be forthcoming at the end of this week or next week. On 11 October this year the Minister for Finance said the bidding process for the outsourcing project had not been concluded. Nothing could be farther from the truth. In a technical sense it may well be that the contracts had not been signed and that the formal announcement to the public at large had not been concluded, but everybody in the information technology industry knew IBM would get the job.

In fact, the chief executive officer of the Victorian Employers Chamber of Commerce and Industry, Mr David Edwards, said in an Age report of 8 October, a few days preceding the statement of the Minister for Finance, that he had grave concerns at the type of tendering process that was under way. In that article he states in part:

'The final contract arrangements resulted in a deal; apart from the winner, everyone thinks the price was extraordinarily low,' Mr Edwards says, declining to name the contract and company involved. ' Afterwards, there were mutterings ... because of the way contracts are negotiated at the moment ... you don't put your bid in a closed envelope and that's it. There's a fair amount of further negotiation.'

'There was concern afterwards about how much of the tendered documents were shared between certain bidders and whether the winning bidder knew what was in other documents.'

The article states that Mr Edwards declined to identify which contract he was alluding to, but it was made very clear to all the following Tuesday when the Minister for Finance said in this place that Mr Edwards was referring to outsourcing of information technology. The minister advised the house that there had been a sudden and miraculous turnaround in Mr Edward's attitude. In Hansard of 11 October the minister is reported as having said:

The process had not been concluded and Mr Edwards did not realise that.

The minister was referring to outsourcing information technology tasks being done by employees of the Public Transport Corporation and Vicroads to private industry.

On the same day, the Sydney Morning Herald carried a report that IBM would get that job. So on the same day that the Minister for Finance was saying that the tender process was under way and contracts would be considered — Mr Edwards had been kneecapped over the weekend — it was being made very clear in Sydney papers that IBM was to receive the contract.

A large, prominent article entitled 'IBM eyes PTC job' written, by Julie Robotham, states in part:

IBM's professional services joint venture with Lend Lease, announced last week, is virtually assured of winning a contract for joint-computer facilities management and outsourcing with the Victorian Public Transport Corporation and Vicroads.

The article refers to a Mr Neville Cameron who states:

Our understanding is that contract negotiations are proceeding with IBM.
The article refers to a Mr Merv Langby and states:

Merv Langby said that although rewards were high in the outsourcing market ... there was no reason to expect a rash of outsourcing tenders.

On the same day that the minister is saying it is still open and competitive bids are being evaluated, it was clear to the industry that IBM was the preferred tenderer.

Not only was it clear to the industry, it was also clear to the IBM consortium, because since 29 August it had been conducting interviews with employees of the PTC and Vicroads about working with the IBM consortium as they were receiving the outsourcing contracts.

In a letter that they sent to the PTC and Vicroads employees, they make very startling revelations. The letter of 19 August states in part:

ISSC realises that you will have many concerns and questions arising as a result of the proposed new business arrangements. We have written this material so that you can be better informed in making any decisions about your future employment options ...

Outsourcing is the fastest growing element of the IT industry today, and likely to be a front runner in growth into the next century.

Later on it states that outsourcing for government is a partnership and that governments will be important customers of ISSC. It is clear from these statements that the company knew in August that it would be the successful tenderer. The announcement has not been made — but it will be made shortly — that the IBM consortium will be the successful tenderer. I again quote from the letter which states:

We plan to provide you with a work environment where your career is satisfying, meaningful and rewarding, with opportunity for personal development.

It is clear that they were making a targeted pitch to the employees they wanted to take on board. Later in the same document they referred to child-care arrangements they were entering into with the local government authority in Ballarat. They provided a schematic diagram of the Ballarat data centre to demonstrate how it related to the data centre in New South Wales and the South-East Asian market. They also indicated in a page headed, 'ISSC service capability', the details of what will operate from Ballarat from January 1996, namely: seven processors, 440 MIPs, 1750 gigabytes and 18 images.

On a page headed 'Career opportunities' they detail precisely all the positions that will be available for the new premises in Ballarat. They claim that there will be 25 technical services positions, 24 operation positions, 54 AM&E positions and 10 end-user service positions. I am advised that the minister will be attending a sod-turning ceremony in Ballarat later this week.

The company also indicates the selection criteria for prospective employees and says that they must be prepared to work in Ballarat. The document has a timetable for interviews with Vicroads and PTC employees and, surprisingly, it shows the time line of tasks that have to be achieved once the contracts are signed.

As long ago as August the time lines of tasks that had to be carried out when the contracts were signed and when they would take over the operation were set out. This is yet another example of a predetermined tendering process. It was given to IBM because of the pre-election work that company provided to the then opposition.

It is an absolute sham and another case in which, after the tenders and bids were completed, it was discovered that the preferred bidder had bid too much and they had to call for a second and subsequent bid to be put in so that IBM could get below its alternative bidder. They have done that. It is a fraud! It is a scam and should be the subject of a full and independent judicial inquiry.

An inquiry should be set up immediately and the government should not continue to sign any legally binding contracts until all these matters have been fully and adequately dealt with; until they have been thoroughly investigated and reported on to this Parliament. This tender process was like the casino tender process. It was another sham tendering process, as was the contract for the National Bus Company. It obviously sets a pattern for the outsourcing, privatisation and contracting-out activities of the government.

Leader of the Opposition

Mr DOYLE (Malvern) — This morning I want to warn Victorians — —

Mr Micallef interjected.
Mr DOYLE — There is laughter already from the honourable member for Springvale. Normally he waits for the jokes but I suppose to get in early is the way to go if you want to understand it. I want to warn Victorians, including members of the opposition, about the Leader of the Opposition and his false-prophet mentality.

I will first use an example with which the honourable member for Morwell will be familiar, and that is the electricity industry. I remember reading recent statements of the Leader of the Opposition about the electricity industry and privatisation. If my memory serves me correctly — I am sure the honourable member for Morwell will correct me, as he so often kindly tries to do, if I am wrong — the Leader of the Opposition has said that should he ever win government with his team he would keep the electricity industry in public ownership. I am sure the honourable member for Morwell would have corrected me by now if that were not so.

What might that mean? The Leader of the Opposition is guaranteeing to do away with the reforms that have been effected. The honourable member for Morwell knows well about the work for the reforms he has supported in the past and which have been ongoing for a long period.

Mr Hamilton interjected.

Mr DOYLE — The destruction, says the honourable member for Morwell. I put it to him that by putting the electricity industry back into public ownership he would be depriving the Victorian public of a large reduction of 9 per cent in electricity prices. That is what will flow from the reforms! If the opposition wants to deny the Victorian public a 9 per cent reduction in real terms in electricity prices, that is what that particular process would do.

While I am dealing with the honourable member for Morwell, whom I hold in high regard, let us talk about regional Victoria, which is another love of his. The Leader of the Opposition has said that he would do away with the 3-cent-a-litre levy on diesel. I wonder what the honourable member for Morwell thinks about that! Does he think that is Victorian? That is anti-Victorian! That money, which has been allocated as part of the Better Roads funding, goes to a specific-purpose road fund for regional Victoria. If you abolish that levy you rip $29 million out of the specific-purpose road funding.

I ask the honourable member for Morwell: what happens then to those regional projects? What would you stop if you were going to cut out that 3-cent-a-litre levy? Would you cut out the Calder Highway upgrading? Because unless you have one you do not have the other.

Mr Hamilton interjected.

Mr DOYLE — I take up the elegant interjection of 'rubbish' from the honourable member for Morwell and will come to how you might pay for these things later. What happens to the projects? The honourable member for Morwell says 'rubbish', but if you are going to guarantee projects such as the Calder Highway upgrading, where do you get the money?

That document that we all read with amusement, produced by the Leader of the Opposition in this place and the Leader of the Opposition in the Legislative Council, the Brumby and Theophanous document, committed any future Labor government to a current account surplus, yet in here day after day we hear every member of the front bench of the Labor Party talking about spending more in health, education, transport, law and order, energy and roads. They want to spend on all of those things, but where does the money come from? That is what you can expect from a Brumby government. I will come back to that horrendous possibility later.

I want now to warn against the Leader of the Opposition; to talk about policies we might expect from his team, such as the proposals to water down the tougher law-and-order stance the government has taken. Has there been a single word of opposition from the Leader of the Opposition to denounce that? Not one! What about local government reform? Reforms that could not be pushed through under Stuart Morris are happening now. Do we hear any talk of reversing those reforms? We do not! What I am coming to in this is: what sort of Victoria does the
Leader of the Opposition want? If the examples I have given are examples of the sort of Victoria the Leader of the Opposition wants it is no wonder he does not want to spell it out.

If you do not want to spell out what sort of government you want for Victoria what do you do? You embark on a campaign of personal abuse! We have heard more of that abuse this morning from the Leader of the Opposition. No-one in our community is safe from attacks by the Leader of the Opposition because he considers anyone and everyone fair game.

The thing I object to most is the reversal of the onus of proof — the idea that you can say, for instance, 'I think Mr Micallef has done something wrong, you prove to me that he has not'.

Mr Micallef interjected.

Mr DOYLE — And so you should take offence! No-one should be simply able to say, 'I think he has done something wrong; now you prove that he is innocent'. That is not the way this society operates. We do not reverse the onus of proof. We cannot say, 'I think they are guilty; now you prove they are innocent'.

It is not just insidious and snide. The other day I heard the Leader of the Opposition use as a throwaway line, 'Lloyd and Ron'. Everyone knew to whom he was referring. This morning he made it even more than insidious. What he did was a disgrace. It was more of, 'I think there is something wrong. I think they are guilty; now you prove they are innocent'. That should be anathema in our society.

Perhaps the worst example of that concerned the Chairperson of the Ethnic Affairs Commission, Professor Trang Thomas. Let us examine how the Leader of the Opposition uses personal abuse so he does not have to tell Victorians what sort of Victoria he would create. We know that the Leader of the Opposition has a rabid fixation about the casino. That is the issue on which he is determined to keep running no matter what the facts. He recently said that the management of the casino was targeting ethnic communities. It was 'devastating' some of the ethnic communities in Melbourne. One would have expected the chair of the Ethnic Affairs Commission to make a statement about that, and indeed she did.

In the Herald Sun of 4 November Professor Thomas is reported as follows:

'I object to the ethnic community being portrayed by some as being a target of this casino', Professor Thomas said.

People are free to use it or not to use it as the people who operate it are free to promote it. To say that the ethnic community alone is vulnerable is something I object to.

Mr Brumby's comments encourage the myth and represent a put-down to the ethnic community.

The comments of the Leader of the Opposition encourage the myth and represent a put-down to the ethnic community. What was the reaction to that from the Leader of the Opposition the next day? An article in the Herald Sun of 5 November states:

State opposition leader John Brumby has accused Ethnic Affairs Commissioner Trang Thomas of being a crony of the state government.

Haven't we heard that one before? The article continues:

Mr Brumby said yesterday that Professor Thomas had abused her position by criticising his comments that ethnic communities were being devastated by the casino.

'You are talking about an arm of the Kennett government ... you are talking about a crony', Mr Brumby said.

On Thursday Professor Thomas described Mr Brumby's allegation that the casino was being aggressively marketed in ethnic communities to boost casino revenue as a 'put-down'.

The moment someone legitimate in the area complains about the Leader of the Opposition and his abuse and vilification she gets an accusation of cronyism. Who are we talking about here? We are talking about Professor Thomas — someone who arrived from Vietnam in 1964 and completed a BA honours degree in psychology, a master's degree at honours level and a PhD; someone who was the first woman professor at RMIT and who is the Chair of the Ethnic Affairs Commission — and because she dares to disagree with this campaign of personal vilification suddenly she is a crony. If someone with that CV is a crony, I am proud to have her as a crony. What a disgrace that the Leader of the Opposition should resort to that sort of targeting. I am sure this would be one of the rare times that the honourable member for Springvale would agree
with me. The reason I am warning Victorians about this Leader of the Opposition is this: if it is politic for him and if it contributes to his campaign, anybody in our community can expect a personal attack, a personal slur or a personal vilification. He feels he can attack anyone. No-one is safe, whether it be from opportunism, vindictiveness or false accusation for effect or media profile. Whoever they are, Victorians going about their business serving the state and contributing, whether ordinary Victorians or eminent Victorians, none of them is safe from unwarranted attack. The attack is, 'We think you are guilty. We think you are wrong. Now you prove that you are right. Prove your innocence'. That is anathema to the way our society works. This morning we even had it backed up with the idea — an empty threat, of course, because it was a threat should he come to government, but a threat nevertheless — that there would be a full judicial inquiry into these things. The evidence? Not a scintilla; just, 'We think you are wrong; now you prove you are right,' and then the threat of a full judicial inquiry.

Recently we have had the launch of this vaunted gravy train stuff. I went to the library for a copy of the gravy train pamphlet only to be told they are not allowed to be provided to the library; they are only for candidates. I wondered why that was. Why are they not available? That is a bit coy, isn’t it, not to have the pamphlet available?

Mr Thwaites interjected.

Mr DOYLE — Perhaps you could donate one to me or I could pay you for one. I would be glad to pay you for one.

The ACTING SPEAKER (Mr Cunningham) — Order! The honourable member will address the Chair.

Mr DOYLE — The honourable member for Albert Park would like me to pay him for one. I would be delighted to, but it is a bit coy not to have them provided in the library and to have them only for candidates. If the pamphlets are electioneering material why are they not available? Is it because they are so empty they are just more of this ‘We think you are guilty; you prove you are innocent’ stuff or is it because if they were widely circulated they would invite derision? Either way could be correct: either they are empty or they would invite derision. It is a bit much to expect that that material would be available to us, but it is the same stuff again, just slur: ‘you prove your innocence’ stuff. Mr Micallef interjected.

Mr DOYLE — What can we expect? Let us go back to the Guilty Party stuff, as the honourable member suggests through interjection.

Mr Micallef interjected.

Mr DOYLE — I am delighted to do that. I have got part of my file here. The honourable member for Springvale should not have invited me to do this with only 3 minutes to go, but I am happy to do it and say: what sort of Victoria can we expect? Why hide the Labor vision with abuse in this place and outside? Because the Labor blueprint would be a return to the bad old days; that is what you will get. Listen to this stuff from newspaper headlines: ‘Tricontinental — the facts behind the disaster’, ‘The bank that went bad’, ‘Public bears huge bank losses’. The Age — one of the internal journals, remember — said:

Financially, the public must bear the burden ...
Politically, the government, and especially the Treasurer, Mr Jolly, are further diminished in their increasingly dubious reputation for judgment and competence in economic management.

‘Public bears huge bank losses’, ‘It’s a shambles’ about State Bank Victoria, ‘$111 million mess but Cain backs Fordham’, ‘Cain’s can of worms’:

The financial troubles of Victorian Economic Development Corporation are like a cancer eating at the heart of the Cain government.

‘Cain scraps troubled VEDC’, ‘Fordham resigns — Crisis meeting, then he’s out’. I am so glad the honourable member for Springvale invited me to go back to this! Other headlines are: ‘Time bomb’ — ‘I’ll take the heat’, says VEDC chief:

Secret documents released late yesterday revealed the state government knew the Victorian Economic Development Corporation was in deep trouble well before the October 1 election last year.

‘State Bank sold in $2 billion deal’ — what a wonderful picture of the former Premier of Victoria and the present Prime Minister of Australia looking oh so happy, staring away from each other with expressions of extreme gloom. I wonder why? I will come to that a bit later, too.
Other headlines were ‘$180 million Bayside bill claim’. Let’s remember this, too: ‘Rebel drivers block the city with trams’.

This is the sort of thing you are trying to hide. This is what will happen to Victoria if you ever get back into government: ‘Soup-kitchen fear in Pyramid city’, and it goes on. That is why we are going through a campaign of personal vilification. That is why we are going through the abuse, because to have Victorians understand what would happen if we went back to the bad old days would be too much. Never accept responsibility for what you have done. Blame each other. An article in the Sun of 29 August 1990 says:

The federal Treasurer, Mr Keating, yesterday laid the blame for the multi-billion-dollar losses of Victoria’s State Bank and Pyramid group at the feet of the Cain government.

Isn’t that interesting, because what happened in the Age the next day? An article appeared under the heading ‘Cain blames Keating’:

Federal government policies were partly to blame for the collapse of the $3 billion Farrow group of building societies, the Premier of Victoria, Mr Cain, said yesterday.

Cain blames Keating, Keating blames Cain. Labor never takes responsibility for itself.

The ACTING SPEAKER — Order! The honourable member’s time has expired.

Ambulance services

Mr THWAITES (Albert Park) — The matter I grieve about is the appalling mismanagement of ambulance services in Victoria by the government, and this mismanagement is further evidenced by the annual reports that were tabled in the house yesterday.

Services have been cut, the number of Victorians who are receiving services from ambulance services is being reduced, Victorians are dying waiting too long for ambulances, and hundreds of ambulance officers are being thrown out of the service while the government is wasting money on consultancies, administrative expenses and private contracts for mates. The country and regional ambulance services are suffering the brunt of these cuts and all of the services are facing a 5 per cent financial cut this year and a further 5 per cent cut next year. The Metropolitan Ambulance Service is a financial black hole into which the government is pouring money on wasteful consultancies and private ambulance contracts — in fact, on just about everything except ambulances and patient care. Look at the changes introduced under this government. There are fewer ambulances available for emergencies now than there were two years ago. At midday on this day two years ago, there were 82 ambulances available for emergency; now there are only 56. At 4 o’clock in the afternoon there were 80 ambulances available; now there are only 54. In the evening there are fewer available, and certain regions of Melbourne have been particularly hard hit. The number of ambulances operating in the western suburbs has decreased from 25 in 1992 to 21 in 1994. That is a 16 per cent reduction. Similarly, the number of ambulance officers in the western suburbs has decreased from 85 in 1992 to 65 in 1994, and 19 per cent fewer ambulance officers are available for emergencies.

The same picture is true in the northern suburbs, where there has been a drop in the number of ambulance services available for emergencies from 75 in 1992 to 72 in 1994. The effect of all of this is that there simply are not enough ambulances available for emergencies, and that is why Victorians are dying waiting too long for ambulances.

At the same time the government has privatised ambulance services in Melbourne. It used to be that MAS ambulances were available for emergency and non-emergency cases. If there was a particularly high-demand day, a vehicle that had been assigned to a non-emergency task could be swung across to do the emergency, but this is not possible now because the transport ambulances have been privatised and are not legally entitled to have lights and sirens and do emergency cases. There is no proper regulation of private ambulances. Private ambulances are not able to cope with acutely ill patients, yet they are transporting such patients — those with respiratory difficulties, for example. In a number of cases doctors and nurses have made complaints about the improper and inappropriate transport of patients in private ambulances. The Emergency Nurses Association has raised this concern and says in a letter to the Metropolitan Ambulance Service dated 1 July 1994:

Traditionally, we have been used to the Metropolitan Ambulance Service providing a good, reliable service for interhospital transfers, however, during the course of the year, concerns have been expressed regarding the above issue at a number of our general meetings ...
The incidence of emergency patients being transported inappropriately as non-emergency appears commonplace.

Doctors and nurses at metropolitan hospitals have raised concerns that seriously ill patients have not been given critical treatment because private ambulance officers have failed to follow emergency procedures.

While there are the concerns about the quality of the private ambulances, there are also real concerns about conflict of interest. The Auditor-General in his special report no. 31 to this Parliament made two important points about tendering and probity. Firstly he said:

Probity and equity considerations require that prospective tenders have an equal opportunity to assess the agency's requirements and to submit offers.

Secondly he said:

When advertising a tender it is important that a reasonable period of time is allowed between the advertisement and the closing date for tender submissions so as not to disadvantage potential suppliers. Unnecessarily short time frames may discourage tenderers.

What has occurred in the ambulance service is quite the opposite of what the Auditor-General recommended. There has not been an open and fair tendering process. There has not been sufficient time for businesses to put in their tenders for the private ambulance contracts. The private ambulance contracts are dodgy contracts. The whole process of awarding them has been dodgy. They were set up in such a way that the only companies awarded them would be the existing companies that got the contracts without any tendering back in November last year.

One of those companies was a company that had been set up by Mr Bill Wood, who himself became the manager of private ambulance services within the Metropolitan Ambulance Service. It is a disgrace! What a joke! That is the management style of this government. It is a management style based on mateship, not on quality and not on proper practice.

The latest private ambulance tender that was put out, not to the tender board I should say, required that tenders closed on 3 June this year. The announcement of the successful contractor was to be made on 17 June, and a condition of the tender was that a contractor had to be fully operational on 1 July. That is only two weeks after the announcement of the successful contractor.

That process was set up in such a way that it was impossible for any company, other than the existing companies that had already had the contract, to get the tender. It was clearly just a set-up job.

The Minister for Health, Mrs Tehan, introduced changes to the MICA system and those changes were described by the doctor who set up the system as bloody ridiculous. It appears now that the government has backed off on those changes, which is yet another example of mismanagement.

The issue of response times has been an issue of cover-up after cover-up. The ambulance service will not release the information, yet we know that the response times are getting worse.

In April 1993 the median response time was 9 seconds. By April 1994 it was 9.4 seconds. It is getting worse and the government has stopped releasing figures.

Honourable members interjecting.

The ACTING SPEAKER — Order! I think you mean minutes!

An Honourable Member — Why don't you release the figures if they're better!

Mr THWAITES — It is about 9 minutes, but the point I am making is that lives are at stake. It is not so much the median response time that has become bad, it is the response time on busy days. That is where we have a real problem in our ambulance service. On busy days there are simply not enough ambulances because of the privatisation and the cuts.

On 23 April this year Michele Galvin died waiting for an ambulance. The MAS medical officer is quoted in the MAS report on this case as saying:

I note the delays from time of request and time of the arrival of the first responder ... I understand these reflect the non-availability of both paramedic and standard ambulance crews owing to other time critical work simultaneously in progress exhausting all available resources in the area.

As the medical officer said, the information provided from the control room indicates that, on the balance of probability, the outcome, which was
death, could have been different. That is because there were certainly not enough ambulances that night. That is the way this government operates.

A coronial inquest in 1992 recommended that further resources should be made available, yet this government has done the absolute opposite, it has cut resources. What is the result of all of this? We see it in the annual reports just tabled. For example, in the report of the North Western Region of Ambulance Service Victoria, which I presume honourable members opposite may have some interest in, the regional president states:

Like all other health agencies Ambulance Service Victoria has been required to accept budget cuts of 10 per cent expenditure reduction over the financial years 1993-94 and 1994-95, which amounts to just on $1 million. Further, revenue shortfalls will not be funded by the government and have to be made up by additional expenditure cuts. In effect this means the budget cut, based on current projections, will be the equivalent of around 20 per cent.

This is the ambulance service that the honourable member for Swan Hill should be supporting, but its funding has been cut by 20 per cent. The president goes on:

The decreased utilisation of ambulance services by public hospitals has eroded the ambulance services revenue from inter-hospital transport fees.

They have obviously been hit as has ambulance service after ambulance service. The western region has released a letter to general medical practitioners asking people to take their sick family members to hospital. It says:

Western region has been directed to reduce its expenditure by $497 000. The service is also suffering a significant decline in its revenue base ... The service cannot achieve the expenditure reduction without reducing staff numbers ...

It suggests that alternative transport means are:

... family to provide transport ... local service groups and local government authorities ...

That is typical of this government! Finally, I turn to the Metropolitan Ambulance Service. We see a financial black hole, and the most disgraceful thing of all is that when you cannot get an ambulance, what do you see? We see consultancy fees of $1.4 million in this year’s budget. Last year’s budget was zero on consultancy fees. At a time when everybody is suffering cuts in services, the administrative costs of services in the Metropolitan Ambulance Service have gone up from $8.9 million to more than $10 million, an increase of well over $1 million. That is at a time when everyone else is suffering cuts. So, it is not just a question of cuts. What we see is gross mismanagement.

There has been a massive drop in the staff of the Metropolitan Ambulance Service — some 14 per cent this year, so there are 110 fewer ambulance officers on the road. Clinic car transport services has been slashed by some 21 000 cases, yet the ambulance service claims it has 10 more Clinic cars. Presumably there are a whole lot of Clinic cars sitting in garages being administered while people cannot get service.

There has been a massive reduction in the number of services provided by the ambulance service. The number of cases the ambulance service has handled has reduced by some 10 000 from last year as a result of these cuts. Even more than that, the number of kilometres travelled has been reduced by more than 2 million kilometres because of the cuts. A large part of that is because of the massive cut in the use of the fixed wing ambulance service, and that has had a severe impact on country people.

We see in this annual report a fire sale by the Metropolitan Ambulance Service with patients suffering. The ambulance service is selling off its motor vehicles and its land. As a result there are fewer fixed assets in Victoria’s ambulance service than before.

The government is wasting money. It has spent some $5 million on VDP grants which is another reasons why there simply are not enough ambulance officers out there today providing the services needed. Interestingly enough, country people are bearing the brunt. They have paid their subscriptions to the ambulance service but are not receiving a service, and they are writing and complaining about it.

In the city we see massive mismanagement — a black hole where the government is forced to pour money not into services but into consultancies, not into ambulances but apparently into private contracts for mates. That is the reason we see Victorians dying because they are waiting too long for ambulances.
Finally, two massive contracts have been put out: one for the new subscriptions and financial management systems valued at approximately $9 million and another for the computer-aided dispatch valued at approximately $8 million. And there is no evidence whatsoever of any proper tender board process.

Sitting suspended 1.02 p.m. until 2.04 p.m.

The SPEAKER — Order! The question is: That grievances be noted.

Question agreed to.

QUESTIONS WITHOUT NOTICE

Crown Casino: licence

Mr BRUMBY (Leader of the Opposition) — I refer the Premier to the corrupt casino deal and to his recent comments that the difference between Mr George Herscu and Mr Lloyd Williams was that Mr Williams was not personally charged as a result of the Winneke commission. Given that Mr Williams gave evidence to the commission and said in relation to bribes to Mr Norm Gallagher, 'I am the person who authorised it'. 'I am the person who did it', does the Premier still maintain that Mr Williams is a person of excellent repute as required by the government's guidelines for the casino licence?

Mr KENNETT (Premier) — I understand that today during grievances the Leader of the Opposition used this house, as he has done in the past, because he is not prepared to make the same claims outside. That is a sign of the substance of the individual. If you have any claims that you are prepared to make in here about the character of any individual member of the public of Victoria you ought to — —

Honourable members interjecting.

Mr KENNETT — Let me start again. This is a very serious misuse of the authority of this place. Earlier today — —

Mr Micallef interjected.

Mr KENNETT — Earlier today and through this question the Leader of the Opposition — —

The SPEAKER — Order! Question time cannot proceed with the present barrage of interjections. The Premier, in silence.

Mr KENNETT — The question also concerns the role and stance taken by the Leader of the Opposition earlier today. We have seen an abject abrogation of responsibility in an individual's use of this place. The Leader of the Opposition fails to understand that we have in this community — —

Mr BRUMBY (Leader of the Opposition) — On a point of order, Mr Speaker, I asked a very specific question of the Premier. I quoted from a royal commission in relation to Mr Lloyd Williams paying bribes to Mr Norm Gallagher. Mr Williams said, 'I am the person who authorised it. I am the person who did it.' Given that admission — that confession — I asked the Premier whether Mr Williams is a person of excellent repute who should have been given a casino licence. It is a fair question, Premier. Answer it!

Mr KENNETT (Premier) — On the point of order, Mr Speaker, I am answering the question. I suggest that, having misused this house, the Leader of the Opposition ought to have the courage to accept the answer as it is given.

The SPEAKER — Order! At this stage I do not uphold the point of order.

Mr KENNETT — Earlier today in this place — but not outside it — and by his question the Leader of the Opposition seeks to defame an individual in the most grotesque manner possible. The relevant part of the question is that there was a royal commission. It was not a political tool; it was not motivated by this house, by one side or the other, but by an independent authority that assessed all the evidence put before it. What was the final conclusion of that royal commission?

Mr Thwaites interjected.

Mr KENNETT — Who said that? Was it the young boy from Albert Park? That perhaps demonstrates more than anything else the abject neglect of the Labor Party to the rule of law. For the royal commission — —

Opposition members interjecting.

The SPEAKER — Order! I will not warn the house again. I will take firm action against the individuals who persist in interjecting.
Mr KENNETT — In its wisdom the royal commission, independently of Parliament — independent of what this side of politics or that side of politics may think — did not charge Mr Williams.

Mr Thwaites interjected.

Mr KENNETT — The royal commission had all the evidence and as a result of its independent deliberations it did not lay charges against Lloyd Williams, which is the basis of the charge made by the opposition. What is the bottom line as we enter November 1994? There are individuals and organisations in this state who are actually building things, employing people and creating growth. There is one organisation that is so bereft of leadership and constructive ideas that it seeks to pull down — —

Mr BRUMBY (Leader of the Opposition) — On a point of order, Mr Speaker, my question is a very specific one. I direct your attention to the requirement for relevance. I asked: in light of the evidence given to the royal commission, does the Premier still consider that Mr Lloyd Williams is a person of excellent repute as required by the act? It is a simple question. Lloyd Williams said, ‘I am the person who did it’.

The SPEAKER — Order! I have heard sufficient on the point of order. At this point the Premier’s answer is in order.

Mr KENNETT (Premier) — As will the majority of the community, I will back the royal commission and I say to the Leader of the Opposition, ‘You are a political coward, an absolute political coward’ — —

Honourable members interjecting.

The SPEAKER — Order! The Premier used an unparliamentary expression and I ask him to withdraw it.

Mr KENNETT — I do not know what is unparliamentary. The word ‘political’ is not and the words ‘political coward’ are not, but I will withdraw in deference to you, Mr Speaker.

Mr Micallef interjected.

Mr KENNETT — I have withdrawn. Let everyone, particularly those who observe this place today through television and those who sit here today, know that what we have in this place is an individual — —

Honourable members interjecting.

The SPEAKER — Order! I have already indicated that I will not allow question time to proceed in this manner. I warn the Leader of the Opposition that if he does not remain silent I will name him.

Mr KENNETT — Let the community know that the individual who heads the Labor Party in this place is against the development of Victoria and the employment of people. My answer to the Leader of the Opposition is: as was the case with the royal commission, yes, I believe Mr Lloyd Williams is capable and responsible enough to have a casino licence.

Mr Micallef — That’s qualified support!

The SPEAKER — Order! There are some members who are giving me some source of irritation. I include the honourable members for Springvale and Carrum, but there are others I will not name. I ask the house for its cooperation.

Capital city policy

Mr ROWE (Cranbourne) — Will the Premier inform the house of joint initiatives announced today between the government and the City of Melbourne to revitalise our capital city and ensure that it is ready to play a leading role in the creation of a prosperous 21st century?

Mr KENNETT (Premier) — I thank the honourable member for his question because it highlights the difference between this side of the house and the other side in that this side continues to create prosperity for the community as we move into the 21st century. One of the major ingredients that exists in the community now among most adults and, I have to say, most young people is an acceptance that the inheritance from the previous Labor government needed immediate attention. As a result a number of partnerships were entered into. One was the partnership between the government and those charged with the responsibility of making Melbourne a city of pre-eminence. Today the government and the City of Melbourne have released a document that sets the pathway for developing this city as we enter the 21st century. Not for a moment does it propose to have all the answers. However, it suggests that there will be room for change and additions to it. What it does do is establish — —

Mr Dollis — What’s new in it?
The SPEAKER — Order! The Deputy Leader of the Opposition will remain silent.

Mr KENNETT — It sets in place not only the vision that we and the City of Melbourne have but a partnership for development that will see Melbourne and its community grow and move into the next century in such a way that we can add to the city’s wealth and social fabric and provide considerably more jobs. Creating prosperity is what we on this side of the house are about. We seek to do it not only for this generation, being people of our age group, but also for the younger members of the community who will live the majority of their lives in the 21st century.

The community has two options. The first is to simply take the passage of time as a necessary fact of life and allow it to happen. The second is to contribute to life and develop something meaningful. The government believes very much in its responsibility of creating the 21st century. The opposition is not interested in creating something new; it seeks to destroy the advantages being delivered in Victoria today.

Creating Prosperity is an important document because it puts meaning to the direction this government has sought and positioned itself towards since its election. Honourable members will have heard me say before now that we have two time frames in place. The first is from 1992, being the year we were elected, to the year 2001. That is the first time frame that we, as adults and a government, must face in addressing the fundamental foundation blocks of our society and laying the base for advancing into the 21st century. Creating Prosperity, Victoria’s capital city policy, addresses the sorts of things we are going to do in Victoria and Melbourne in the next century. The second time frame is the period from 2001 to 2050. It is that period that we as adults must work towards to secure opportunities for our children because it is their time zone that must be the beneficiary of our deliberations today.

Mr Seitz — Wind up!

Mr KENNETT — The honourable member for Keilor has little regard for the development of opportunity, particularly for our young.

Mr Thomson interjected.

Mr KENNETT — The honourable member for Pascoe Vale says we are running away. The reality is that he is running away from this Parliament!

Honourable members interjecting.

The SPEAKER — Order! I ask the house to cooperate with the Chair and remain silent. The Premier, concluding his answer.

Mr KENNETT — The document released today is for all mature Victorians to assess and embrace. They must recognise that it sets in place a very real policy for the development of this grand city of Melbourne. The policy that has been put together with the City of Melbourne and my colleagues, the ministers for planning, major projects and industry and employment, is a very detailed document that gives this community an agenda that will take us into the 21st century. The government will continue to develop policy programs for an exciting 21st century, as opposed to the opposition which continues to wallow in this place as cowards’ castle without having the strength to make any of its accusations outside the house.

Health: court action

Mr THWAITES (Albert Park) — My question is to the Minister for Health. I refer to the admission of the minister and Dr John Paterson that a Supreme Court writ was issued in the name of the secretary of the department without the knowledge of either the secretary or the minister and I ask whether the minister can confirm that it is the policy of this government that junior departmental officers may initiate Supreme Court proceedings against public servants without the authority of the appropriate minister or department head.

Mrs TEHAN (Minister for Health) — Yes, he has not been in real practice in the law longer than his knowledge of health issues because he has been about a matter that he raised with me yesterday. I should have thought the honourable member’s knowledge of the law might have been better than his knowledge of health issues because he has been in practice in the law longer than he has held his shadow health portfolio.

Mrs TEHAN — Yes, he has not been in real practice, which is apparent when you read the press release that he issued yesterday. It is obvious that he knows very little about the way courts work. He has a lot to learn on both counts.

The basis for any action in the Supreme Court by the Department of Health and Community Services has to be either in the name of the minister or the
secretary of the department. So the plaintiff had to be either the secretary or the minister, but it was not the minister in this case.

The defendant was the Office of Merit Protection, not a natural or incorporated person, so the only means by which the defendant could be brought before the court was by naming the three individuals who comprised the hearing committee.

For the honourable member to suggest yesterday that the secretary was taking action against three members of his department shows clearly how he does not understand the technical need to use the names of those members of the hearing committee. It was impossible to take action against the Office of Merit Protection because, as I said, it was not an entity against which action could be taken.

The action was of a technical nature. There was a need for clarification of process by the Supreme Court on the powers and process of the office. The secretary has all the powers under the Health Services Act to take that action and he took the appropriate action.

Mr Thwaites — He did not know about it.

Mrs TEHAN — The substance of the matter — —

Honourable members interjecting.

The SPEAKER — Order! The Chair has had enough. I do not know how many times I have to tell the house and members of the opposition that I shall take action against them. The honourable member for Albert Park has asked his question and he should remain silent. The honourable member for Pascoe Vale should stop chipping across the table. That also goes for a few more members.

Mrs TEHAN — As I said, it was a technical matter on an appeal against the process of the Office of Merit Protection. The only means by which you can get the office into the courts is by naming the people who constituted the hearing committee at that time.

The issue involved a community services matter and the Minister for Community Services was aware of the litigation. It was not a health matter. The honourable member continues to be flexible with the facts and loose with the truth.
Mrs TEHAN (Minister for Health) — For the sake of peace and in deference to you, Mr Speaker, I withdraw.

Honourable members interjecting.

The SPEAKER — Order! The house will come to order.

Capital city policy

Mr THOMPSON (Sandringham) — Will the Treasurer inform the house of the infrastructure developments associated with the government’s capital city policy?

The SPEAKER — Order! The question is very broad and I ask the Treasurer to limit his answer.

Mr STOCKDALE (Treasurer) — I understand the members at that end of the house are interested in Melbourne’s future, but unfortunately members opposite are not. The capital city policy released today, to which the Premier has already addressed himself, provides a conceptual and strategic framework for maintenance in the future of Melbourne’s status as the most livable city in the world. It contains a magnificent vision and commitment to a wide range of superb facilities for this city, but superb facilities are not enough — and that is demonstrated by the National Tennis Centre. The previous government had a vision for a superb facility. It was a superb facility and remains such, and always had the support of the present government, even in opposition, in terms of the nature of the venue. However, its finances demonstrated the obvious gap between vision and good management; whereas the capital city strategy Creating Prosperity today brings together the managerial expertise of the present government and its proven track record and a superb vision of the city.

Nothing illustrates that more clearly than Agenda 21 projects. Some projects such as the city circle tram route and the Old Treasury refurbishment have been completed. Some like the exhibition centre are under construction. Others such as the Museum of Victoria are in the beginning stages. They represent a blend of community assets and economic development initiatives that will serve this city extremely well.

The policies are a result of a breadth of vision that Victoria has not seen in the last 10 years. It recognises a partnership between the state government, the City of Melbourne, the private sector and the Commonwealth government with programs like Better Cities working positively together, cutting across political boundaries so that a Liberal-National state government and a Labor federal government can enrich the city and provide for the future.

It represents a blend of amenities. A major project such as the Museum of Victoria is a classic example, but it goes down to smaller programs like extending the bicycle paths around the city and building up the public transport infrastructure. Some projects have been constructed and others are not yet under construction, but funding has been identified for them and they will be built, in the main, without addition to debt. Some have had funding allocated in the sense that revenue flows have been committed to funding those projects. Others are identified as opportunities for further development in the future with no present monetary commitment to them.

They are knitted together in a superb vision for Melbourne’s future, not only building on the economic base the government has developed with the restoration of confidence over the past two years but also laying out the groundwork for the development of the city in the future, with the economic strengths that will come from the exhibition centre, magnificent community assets that will continue to bring life back into the city and support for the initiative of the City of Melbourne for enlivening Melbourne by creating a superb residential amenity in and around the city.

This is an important document and one would have hoped in view of the tremendous opportunities it presents for our city it would have had the support of even this niggardly opposition.

Metropolitan Ambulance Service

Mr THWAITES (Albert Park) — I refer the Minister for Health to the annual report of the Metropolitan Ambulance Service, which shows that there has been a 17 per cent increase in administration costs and that more than $1.4 million has been spent in consultant’s fees. What action will the minister take to ensure that the priority of the ambulance service is saving lives and providing an adequate level of service, rather than allowing a blow-out in administration costs and spending millions of dollars on fat-cat consultants?

Mrs TEHAN (Minister for Health) — The honourable member raised some of these matters earlier this day in the debate on the motion that
grievances be noted. I suppose it was a continuation of the leadership shown by the Leader of the Opposition in that the whole focus of the debate was on slur and innuendo and on a suggestion that because he selected facts he gave a distorted picture of one of the excellent services in this state.

Earlier in the day he referred to a reduction in the number of ambulances at any given time in any part of the city. However, he failed to indicate that because of the administrative changes in separating emergency services from non-emergency services the fleet that used to be used inappropriately right across the metropolitan area, predominantly on inter-hospital transfers — on non-emergency matters — is now focused as a priority service for emergency demand and is an orderly and systematic system which all hospitals support and say has improved dramatically on the non-emergency sector.

Mr THWAITES (Albert Park) — On a point of order, Mr Speaker the minister is relating — —

Honourable members interjecting.

The SPEAKER — Order! It is impossible for the Chair to adjudicate on points of order with a barrage of interjections coming from the government benches.

Mr THWAITES — The minister is relating her remarks to the debate on the motion that grievances be noted that was held earlier today and not to the question before us. She is talking in a somewhat punch-drunk fashion about matters that have nothing to do with the question. The question was clear.

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Monbulk and a few others are sailing very close to the wind. I ask them to be quiet so that the Chair can adjudicate on the point of order.

Mr THWAITES — The question clearly related not to the debate on the motion that grievances be noted but to the issue of the priority of the ambulance service in relation to saving lives rather than a blow-out in administration costs.

The SPEAKER — Order! The way a minister answers a question is entirely in his or her hands. The Chair has a responsibility to ensure that the answer is relevant. Whether the question refers to any other debate that took place here is immaterial to the Chair. I judge that the minister is relevant and ask her to complete her answer.

Mrs TEHAN (Minister for Health) — I was indicating quite clearly that the priority of the Metropolitan Ambulance Service is now on organisation of emergency services and — —

Mr Thomson interjected.

The SPEAKER — Order! If the honourable member for Pascoe Vale interjects once more I will name him.

Mrs TEHAN — And the appropriate and improved management of non-emergency services. There has been a remarkable turnaround in the Metropolitan Ambulance Service. It has gone from a situation that we inherited that was costing more and more money, providing more and more ambulances and treating fewer and fewer patients in an appropriate time frame to a situation where a remarkable change has been brought about that has been spelt out in the annual report of the Metropolitan Ambulance Service.

We now have a situation in which there is value for money. We have an organised non-emergency sector run either by subcontractors or private contractors, which is working effectively, and we have a situation in which we have an emergency response with emergency vehicles provided where appropriate.

It is beholden on the honourable member for Albert Park to recognise the facts that he deliberately distorts. He plays with the truth. He has to recognise that he can no longer continue to just slur an excellent service by being loose with the truth and flexible with the facts.

BROADCASTING OF PROCEEDINGS

Mr BRUMBY (Leader of the Opposition) — Mr Speaker, I raise a point of order regarding the sessional orders which were adopted by the house on Tuesday, 6 September and, in particular, the authorisation of the televising and broadcasting of proceedings.

As you are aware, included among the sessional orders adopted on 6 September was a motion of the Minister for Industry and Employment which authorised the broadcasting of the proceedings of this house. The minister's motion states:
(a) the television recording of Legislative Assembly proceedings, excluding debate on a motion that grievances be noted and debate on a motion moved by a minister for the adjournment of the house at the end of a day's proceedings; and

(b) the broadcasting and rebroadcasting on radio and television stations of recorded sound excerpts of proceedings in the Legislative Assembly commencing at the time fixed for the meeting of the house until the motion is moved or the question is proposed ... for the adjournment of the house.

I put it to you, Mr Speaker, that that motion, which was adopted unanimously by this house as part of sessional orders, provides that with the exception of the debate on the motion for the adjournment at the end of the day, all other debates in this house, including the debate on a motion that grievances be noted, can be broadcast. It is not that they be televised, because it explicitly says that a debate on a motion that grievances be noted may not be televised, but all other debates, apart from the debate on a motion for adjournment of the house at the end of the day, can be broadcast and audio sound recordings can be distributed.

This morning I raised a point of order on this matter because my office had been told by SBS, among other broadcasters, that you had refused them the right to record the proceedings of this morning's debate on the motion that grievances be noted. This morning you ruled that you had made that decision.

I make the point that the ruling you gave this morning is in direct contrast to and contradicts the resolution of this house that provides that without exception the broadcasting of sound-recorded material should be allowed.

It has been a view accepted in this house by the current Premier when he was Leader of the Opposition that the public of Victoria has a right to know what is debated in Parliament. I put it to you, Mr Speaker, given that it is consistent with the sessional and standing orders adopted by the house, that there should be no reason whatever why debate on the motion that grievances be noted should not be broadcast on radio.

I accept that there has always been a view that it shall not be televised. That has been a bipartisan view, but the recording of the debate for sound has always been permitted by this house, and it is the public's entitlement to know what matters are raised in grievance debate, how the members of Parliament in here reflect the interest of their constituencies and what matters of public interest are debated. And you, Premier — —

The SPEAKER — Order! The honourable member will address the Chair on the point of order and will ignore interjections. The Premier will remain silent.

Mr BRUMBY — The Premier is a hypocrite.

The SPEAKER — Order! The Leader of the Opposition has used an unparliamentary expression. He cannot use that expression and I ask him to withdraw.

Mr BRUMBY — I withdraw. The fact of the matter is that sessional orders make it absolutely clear that this Parliament shall be broadcast with the exception of the adjournment debate, and what we had this morning was a government running scared, a government refusing — a government prepared to close down the Parliament to prevent the legitimate broadcast — —

The SPEAKER — Order! I have heard sufficient and I warn the Leader of the Opposition that although I am prepared to listen to his point of order, the track he is going down now in making his submission to the Chair reflects badly on the Chair itself. I am prepared to listen to the point of order, but the Leader of the Opposition will stick to the facts and not make any aspersions about the government or how I came to my decision.

Mr BRUMBY — The sessional orders make quite clear that the only proceeding of this Parliament which cannot be broadcast for sound is the debate on the motion for the adjournment of the house. It makes it clear in Hansard of Tuesday 6 September in the resolution adopted by this house on the televising and broadcasting of proceedings that the grievance shall be broadcast. It is important that every honourable member of this place is able to speak on public issues and that those public issues be communicated to the public.

Mr Kennett interjected.

The SPEAKER — Order! The Premier will remain silent. The Leader of the Opposition will ignore interjections and concentrate on the point of order.

Mr BRUMBY — I ask you, Mr Speaker, to reconsider your ruling this morning and to ensure
CONSTITUTION (AMENDMENT) BILL

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that, consistent with the sessional orders adopted by this house and the resolution in relation to the televising and broadcasting of proceedings, in all future grievance debates broadcasting is allowed so that the public is able to understand, to know and to hear the debates that occur in this place.

The SPEAKER — Order! There is one particular aspect of the point of order that I would dispute with the Leader of the Opposition, and that is that the position is clear. The problem that the Chair had this morning was that the position is not clear. The organisation in question contacted this place through one of the officers and asked if it was possible to broadcast, and the answer given was in line with the previous practice of the house; the answer was no. The matter came to my attention at 3 minutes to 10 o'clock, and in the time that was available to me, while I admit the matter is not clear, I came to the conclusion that led to the decision that I made. However, I will give the matter further consideration. I will, if necessary, consult with the leaders of the parties to see what their opinion is. My advice to the house would be that the sessional orders under which we are working could be made clearer. I give an undertaking to the honourable member that I will get back to him and give him a proper ruling.

CONSTITUTION (AMENDMENT) BILL

Introduction and first reading

Mr KENNETT (Premier) — I move:

That I have leave to bring in a bill to amend the Constitution Act 1975, the Interpretation of Legislation Act 1984 and The Constitution Act Amendment Act 1958 and for other purposes.

Mr BRUMBY (Leader of the Opposition) — I ask the Premier for a brief description of the bill.

Mr KENNETT (Premier)(By leave) — As I explained to the Leader of the Opposition yesterday — his memory has obviously failed him — because I will not be here in two weeks time for the last week of this sessional period of the Parliament I offered him a briefing on all four bills that are in my name to see whether he wanted them brought on next week and if he wanted me here when they were debated. I further indicated to him yesterday, so his question today is somewhat futile, that in fact the legislative changes have been requested by the Governor. It refers back to the introduction of the Australia Act on 3 March 1986 which limited the Crown in terms of the areas in which it will have direct influence over the commonwealth and the state through the Governor-General or the Governors of each state. In Victoria what that means is that the Governor will have power to elect, nominate, and discharge the Premier of the day under certain circumstances, but he or she will not have responsibility in terms of the selection of the Executive Council and therefore through the Executive Council the whole range of decisions that are made by the Executive Council or people who are appointed by the Executive Council. In short, it is true that since 1986 when the Labor government was in power there has been a question hanging over the validity of every action that has taken place since by the Executive Council and by the appointments of the Executive Council and therefore by things such as the courts in administering the law, and this bill seeks to rectify that to ensure that everything is covered and to remove the doubt if those areas were ever challenged. As I said, I explained this to the Leader of the Opposition yesterday. I am surprised that in 24 hours — —

Mr Thomson — He is entitled to an explanation.

Mr KENNETT — He got it yesterday, and I offered it. The house did not for ask it; only the Leader of the Opposition did. I can only suggest the Leader of the Opposition has either forgotten what I gave to him yesterday in good faith or he simply does not understand.

Motion agreed to.

Read first time.

LAND TITLES VALIDATION BILL

Introduction and first reading

Mr KENNETT (Premier) — I move:

That I have leave to bring in a bill to validate, in accordance with the Native Title Act 1993 of the Commonwealth, certain past acts, to make certain other provisions, to repeal the Land Titles Validation Act 1993 and for other purposes.

Mr BRUMBY (Leader of the Opposition) — I ask the Premier for an explanation of the bill.

Mr KENNETT (Premier)(By leave) — I explained this to the Leader of the Opposition yesterday, but obviously he has forgotten in 24 hours. If he
Mr KENNETT (Premier) — I move:

That I have leave to bring in a bill to amend the Public Sector Management Act 1992 to improve the administration of that act and for other purposes.

Motion agreed to.

Read first time.

PUBLIC SECTOR MANAGEMENT (AMENDMENT) BILL

Introduction and first reading

Mr KENNETT (Premier) — I move:

That I have leave to bring in a bill to restore to a group of Aboriginal communities and Aboriginal individuals certain lands that they require. The federal government has introduced a bill to restore to a group of Aboriginal communities and Aboriginal individuals certain lands that they require. The federal government requires validation legislation in all states. All states with the exception of Western Australia have passed or are in the process of passing that legislation. This bill puts into place the requirements of the legislation passed by the federal government, as I explained yesterday to the Leader of the Opposition.

Motion agreed to.

Understand the processes both in Canberra and here he would realise that the federal government has introduced a bill to restore to a group of Aboriginal communities and Aboriginal individuals certain lands that they require. The federal government requires validation legislation in all states. All states with the exception of Western Australia have passed or are in the process of passing that legislation. This bill puts into place the requirements of the legislation passed by the federal government, as I explained yesterday to the Leader of the Opposition.

Read first time.

SUBORDINATE LEGISLATION BILL

Introduction and first reading

Mr KENNETT (Premier) introduced a bill to re-enact with amendments the law relating to subordinate legislation, to amend the Interpretation of Legislation Act 1984, to repeal the Subordinate Legislation Act 1962 and the Amendments Incorporation Act 1958, to make consequential amendments to certain acts and for other purposes.

Read first time.

LAND TAX (AMENDMENT) BILL

Introduction and first reading

Mr STOCKDALE (Treasurer) — I move:

That I have leave to bring in a bill to amend the Land Tax Act 1958 and for other purposes.

Mr BRUMBY (Leader of the Opposition) — I ask the Treasurer for a brief description of the bill.

Mr STOCKDALE (Treasurer) (By leave) — Surprisingly enough, this is about land tax. It gives effect to the budget announcement about arrangements for land tax for the 1995 tax year.

Mr Brumby interjected.

Honourable members interjecting.

The SPEAKER — Order! I will have no compunction! The Treasurer, in silence!

Mr Brumby interjected.

Mr STOCKDALE — I find that remark offensive. It attributes base motives, and I ask that it be withdrawn.

Mr BRUMBY (Leader of the Opposition) — What I said was this legislation will benefit Hudson Conway, which it will. It will!

Honourable members interjecting.

The SPEAKER — Order! The Treasurer found the words used by the Leader of the Opposition offensive and I ask him to withdraw. All he has to do is get to his feet and say, 'I withdraw'.
Mr BRUMBY — Earlier today in question time the honourable member for Albert Park asked for words to be withdrawn. Mr Speaker, you asked him on numerous occasions to repeat exactly the words. You have not asked that of the Treasurer and I ask that you ask the Treasurer and apply the same standards you applied to the honourable member for Albert Park.

Honourable Members — Hear, hear!

The SPEAKER — Order! I have already asked the Treasurer for that and I understand he gave an answer.

An Honourable Member — No, he didn’t!

The SPEAKER — Order! I ask the Treasurer what words he found offensive.

Mr STOCKDALE (Treasurer) — I object to the words ‘This is where you look after Hudson Conway. This is for the benefit of Hudson Conway’. That is a clear implication that the bill is designed to benefit one particular party. It is an improper motive attributed precisely, in the words of the standing orders. It is objectionable, and I object to it.

The SPEAKER — Order! I ask the Leader of the Opposition to withdraw his remarks.

An Honourable Member — What a farce!

Mr Brumby — Close your mouth and get back into your seat!

The SPEAKER — Order! Will the Leader of the Opposition please take a seat. My left ear is permanently damaged by the member for Springvale screaming out interjections across the table and across the house. I ask him to remain silent. I ask the Leader of the Opposition to withdraw his remarks.

Mr BRUMBY (Leader of the Opposition) — I said this legislation would benefit Hudson Conway and it will, but I withdraw.

Mr STOCKDALE (Treasurer) (By leave) — This bill will implement the budget announcement in relation to the 1995 land tax year in accordance with the process of phasing across to the new valuation base that the government began in respect of the current year — —

Honourable members interjecting.

The SPEAKER — Order!

An Honourable Member — Why don’t you tell us?

Mr STOCKDALE — Just listen to them! Why can’t the people of Victoria hear this?

Honourable members interjecting.

The SPEAKER — Order!

Mr Cole interjected.

The SPEAKER — Order! If the honourable member for Melbourne continues to defy the Chair and the standing orders of this place by interrupting when the Speaker is on his feet, I shall deal with him. I ask the house to come to order.

Mr STOCKDALE — This implements the second step of the phasing arrangement, which will see a ceiling and a floor put in movements in land tax relative to the 1993 tax year, in this case at the level of 40 per cent. It also makes a number of other minor technical amendments in relation to the clarification of the application of the rules relating to valuations and in a number of other minor respects.

Motion agreed to.

Read first time.

STATE TAXATION (AMENDMENT) BILL

Introduction and first reading

Mr STOCKDALE (Treasurer) — I move:

That I have leave to bring in a bill to amend the Debits Tax Act 1990, the Financial Institutions Duty Act 1992, the Pay-roll Tax Act 1971, the Stamps Act 1958 and certain other acts and for other purposes.

Mr BRUMBY (Leader of the Opposition) — I ask the Treasurer for a brief description of the bill.

Mr STOCKDALE (Treasurer) (By leave) — The bill makes a very large number of, in most cases, very technical amendments to a wide range of tax acts. It would take a considerable time to outline the details. I would be happy to arrange a detailed briefing for the Leader of the Opposition. I believe he and the house would find that more useful than my endeavouring to summarise what is a very large
number of quite technical matters, each of which is unrelated in the main to the other provisions of this bill. I will be happy to provide that as soon as the Leader of the Opposition is available for it.

Motion agreed to.

Read first time.

PORTS ACTS (AMENDMENT) BILL

Introduction and first reading

Mr STOCKDALE (Treasurer) — I move:

That I have leave to bring in a bill to amend the Port of Melbourne Authority Act 1958, the Port of Geelong Authority Act 1958, the Port of Portland Authority Act 1958, the Crown Land (Reserves) Act 1978 and the Marine Act 1988 and for other purposes.

Mr DOLUS (Richmond) — I ask the Treasurer to provide a brief description of the bill.

Mr STOCKDALE (Treasurer) (By leave) — The government has begun the process of planning the reform of Victorian ports and is engaged in a consultative process with a very wide range of stakeholders in relation to the future reform of the ports.

I shall make it clear to the house that this bill deals with a range of technical matters, which I shall come back to in a moment. It does not actually begin the process of implementing the substantive reform of port operations. The government has distributed very widely a preferred options paper which deals with a longer-term reform. Legislation is intended to be introduced in the autumn session in 1995 to commence the process of that more substantive reform.

This measure deals with a number of preliminary issues. In the government’s view it is clear there is a consensus that matters like the future of the World Trade Centre should not necessarily be intrinsically bound up with port reform and, accordingly, this bill will facilitate the separate sale of the World Trade Centre. The bill deals with a number of other minor matters which, as it were, prepare for reform rather than commence the process of implementing reform. Again, I will be happy to provide the opposition with a briefing.

Motion agreed to.

OFFICE OF THE REGULATOR-GENERAL (AMENDMENT) BILL

Introduction and first reading

Mr I. W. SMITH (Minister for Finance) — I move:

That I have leave to bring in a bill to amend the Office of the Regulator-General Act 1994 and for other purposes.

Mr DOLUS (Richmond) — I seek an explanation.

Mr I. W. SMITH (Minister for Finance) (By leave) — This small bill is of a technical nature. The effect of the amendments to the Office of the Regulator-General Act will enable the Regulator-General to more decisively determine whether the information made available to the public is commercial and in confidence and therefore should not be made readily available. Other amendments will enable the Regulator-General to call for certain information from parties without necessarily having a fully fledged inquiry.

Motion agreed to.

SUPERANNUATION ACTS (FURTHER AMENDMENT) BILL

Introduction and first reading

Mr I. W. SMITH (Minister for Finance) — I move:

That I have leave to bring in a bill to amend the Emergency Services Superannuation Act 1986, the Hospitals Superannuation Act 1988, the Local Authorities Superannuation Act 1988, the Parliamentary Salaries and Superannuation Act 1968, the Police Regulation Act 1958, the Public Sector Superannuation (Administration) Act 1993, the State Casual Employees (Superannuation) Act 1989, the State Employees Retirement Benefits Act 1979, the State Superannuation Act 1988, the Superannuation (Portability) Act 1989, the Teaching Service Act 1981 and the Transport Superannuation Act 1988 and for other purposes.

Mr DOLUS (Richmond) — I seek an explanation.
Mr I. W. SMITH (Minister for Finance) 
(By leave) — As the honourable member can readily see by the length and number of acts that require amendment this is a diverse bill. It trims up a lot of technical amendments. The most important is to implement an obligation the government feels it has to comply with the decision of Mr Pooley, the commonwealth Insurance Commissioner, to reinstate six-monthly indexation to pensions under a number of superannuation schemes, including the parliamentary scheme. However, in the case of the parliamentary scheme, instead of making annual adjustments after salary increases, adjustments will be made immediately upon the granting of salary increases to members of Parliament.

In the other case, the adjustment for pensioners will be from the previous situation of 12 months back to six months, which will add about another $7 million a year to the public purse. A range of other matters are dealt with. For example, to the best of my recollection, the amendment to the Police Regulations Act 1958 does away with or amalgamates the police pension fund, which has a small number of pensioners but no serving members, with the Emergency Services Superannuation Scheme. When the bill is read a second time the honourable member will find that the rest of the matters are minor, technical and in the interests of efficiency.

Mr HAMILTON (Morwell) — I have a further question. To the best of my knowledge, the SEC superannuation act was not included in that list. Will the minister comment?

Mr I. W. SMITH (Minister for Finance) 
(By leave) — If the honourable member is advocating changes to the SEC superannuation act I would seriously contemplate them, because it is a most generous scheme.

Motion agreed to.

Read first time.

CONSTITUTION (COURT OF APPEAL) BILL

Introduction and first reading

Mrs WADE (Attorney-General) — I move:

That I have leave to bring in a bill relating to the Supreme Court of Victoria to amend the Constitution Act 1975, the Supreme Court Act 1986 and certain other acts and for other purposes.

Mr COLE (Melbourne) — I seek an explanation of this bill. I am a bit worried it might be something to do with sacking judges.

Mrs WADE (Attorney-General) (By leave) — I am surprised there should be any confusion about this bill, which creates a court of appeal. It has received very wide publicity. I made a speech, which was widely circulated, on the bill at Melbourne University. I shall be only too happy to provide a copy to the honourable member for Melbourne. Although I do not believe it is necessary to go into the detail of the bill at this stage, I will be happy to provide any information the honourable member for Melbourne may want.

Motion agreed to.

Read first time.

CLASSIFICATION OF FILMS AND PUBLICATIONS (AMENDMENT) BILL

Introduction and first reading

Mrs WADE (Attorney-General) introduced a bill to amend the Classification of Films and Publications Act 1990 and for other purposes.

Read first time.

QUEEN VICTORIA WOMEN’S CENTRE BILL

Introduction and first reading

Mrs WADE (Attorney-General) introduced a bill to establish the Queen Victoria Women’s Centre Trust to own and manage a women’s centre and for other purposes.

Read first time.
GAMING AND BETTING (AMENDMENT) BILL

Mrs WADE (Attorney-General) introduced a bill to amend the Gaming and Betting Act 1994, the Gaming Machine Control Act 1991, the Club Keno Act 1993, the Casino Control Act 1991 and the Racing Act 1958 and for other purposes.

Read first time.

FIRE AUTHORITIES (MISCELLANEOUS AMENDMENTS) BILL

Mr McNAMARA (Minister for Police and Emergency Services) — I move:

That I have leave to bring in a bill to amend the Country Fire Authority Act 1958, the Metropolitan Fire Brigades Act 1958, the Fire Authorities (Contributions) Act 1989 and for other purposes.

Mr COLE (Melbourne) — Mr Speaker, I ask the minister for a brief explanation of the bill.

Mr McNAMARA (Minister for Police and Emergency Services)(By leave) — The main purpose of the bill is to enable the Victorian Arts Centre Trust to enter into various joint ventures.

Motion agreed to.

Read first time.

VICTORIAN ARTS CENTRE (AMENDMENT) BILL

Mr McNAMARA (Minister for Police and Emergency Services) — I move:

That I have leave to bring in a bill to amend the Victorian Arts Centre Act 1979 and for other purposes.

Mr COLE (Melbourne) — Mr Speaker, before granting leave I wonder whether I could have a brief explanation of what it all means.

Mr HAYWARD (Minister for Education)(By leave) — I am delighted to provide it. The bill amends the principal act. The primary effect of the amendment is to introduce a new schedule to the principal act to enable employers within the employee relations system to implement the training wage concept, with which I am sure the honourable member is familiar. It is the result of a joint action by the federal and state governments and will enable employers to gain access to federal government subsidies for employing new trainees. I am sure all honourable members, especially the honourable member for Melbourne, would support that. The amendments are consistent with the government’s policy to promote training and youth employment, and I believe they will be beneficial. I have already provided a brief explanation to the honourable member for Carrum and I have offered to make available to him an officer from my department to give him a more detailed briefing if he requires it.

Motion agreed to.

Read first time.
MELBOURNE SPORTS AND AQUATIC CENTRE BILL

Introduction and first reading

Mr REYNOLDS (Minister for Sport, Recreation and Racing) — I move:

That I have leave to bring in a bill to establish a Melbourne sports and aquatic centre trust to administer a Melbourne sports and aquatic centre, and to provide for the use of certain Albert Park land and for other purposes.

Mr MILDENHALL (Footscray) — Mr Speaker, as Albert Park is a very sensitive area I should like a brief explanation of the bill.

Mr REYNOLDS (Minister for Sport, Recreation and Racing)(By leave) — I suggest that the honourable member read the sheet I have just read to the house because it gives a very clear description of what the bill does. The honourable member might realise that it establishes a trust to lease land on which to construct the sports and aquatic centre, which he well knows will house badminton, basketball, table tennis and squash facilities as well as the aquatic centre. It will ensure the sound financial performance of the centre as well as its maintenance.

Motion agreed to.

Read first time.

TRANSPORT ACCIDENT (GENERAL AMENDMENT) BILL

Second reading

Debate resumed from 6 October; motion of Mr STOCKDALE (Treasurer).

Mr BRUMBY (Leader of the Opposition) — The opposition does not oppose the bill. We support the majority of the changes it will make. Fundamentally, the bill's purpose is to make a number of amendments to the Transport Accident Act, improve the system of benefits, make technical changes that clarify the intention of the principal act and minor changes to the financial management of the Transport Accident Commission and remove the right of re-entry into the Victorian public service for TAC staff.

From recent discussions I understand that the deal was initiated by the TAC, and the opposition welcomes the improvements that are being made in some areas to benefit the structure: for example, the provision for payments of up to $1500 for family counselling in cases where a member of a family has been killed in a car accident; the removal of the excess on medical costs when claimants have been hospitalised as a result of injuries; and the introduction of coverage for cyclists involved in collisions with car doors. I will come back to that in a moment.

We welcome the provisions that will impose a responsibility on the TAC to consider its long-term financial viability in determining the size of the dividend to be paid by the TAC to the government. However, we are concerned that in some parts of the bill its intentions could have been made clearer to avoid confusion about some of the changes being made, and that certain improvements that could have been made to the principal act have not been addressed.

The opposition believes that the amendments relating to cyclists do not go far enough. I shall move an amendment during the committee stage to ensure the coverage of cyclists when they are involved in road accidents travelling to and from work. The
proposed amendment will amend clause 5 to provide that compensation should be payable where it involves a pedal cyclist travelling to or from his or her place of employment.

It is important to put on the record the success of the Transport Accident Commission in reducing car accidents and in developing a no-fault system for people involved in motor car accidents. Since the TAC began its hard hitting television commercials in 1989 there has been a significant decline in road fatalities from more than 700 in 1989 to 420 this year. That is a dramatic reduction.

I remember vividly — I think it was probably 1989 or 1990, when I was a member of federal Parliament — the then Minister for Police and Emergency Services, the honourable member for Carrum, being photographed in one of the major theatres in Melbourne with thousands of empty seats around him. It was a graphic illustration of the thousands of lives that had been saved as a result of the advertising campaigns and warnings against drink-driving and speeding.

I remember as a kid the Herald campaign 'Declare war on 1034'. The reduction in the number of road fatalities that has occurred since then and the increase in the number of vehicles on the road demonstrate the spectacular success we have had in reducing the road toll. Of course, we would like to go even further. That reduction has been not only of enormous economic, human and social benefit for Victorians, but also had a profound financial benefit for Victorians. All Victorians can be proud of that achievement.

The reduction in road fatalities and injuries from car accidents has resulted in a reduction in claim payments of $400 million since 1989. A new series of advertisements this year has continued TAC's hard-hitting approach to reducing the road toll. The opposition strongly supports the TAC campaign. The commission is also continuing with its excellent rehabilitation program for accident victims.

The opposition was recently informed by TAC that it has undertaken new research into the attitudes and behaviour of young people. The opposition supports this initiative, which will no doubt be instrumental in keeping TAC at the cutting edge of road safety education. TAC has an excellent record of financial success over the years in providing third-party cover for motorists at a reasonable cost. The recent annual report of TAC entitled Fasten your seat belts provides a succinct summary of some of the achievements of that organisation. The section on accident prevention provides graphs that show so clearly and succinctly the reduction in the number of accidents that have occurred. Casualty accidents have decreased from 25 000 in 1989 to just over 15 000 in 1994. As I said, the road toll, which was just over 700 fatalities in 1989, has been reduced to about 400 in 1994.

The number of deaths per 10 000 registered vehicles is a significant indicator of the success of the TAC campaign. From a recent peak of three deaths per 10 000 in 1989, it has been reduced to 1.5 deaths for every 10 000 in 1994. In other words, the fatality rate per vehicle has been halved. The interstate comparisons are interesting. Deaths per 10 000 registered vehicles in the Northern Territory were 5, in Queensland more than 2, in South Australia more than 2, in Tasmania just on 2, in New South Wales a fraction under 2 and Victoria has 1.5. Victoria has been bettered only by the Australian Capital Territory and I suggest the quality of their roads is such that they start with a significant advantage. The TAC, the previous Labor government and the present government are to be congratulated on the success and the continuation of the program.

I want to say a few words about privatisation. The TAC has a record of which we can be proud. I was concerned last year when the Treasurer and the state government examined the privatisation of the TAC. A strong campaign was mounted against that by the opposition, motorists, road accident victims and the RACV. I hope now the Treasurer no longer has any ideas of privatising the TAC, but had it been privatised it would have been an extraordinary economic and financial error for the Victorian community. In the end, the government was forced to accept that it did not make sense to privatisethe TAC.

Although the opposition supports the general thrust of the bill, it is concerned about some clauses. Today is Ride to Work Day. Bicycle Victoria is encouraging as many Victorians as possible to ride their bikes to work. The TAC should be supported for introducing a limited form of coverage for cyclists involved in road accidents, in this case, accidents involving cyclists who collide with car doors when opened or left open. This move is strongly supported by Bicycle Victoria. The opposition believes that this does not go far enough. Cyclists are no longer eligible for workers compensation when injured in journey accidents going to and from work. This is
because in November 1992 the Kennett government transferred responsibility for journey accidents from the Victorian Workcover Authority to the Transport Accident Commission. This left people who cycled to work without any coverage because the legislation did not provide compensation for cyclists. The bill provides coverage in limited circumstances, but it does not go far enough.

The opposition believes cyclists should be entitled to the same benefits they previously enjoyed under the Workers Compensation Act, which covered them for any accidents while travelling to and from work. The government has said it is not prepared to extend the cover because cyclists do not pay a premium and therefore should not be entitled to benefits under the Transport Accident Act. Compensation should be extended as, if you like, a community service. I understand it would have only a small impact, a minuscule impact on the total cost of claims. Given the health of the scheme's finances, with a profit last year of approximately $400 million, it could easily be afforded.

It would be an important way of encouraging people to ride bicycles more and to drive less. Sixty per cent of Melbourne's pollution comes from motor vehicles. The abolition of compensation coverage for cyclists by the Kennett government has been a significant disincentive for people to cycle to work. Criticism of the government's attitude in this area has been made by Mr Justice Southwell and Mr Justice Teague, both of whom urged Parliament to look at the matter.

I now wish to say a few words about the importance of the cycling issue. Today is Ride to Work Day. I have been provided with some statistics and some fact sheets on bicycle travel in Victoria by Bicycle Victoria. There are more than 1.5 million bicycle riders in Victoria, most of whom are adults. There are more bicycles than cars in Victoria. Each year about 200,000 bicycles are sold as compared to 110,000 cars. Half of all Victorian households have at least one bicycle. Bicycles are also used for about 2 per cent of all trips in Victoria.

Approximately half of all bicycle trips are for recreation and the other half are for utility work, such as going to work, shopping, going to school or going to visit friends. Of all bike travel, 80 per cent is on roads. Bicycle Victoria makes it clear that bicycle riding is good for you, and I agree with that. With modern gears, bicycle riding is a low-stress activity which requires only one-fifth of the force required by walking. It requires a steady energy output and is ideal for the heart and lungs and for burning off weight. We have all seen recent statistics indicating that in Victoria, and in Australia generally, most people can do with a bit more activity and exercise.

Bicycle riding is also good for the environment. Of all car travel, 30 per cent is for distances of 5 kilometres or less, and 10 bicycles can be parked in the space taken up by one car. Although only 10 per cent of people who work in central Melbourne have ever ridden a bicycle to work, a survey conducted by Bicycle Victoria in 1992 revealed that 33 per cent of people said they would seriously consider riding to work if there were secure bicycle parking and if showers and clothes lockers were available at their workplaces. Slowly those facilities are increasingly being provided in workplaces and increasingly bicycle tracks are being constructed around Victoria.

The issue of accident compensation cover is absolutely fundamental. The opposition will move an amendment in the committee stage. I do not know whether the Treasurer has asked the Transport Accident Commission to do costings on this, but the advice the opposition has is that the cost of providing compensation cover for cyclists travelling to and from work would be absolutely minuscule in terms of the total cost of the scheme. I encourage the government to look closely at this issue.

I refer to section 93 of the principal act, about which the opposition has considerable concern. As I am sure the Treasurer is aware, there has been concern about that section expressed in recent court judgments. The problem essentially relates to cases where the TAC has not accepted that an injured person's degree of impairment is 30 per cent or more and is, therefore, a serious injury. Under the act a person is required to fully satisfy the court that an injury is a serious injury before the matter can go before a jury for a determination of the level of damages, if any, that should be paid. That can take up to five days and, if leave is granted, the whole process must be repeated at the trial.

In relation to this issue, in a judgment in the case of Petrovski v. Galletti, Mr Justice Brooking stated on 20 October 1993 that he doubted very much whether Parliament had the present, foolish, wasteful and inconvenient system in mind when it enacted section 93. Criticism of this section was also made in the same case by Mr Justice Southwell and Mr Justice Teague, and they urged Parliament to look again at that section of the act. The opposition therefore urges the government to undertake a
review of section 93(6). One option may be to require claimants to establish a prima facie case that their injuries constitute a serious injury.

I refer also to the discount for impairment. Clause 54 of the bill deals with how compensation is determined in cases where an injured person has a pre-existing impairment. The present practice is for a discount that takes account of the pre-existing impairment to be applied pursuant to the regulations under the act.

The opposition has been informed by the TAC that the effect of this amendment will be that from 1 January 1995 discounts will no longer be applied. The opposition welcomes that. However, there has been some confusion about the intent of the amendment and no reference is made to it in the Treasurer’s second-reading speech. The opposition believes it would have been far better if an explanation of the amendment had been made in the second-reading speech and a clear commitment given that the government and the TAC would proceed down this path as from 1 January 1995. The Treasurer may wish to give that commitment to the house during the debate. We welcome the change but we say it is important for it to be specified and clarified.

I also refer to the six-year rule. Proposed section 93(19) clarifies that the injured persons must bring proceedings for the recovery of damages within six years of the date of the accident. Some concern has been expressed that this could disadvantage people whose injuries are not stable by barring them from pursuing common-law claims in cases where the TAC has not within that time frame assessed their injuries. In discussions with the opposition, the TAC has given a commitment that it will not seek to impose the six-year rule in such cases. The opposition hopes that practice will be followed and makes the point that it has been given an assurance in that regard and now puts the matter on public record. The opposition also hopes that the operation of this part of the act will not prevent anyone with a serious injury as the result of a road accident being able to pursue a claim for damages.

Another matter of concern relates to TAC employees. The bill removes the right of TAC employees to re-enter the Victorian public service in cases where such employees had transferred from the State Insurance Office to the TAC in 1986. The opposition understands that there are about 80 people in this category. However, it is not expected that many would now wish to return to the public service. If one looks at the appalling industrial relations policies of the government that are being applied in government departments one would ask why they would want to transfer back to the public service. I do not think many would.

Notwithstanding that, the opposition believes it is an unfortunate step to remove the right, given that the people who transferred to the TAC transferred on the understanding that they would have a right of re-entry to the public service. It is an unfortunate precedent for the government to retrospectively remove the rights and entitlements of employees.

I do not wish to make too many other points in this second-reading debate. The opposition will move an amendment in the committee stage.

I again wish to place on the record the opposition’s support for the work of the TAC. Anyone who looks at the 1994 report and watches the television advertisements knows we have a world leader. Everyone in this Parliament wants Victorian businesses and Victorian-owned enterprises to be the best in the world. We want them to come up with the best programs and the best technology, and we want them to do things most efficiently. If we look at the work of the Transport Accident Commission and its achievements in terms of accident prevention, claims management and trauma management and at what it has been able to achieve in relation to premiums, we see that it is a first-rate organisation and one we should be supporting.

We will not make this a heated political debate today but I repeat it because it is important to note that it would have been an absolute disaster for Victoria and Victorians if last year the Kennett government had proceeded to sell off the Transport Accident Commission. It is a world’s best organisation. It is a single organisation and that enables it to make dramatic inroads into fraud, which is a problem in this industry. Its single database, coordination and activities in that area have enabled it to get on top of fraud as successfully as or more successfully than any other organisation could be expected to do.

Its advertising campaigns again are world beaters. You go to conferences where they show the TAC ads and people spontaneously applaud the advertisements that have been run because they have produced results, and what we all want to see is results. When I was a kid there was a campaign called War on 1034, and if you look at the dramatic reduction in the number of deaths per 10 000
registered vehicles, the success of programs like black-spot funding and so on, you can see that this is a Victorian success story born out of initiatives taken by the previous Labor government. It is now a Victorian institution, and we hope that it will remain in public hands. We hope the government will not ever again reconsider its view about TAC and we obviously put the government on notice that if it does so we will again campaign aggressively to keep TAC in public ownership.

Earlier I made some points about the extension of compensation entitlements to cyclists riding to and from work. We will be moving an amendment to deal with that matter in committee, and I urge the government to consider it seriously. Apart from anything else it is a good political and environmental move and good in terms of the health of Victorians, and the cost is miniscule. I urge the government to look at that.

In general the opposition supports this legislation. I have expressed concern about some specific aspects of it, but generally it is positive legislation which will improve the operation of the scheme, and for that reason the opposition supports it.

The ACTING SPEAKER (Mr Richardson) — Order! In a moment I shall call the Treasurer to enable him to circulate amendments pursuant to sessional orders. I inform the house that in so doing we are not moving to the position of the Treasurer closing the debate; it is simply to enable him to circulate the amendments which will be proposed by the government.

Government amendments circulated by Mr STOCKDALE (Treasurer) pursuant to sessional orders.

Mr CLARK (Box Hill) — I am pleased to support the bill and welcome the temperate and reasoned remarks of the Leader of the Opposition on it and the support of the opposition for the proposed legislation. As the Leader of the Opposition indicated, the bill makes a number of useful improvements to the operation of the transport accident scheme. For the first time it provides for family counselling up to a maximum cost of $1500 in the event of a fatality. To date family counselling has not been available, and this is a small but worthwhile step forward. As honourable members have remarked, the bill also for the first time extends the scheme to provide coverage for cyclists in the event of them colliding with open or opening doors of vehicles. This is on top of the coverage for cyclists that already exists if they are involved in a collision with a moving vehicle. I will come back later to the proposal of the opposition on the subject of cyclists.

The bill also removes the medical excess in the case of persons who are hospitalised as a result of their injuries, and this is a further way of easing the burden on those who are seriously injured. Obviously if one is hospitalised it implies a degree of seriousness, and this is therefore a sensible criterion on which to base the removal of the excess.

The remarks of the Leader of the Opposition are in some contrast to remarks that have been made by one correspondent to the Age, Mr John Voyage, who has had a number of fairly intertemperate letters published criticising various aspects of the bill. I must say it is criticism made on a factually inaccurate basis. For example, he has claimed that the amendments limit the amount of home help and nursing available for injured victims, and that is completely incorrect. The law on that subject continues as it has always been since the legislation was enacted under the previous government. There is no upper limit at all on the payment of fees for medical, hospital, rehabilitation and other services of a reasonable nature. There has been, on a bipartisan basis since the scheme was adopted, a limit of up to 40 hours a week for five years for the provision of housekeeping and child-care costs only, but there has not been an upper limit and there continues not to be an upper limit on the provision of medical, hospital, rehabilitation and other related services.

Mr Voyage in his latest letter to the Age also persists in a claim or an imputation that the bill curtails the amount of compensation available for family counselling. As I indicated before, he is completely wrong in that assertion. The bill, for the first time, provides for compensation for family counselling up to a maximum cost of $1500.

Mr Voyage also makes some arguments about cyclists and questions why there is no compensation for cyclists who collide with the bumper of a stationary car. That in a sense meshes in with the arguments that have been put forward by the opposition in relation to extending coverage to cyclists, and I will say a few words about that general subject.

When the scheme was enacted under the previous government no coverage whatsoever was provided for cyclists other than those involved in accidents arising from use of, in essence, moving vehicles. The logic of that position was quite clear: that the TAC
scheme was funded by motorists and was meant to relate to the costs of accidents arising out of the use of motor vehicles by motorists. When there is a collision between a moving motor vehicle and a cyclist that is an accident involving use of a motor vehicle and therefore the cyclist is entitled to compensation just as a pedestrian involved in an accident with a motor vehicle is entitled to compensation.

But the amendment made by this government in the present bill recognises that to extend the act to cover accidents with opening doors of motor vehicles and, to put the matter beyond doubt, with doors of motor vehicles that have been left open when obviously one would expect that except when in use motor vehicles doors would be closed, is a logical extension of the concept that compensation is payable for accidents involving the use of motor vehicles.

The amendment is consistent with the logic of the previous scheme. It redresses an unjust and unfair anomaly that has been around for many years, is a big step forward for cyclists and has been welcomed by the various cycling organisations. The argument put forward by the Leader of the Opposition on behalf of the opposition goes a step further than that and says in effect that out of this levy that is imposed on motorists some funds should be used to pay for certain accidents of cyclists not involving use of motor vehicles.

There are two points to note about this. The first is that it involves only accidents to and from work, so to a degree there is a lack of logic in this. Why is the opposition leader's proposal —

Mr Hamilton interjected.

Mr CLARK — The honourable member for Morwell says lamp posts. That would be another example. So it is a fine point in a sense, but if you look at the logic of it, you find this is a scheme paid for by motorists to cover the costs of using motor vehicles. There is no particular logic, and it is not particularly fair to expect motorists to contribute to the costs of compensating cyclists for collisions that have absolutely nothing to do with motor vehicles.

If the opposition wants to maintain logical consistency in providing this sort of coverage for cyclists, I would suggest that there are two preferable approaches. The opposition could argue that this should be paid for by the government out of general taxpayer revenue as a community service obligation, and that the government on behalf of all cyclists could pay an insurance premium to the TAC and the TAC could then administer coverage of cyclists for insurance policies taken out by the government. Then it would not be motorists, as a class, subsidising cyclists.

Alternatively, the opposition should perhaps be arguing that there should be a specific registration scheme or a similar scheme under which cyclists pay for their own coverage for accidents to and from work or for any other accidents involving bicycles.

Cyclists can already go out and take whatever private sector insurance cover they want to for riding to and from work or any other form of injury insurance. Normal private sector health insurance would also cover some of the costs arising out of an injury.

As the opposition leader said, this is Ride to Work Day. Listening to the radio this morning, I heard a number of public-spirited bicycle riders, I think including one representative of a bicycle riders' organisation, saying yes, they would be happy to pay a modest fee for registration of cyclists. But I am not convinced that this is representative of the majority of cyclists, and I am not convinced it would be a particularly popular move for the government to announce that it was imposing a registration fee or transport accident charge on cyclists.

Nevertheless that is the logic of what the opposition is asking for. There is no reason why motorists, as a group, should be picked upon to pay for the costs of cyclists. Either you say that the cyclists themselves should pay for it and then you run the argument of whether a compulsory levy should be placed upon...
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them, or else you come up with an argument for why the public purse should cover the cost of cyclists. Then, of course, if you are going to argue that you have to justify why the public purse does not pay for some sort of insurance for pedestrians who trip over rubbish bins or injure themselves on footpaths on their way to work or in any other circumstances, and so the list goes on.

But why, in respect of transport accidents, is one drawing a distinction between journeys to and from work and other journeys? There is no logic in it. If you cover one sort of journey for injury you should cover all journeys.

While the opposition proposals have some sort of instant attraction, the overall logic of the proposal is not sound. Opposition members have to come up with a logical and fair way of proposing funding for their scheme, and not say ‘We’ll grab a bit of money out of the pockets of motorists in order to give this benefit to cyclists’.

I presume that the opposition does not intend it in that way, but in a sense it is consistent with some of the other more outrageous approaches to finance from that side of politics, where they believe that they are improving the world if they grab money out of one person’s pocket and hand it to another. It is very easy to spend other people’s money in that way, and it is very easy to try to curry favour and support particular groups by promising money in this way.

If you are a government, and if you are trying to act responsibly and balance the interests of all parties to do something that is fair for everyone, you cannot say ‘Hey, this is the way we can benefit one group’ without also asking how it is being paid for and whether it is fair to the people who are being required to pay for it.

For all of those reasons I do not believe the opposition’s proposal in covering cyclists has been well thought through. As I indicated at the outset, the opposition’s approach to other aspects of this bill, the constructive attitude it has taken and the supportive remarks it has made are welcomed.

I also am pleased to support the bill, which makes a number of useful improvements to the transport accident scheme.

Mr HAMILTON (Morwell) — I shall make a brief contribution to the Transport Accident (General Amendment) Bill because it is an important bill that is welcomed by the opposition. The opposition supports the bill, and I shall refer to the amendments in a little while. I support the amendment moved by the Leader of the Opposition, and I intend to come back to that in a moment.

The opposition is pleased to see in part 2, clause 4, of the bill that the definition of ‘earner’ is being widened to include people who are specifically mentioned — namely, persons who receive or received the Newstart allowance, the Job Search allowance, and people who are on a commonwealth social security benefit.

Paragraph (c) provides for a member of an unemployed couple and his or her spouse to receive the married rate of allowance benefit. Those are sensible inclusions and the opposition certainly welcomes them and congratulates the government on bringing those in.

The opposition welcomes the inclusion in clause 5(2) of collisions that involve a pedal cycle and an open or opening door of a motor vehicle. As the honourable member for Box Hill said, other collisions between bicycles and motor vehicles have already been included in the act anyway.

The opposition believes that it is a welcome decision. It is certainly appreciated because it would seem that is the most common way that cyclists run into cars or, I guess, cars run into cyclists with their opening doors.

Clause 6 contains proposed section 41B, which deals with the issue of uninsured motor vehicle accidents on private land. It is certainly an issue of concern. I believe the bill clarifies what may have been an unforeseen problem.

We all recognise that unregistered vehicles are used on farming properties. I hope that by including this clause the matter will receive some publicity. It will remind vehicle owners of the dangers they leave themselves open to should those vehicles cause an accident or a death. The bill defines private land. Those issues are important not only for legislation but also for the TAC or the government to advertise and bring home the important message in those clauses.

The honourable member for Box Hill spent most of his speech criticising a suggestion made by the opposition leader to include or widen TAC coverage for bicycles. I hope I do not do the honourable member an injustice, but he has the typical cold,
analytical mind one expects of a lawyer. We hope that as a member of Parliament the cold, analytical mind of the lawyer is extended with some warmth and humankind for the people he represents. It is easy to analyse these issues in economic terms and forget about the human element.

We ought to encourage bicycles as a favoured means of transport. Defined in terms of the number of kilojoules per passenger kilometre the bicycle is clearly the most energy efficient way of getting from point A to point B. It is approximately 1000 times more energy efficient than travelling by aeroplane. It is about 100 times more efficient than a private car. In round terms it is about 10 times more efficient than steel wheels on steel rails — tram or train — and it is approximately 5 times more efficient than walking, considering the energy expended to shift a person from the beginning of one kilometre to the end of another. In plain conservation-of-energy terms we should look more favourably at bicycles and how they can build quality of life. That is without mentioning the added fitness advantage most of us would enjoy by spending a bit more time on a bike. I must plead guilty to not riding a bike as often as I should! In those general terms we ought to be encouraging the use of bicycles.

Look at what is happening to large cities all over the world. In Melbourne pollution from petrol and diesel-driven vehicles is the cause of approximately 60 per cent of city’s pollution. We ought to be looking at ways of reducing the use of the private car and of encouraging people to use other forms of transport. The honourable member for Box Hill was concerned about the health aspects. The minimisation of pollution will eventually be a cost saving to the government. If we produce a healthy city environment and healthier people, the cost to government of supporting health — we ought to call it the sickness system! — and hospital systems will be much less.

Cycling in the crowded streets of Melbourne is not terribly healthy. Most vehicles have their exhausts at road level and cyclists cop a decent belch of fumes as they go past cars in the traffic. If one watches the cyclists travel to and from work, one realise that cycling seems to be a finer way of getting through the traffic in the mornings. As a community service obligation the opposition argues the principle that accident coverage should be extended to cyclists riding to and from work. It would be a sensible way of encouraging cyclists to use their bicycles for what is the most common trip for most people. Most people commute to and from work, and that is where we have the greatest distance to go in changing the culture and the habits of people that have been developed over many years.

The Leader of the Opposition and the honourable member for Box Hill said that today was a special day because Bicycle Victoria was encouraging people to ride their bicycles to work, and that is a good thing. However, that single event will not turn around a culture where from the day a person turns 18 and is old enough to get a licence to drive a car that becomes the only way to go. When you add up in cold, hard, analytical, economic terms the costs of driving a car to and from work you realise it is a darned expensive way of conducting your life. It is certainly a very expensive way to travel. There is no doubt about that. Besides it can get even tougher if you are picked up by the police every now and again, too.

Some discussion has taken place about ways of interrelating cyclists as a legitimate form of transport with other forms of transport. Clearly motorists should have their vehicles registered. Indeed, they leave themselves wide open to all kinds of problems if they do not. In discussion with the Minister for Roads and Ports earlier today, there was bipartisan agreement not to require cyclists to be licensed or registered. That is not a path down which this government would like to travel. I do not believe an incoming Labor government would proceed down that path, either.

Nevertheless we need to recognise that if you ride a bicycle you are at risk of injury from an accident, especially with a motor vehicle. The accident rate for Melbourne cyclists is relatively low. When the previous Labor government introduced legislation requiring cyclists to wear helmets a great deal of argument followed. The debate about the efficiency or efficacy of bicycle helmets is still going on. There is certainly a deal of evidence that bicycle helmets are not necessarily in the best interests of cyclist safety for a number of reasons. I believe there is an argument for helmets, even if they do no more than encourage cyclists to be aware of their very vulnerable situations.

Despite Melbourne’s reputation for inclement weather and despite the experience of the past three or four days — generally bad weather does not last long — it is still appropriate to ride a bike to work. Bikes and cars do not mix comfortably on the same roads. The construction of bicycle paths is not the solution because, by and large, cyclists want to get to work by the quickest and most efficient route.
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Somehow we have to work out a more harmonious relationship between cars and bikes. As a community and in economic terms we have a responsibility to ensure that the number of cars being used for commuting to and from work is reduced.

There is no doubt that the TAC has played a tremendous part in making car travel much safer and in looking after people, including cyclists, who are injured in car accidents. We commend the TAC for its wonderful efforts, its well-deserved reputation and the innovative manner in which it is prepared to consider other ways of getting across to the community its message of safer car travel. It would not be a great imposition on the government or the TAC to provide the sort of coverage the opposition is suggesting. Indeed, it would be an act of good faith on the government's part to establish a system which recognises that bicycles are legitimate forms of transport and encourages people to use them and which indicates that it is prepared to take the first step. It could only be the first step because many further steps would have to be taken.

Generally speaking, the bill is very good. It will improve the performance of the TAC and that is welcomed by the opposition. However, we believe the use of bicycles should be considered with more than just cold, hard, economic facts. Considering all the other costs of motoring and the fact that motorists have become the milch cow for governments at all levels in the search for revenue, they are hardly likely to complain about this slight imposition on the cost of motoring. I do not believe the suggestion we have made through our amendment would be costly or that it would be opposed by motorists. By and large motorists are concerned citizens who recognise the benefits of proper coverage for people travelling to and from work on their bikes, an exercise that may well be extended in the future.

Mr Ryan (Gippsland South) — It is my pleasure to support the bill. It can properly be said that the Transport Accident Commission is one of the great success stories of government in Victoria. In fairness I point out that this entity was established by the previous Labor government under 1986 legislation which came into effect in 1987. Since 1992 the Kennett government has continued to assist where possible the operation of the TAC and the schemes for which it is responsible.

The TAC’s background arises principally from many years of common law in Victoria. I was associated with the operation of common law through the many cases I conducted from about 1974. In those days common law acted in an unfettered manner in respect of persons who were able to establish in court that they had suffered an injury as a result of the negligence of another party in a motor vehicle. I recall many of those cases, but they number in the hundreds — possibly the thousands — so I will not list them. Suffice it to say that they were reflective of the capacity, which is still in place, to give people who came before the courts with injuries as a result of motor vehicle accidents compensation appropriate to the injuries they had suffered.

As is the case with such situations, it became a question of being able to allocate the resource available in an appropriate fashion with a view to providing long-term and ongoing assistance to those who had suffered serious injuries. I do not mean to denigrate the many people who suffered what these days might be called relatively minor injuries but I hark back to what became known colloquially as the casual whiplash and the days when people of all types had their ordinary daily activities interrupted in one form or another by apparently simple injuries, went to court and were able to obtain common-law damages.

By 1973 it had become apparent that the community could not continue to bear the ongoing load created by the conduct of common-law actions. We were faced with escalating accounts owed to public hospitals, individuals who had outstanding accounts for medical and associated treatments and the general provision of medical and health services being impaired to a degree by the presence of accumulated debt on the part of those who had been injured in motor vehicle accidents and who, for one reason or another, could not pay.

In 1973 the Motor Accidents Act was introduced. In a sense it was the genesis of the body we now know as the Transport Accident Commission. Through that legislation a methodology was introduced for the payment of no-fault benefits and the retention of the capacity to claim at common law. The legislation was in effect until 1986. By then it had become apparent that, despite the initial endeavours to curtail the massive expenditure that had been accumulated in the community because of the compensation schemes operating in respect of persons injured in motor vehicle accidents, something else had to be done.

In 1986 we saw the passage of the Transport Accident Act, which took effect on 1 January 1987.
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Without trying to be precise about the figures, I recall that in 1986 about 30 000 common-law claims were lodged in Victoria. Needless to say, many of the problems that had existed historically were still present and the tough decision had to be made. In consultation and cooperation with the then opposition, the Labor government made the decision to introduce a series of thresholds that would serve to curtail the capacity of persons injured in motor accidents to claim common-law damages. In company with that provision, the scheme entailed the introduction of a raft of no-fault benefits which ensured that substantial benefits were paid, particularly to those most seriously injured in motor car accidents, and that the load of financial costs that otherwise had to be borne by them were removed in that accounts for medical treatment were paid in accordance with the previous scheme operating under the Motor Accidents Act.

The general purpose of the TAC legislation was to tighten the capacity for injured individuals to claim at common law. The major element of that process was the introduction of the necessity for an injured party to seek a certificate pursuant to section 93 of the Transport Accident Act. In essence, that entailed a two-leg test: to produce a 30 per cent impairment on a whole-of-body assessment or to demonstrate that the injured party had suffered what was termed a serious injury. Since the act came into effect there has been an increase in case law concerning the definition of 'serious injury'.

A further threshold was the assessment for the purpose of issuing the certificates, which had to take place 18 months after the date of the accident. The purpose of that provision was to enable the immediate effects of any accidents to settle so that a proper and more accurate judgment could be made 18 months hence as to the long-term effect of any given injury. That process had the effect of dramatically slashing the number of common-law claims. As I said earlier, in 1986 those claims numbered about 30 000. When the legislation was introduced in 1986 it was intended that every year approximately 3000 certificates would be issued pursuant to section 93 of the act. In fact, approximately 2000 certificates have been issued since 1986, so the legislation has achieved its result of slashing the number of common-law claims. Equally, and in fairness to the scheme, I emphasise the benefits payable on a no-fault basis were increased with the passage of years. They have been broadened in scope. Alterations have been made on the basis of indexation and every attempt has been made to ensure those no-fault benefits have been maintained to properly reflect community values.

One of the principal features of the operation of the legislation has been its evolutionary nature. That is evident by the provisions in the bill. One need look no further than clause 5, which further amends the definition of 'transport accident'. The provision relates to a definition that is fundamental to the operation of the act. It has been subject to amendment on a number of occasions as different interpretations have been made upon it and as the government has responded to the submissions made to it by the community and interested groups. In that sense the amendments relating to cyclists reflect community consultation.

The capacity for consultation with the community is apparent from the amendments circulated by the Treasurer, particularly those relating to clause 5, because their aim is to achieve the result of ensuring there is a carriage of policy intent as encompassed in the legislation. This is reflected in the alteration of the definition of 'housekeeping service', and the capacity of the act to ensure that benefits are paid over five years in appropriate circumstances and to then cease.

The provision is in response to a common-law decision in the matter of Kelvin arising from a court case in Warrnambool last year. The passage of this amendment will ensure a consistent policy application so that no members of the community can properly be said to be disadvantaged by the application of the act. That matter slipped through the intent of the policy net and this amendment will correct that anomaly.

The other amendment within clause 5 relates to the intention to remove the right to claims interest on damages pursuant to the Wrongs Act. That provision is a direct response to community consultation. The Victorian Bar Association raised the issue with the government. The matter has been investigated and an amendment will be made to that provision. It is a further example of why it can be said that the government is intent on ensuring that the implementation of this legislation will reflect current community values. Those two particular matters are indicative of the government's intent with this legislation.

The annual report of the Transport Accident Commission entitled Fasten your seat belts contains material that recommends the operation of this organisation. Its mission statement is to reduce the
The only qualification I make to that matter is that I wonder whether the advertisements have got to the point where they may be too graphic. I make that comment on the basis of my family experience. Our three children, Sarah, 15 years, James, 13 years, and Julian, 9 years, flick over to other channels when the TAC advertisements appear on the television. I do not say that the experience in our household is indicative of what happens in other households, but I wonder whether that issue requires some examination.

The bill introduces a number of additional benefits to the operation of the scheme. Funding of family counselling in cases where a road fatality has occurred, the extension of coverage to cyclists who are injured in collisions with the open doors of stationery vehicles, simplification of compensation provisions in relation to accidents in which details of a vehicle are not known or in accidents where a vehicle is not identified, the removal of the current excess on medical costs where claimants are hospitalised as a result of their injuries and a number of other initiatives in the legislation will result in the better operation of the act to the betterment of all persons who have the misfortune to suffer injury on our roads.

The Transport Accident Commission is something of which its board should properly be proud. The commission has become a readily recognisable institution in the way of life of Victorians and the way its affairs are conducted is to its great credit.

I applaud the additional aspects in the bill designed to provide for the payment of better benefits to those who are the subject of the operation of the scheme.

Mr STOCKDALE (Treasurer) — I thank honourable members from both sides of the house for their thoughtful contributions in the debate. The government certainly appreciates the manner of contributions made by members and the content of those contributions.

I indicate two things: firstly, that the government is not prepared to accept the opposition's amendment broadly for the reasons given by the honourable member for Box Hill.

Mr STOCKDALE — I think an issue of equity arises here. I hasten to add that although the broad conceptual elements of the scheme were negotiated in 1986 and 1987 between the then Labor...
government and the then Liberal-National party opposition through a very cordial and cooperative relationship between all the people involved, the precise details of the scheme were largely the result of drafting by the former Labor government. Nonetheless, as the Leader of the Opposition has pointed out, to some extent the issue related to the coverage of bicycle accidents arises from the fact that the current government transferred journey accidents from the workers compensation scheme to the transport accident scheme.

The essential nature of the transport accident scheme is its nexus with accidents and injuries arising from the use of motor vehicles. That is its distinguishing feature. It should not be forgotten or overlooked that the charge on all motorists is a compulsory levy and not some sort of voluntary insurance scheme under which people decide whether they will cover themselves against injury to their own person or injury they might incur from driving a motor vehicle. This is a compulsory insurance scheme. We impose a levy on all motorists to cover the funding of compensation for injuries arising from accidents involving motor vehicles.

That obliges Parliament to be careful to make sure that the nexus which justifies the compulsory impost is preserved. The amendment introduced here by the government preserves that nexus.

Of course, cyclists who are injured through colliding with a motor vehicle which is actually in use have been covered all along because their injuries arise from the use of a motor vehicle and they are foursquare within the intended scope of the scheme. However, they are not covered because they are cyclists; they are covered because their injuries result from the use of a motor car by another person.

Although it may be that the existence of the scheme provides them with protection they would otherwise find difficult to enforce, the fact is that the scheme provides them with benefits in order to protect motorists against third-party claims that would arise from the use by motorists of motor vehicles. The essential nexus is between the injury and the use of a motor vehicle. It is important, particularly in light of the compulsion involved in the scheme, that we preserve that nexus.

As the honourable member for Box Hill pointed out, the amendment proposed by the government extends that scope because it extends the coverage that comes from the driving of a motor vehicle resulting in the injury of a cyclist to the injury of a cyclist as the result of the opening or closing of a car door or by its being left open. So, there is still that nexus, and one would presume that a car door that was open or that was being opened or closed would in qualitative terms be considered to be the same as the vehicle being operated.

Accidents that are not covered are those that do not involve the use of a motor vehicle. For example, a cyclist riding into the back of a stationery vehicle that did not have its doors open, a cyclist running off a road in a single bicycle accident with no motor vehicle being involved or a cyclist riding into a tree or some other fixed obstruction are all accidents that would not be covered. In the government's view they would properly not be covered by a scheme that involves a compulsory impost on motorists.

We put it to the opposition that as laudable as the object of covering cyclists might be and as much as the use of bicycles might involve some of the benefits to which the Leader of the Opposition referred, imposing a compulsory impost on motorists to cover that liability would not be fair to the motorists who are funding the scheme under compulsion of law. For that reason the government is not prepared to accept the amendment.

There may also be some unintended consequences were Parliament to adopt the opposition’s amendment in that the scheme of the act involves some very substantial limitations on access to common law and the right to recover for injuries suffered as a result of injury or loss caused by the actions of others. Where a cyclist was injured, for example, as the result of an accident that did not arise from the use of a motor vehicle, including that proposal in the coverage of the act, it would limit common-law rights, and it may well be that that would extend to third parties.

So, in an accident not involving a motor vehicle, such as a cyclist running into a pedestrian, it may well be that giving effect to the opposition’s amendment would have an impact on the current common-law ability of any person who was injured to recover in such actions. In addition, it would affect their bargaining power. I am aware of a recent case prior to the introduction of this provision in which a person was injured and had clothing damaged as a result of an accident involving a collision with a car door. A claim was made for compensation without any legal process whatever and the other person involved readily agreed to provide that compensation. The bargaining position in that case would be substantially altered, yet the excesses would apply under the act. In many
TRANSPORT ACCIDENT (GENERAL AMENDMENT) BILL

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bicycle-related accidents relatively minor damage and injury would be suffered and it may well be that there would be interference with existing rights without any practical benefit flowing to the people involved in the bicycle accidents.

The issues involved are not as simple and straightforward as they may appear on the surface. In any case, in the government's view equity is not on the side of the proposal advanced by the opposition.

The other matter raised by the Leader of the Opposition concerned the regulatory provisions that provide for a discount on unrelated impairment. This matter has been under review as the Leader of the Opposition said. The amendment has been approved and it will be implemented. It logically needs to await the passage of this legislation. Whether or not it should have been in the second-reading speech, there should be no doubt in anyone's mind that it is intended to give effect to that change.

Amendments will be proposed to the bill. I welcome the spirit in which the debate has been conducted. This is an extremely important measure. As I have said previously, the government concurs with the views expressed on both sides of the house about the first-rate job done by the Transport Accident Commission, the very substantial benefits Victorians get in financial terms and, in the long run, the much more significant benefits we get in human terms through the avoidance of death and injury on our roads.

Motion agreed to.

Read second time.

Committed.

Committee

Clauses 1 to 4 agreed to.

Clause 5

Mr BRUMBY (Leader of the Opposition) — I move:

Clause 5, page 4, after this line insert —

"(c) involving a pedal cyclist while travelling to or from his or her place of employment.".

There has been some broad debate generally about this issue, but I thank the Treasurer for his comments in summing up the second-reading debate. I believe there are compelling reasons for the government to adopt this amendment. We have heard in the contribution to the debate from the honourable member for Box Hill his acknowledgment that this will involve a small number of people. Implicit in his comments was that perhaps the Parliament and the government should be looking at the extension of coverage not just for cyclists travelling to and from work but for all of those using bicycles either in their work or for recreation. I do not go as far as that. There are some significant financial implications in suggesting that a form of accident compensation would be available to every person on a bicycle, but my view and that of the Treasurer is — and all the statistics that have been presented show this — that the cost to the transport accident scheme of covering the number of cyclists travelling to and from work each day would be absolutely minuscule. I would be surprised if it added more than a few cents — I would suspect less than 10 cents a year — to the premiums of motorists to ensure motorists were covered.

I emphasise that the reasons cyclists are no longer eligible to receive compensation is not because there is anything deficient in the original intent of the act. In fact the original intent was that they should be eligible. However, with the changes made in November 1992 when the Kennett government transferred responsibility for journey accidents generally from the Victorian Workcover Authority to the Transport Accident Commission the comment was made that people who cycled to work were left without any coverage whatsoever because the TAC legislation did not provide compensation for cyclists. So the original intent of the arguments the then government put back in the mid-1980s was that cyclists would be covered by works compensation. I repeat that the cost is negligible.

The Treasurer referred to what he said was the essential nexus between motor vehicles and the TAC scheme, and I believe there is some validity to that argument. If you look at it with the broader Victorian interests in mind — the broader environmental interests, the broader health interests, the broader interests of those who ride bicycles and their financial health — I believe you could cover cyclists riding to and from work for a minuscule amount. As I said, I would be surprised if it added anything near 10 cents per annum to the cost of premiums of motor vehicle users in Victoria. This amendment would provide an important way of
encouraging people to ride bikes more and to drive less. Sixty per cent of Melbourne's pollution comes from motor vehicles, and I have no doubt that the abolition of compensation coverage for cyclists under the Kennett government has been quite a significant disincentive for people to cycle to work.

The debate has been conducted with a fair amount of bipartisanship and in a positive spirit. The opposition has supported the legislation. Opposition members believe the TAC does a good job, and I cannot for the life of me see why it is not possible to extend the provision of accident compensation cover to cyclists. The opposition has a strong view about this. It has thought it through carefully and believes the original intent of the government in the mid-1980s in introducing the TAC legislation in conjunction with the original compensation legislation was to make sure cyclists were covered. The opposition believes strongly in this and will call for a division. It believes that for an absolutely minuscule addition to the costs of the TAC scheme confidence can be instilled in bike riders to make sure they are covered. That way we can get a few Victorians out of cars and generally make Victoria a better place to live. The opposition supports this amendment strongly and will call for a division on it.

Mr STOCKDALE (Treasurer) — I canvassed the issue in some detail in the second-reading speech, as the Leader of the Opposition indicated. I do not intend to go back over that, and I hope he understands that I do not intend any discourtesy, but I suggest the house would be bored as usual if I did.

I will make some points about the latest contribution. It may or may not be the case that the Labor government intended in its workers compensation legislation introduced during the period of its temporary majority in both houses to cover cyclists. Certainly, having been directly involved as our spokesman on that occasion, I do not recall anybody directing attention to it whatsoever, and I think the Leader of the Opposition is correct in saying that the general terms of the legislation would probably cover cyclists travelling bone fide to and from work.

Nonetheless he is addressing a different issue, which is whether the workers compensation scheme covers journey accidents in general. Of course the present government made a policy decision which has now been manifested in both sets of legislation that journey accidents should not be covered by the scheme but fundamentally by a salary impost on employers. That was done for both incentive and cost reasons as well as for equity. The issue the Leader of the Opposition raises is not immediately translatable in the context of the Transport Accident Act for the reasons I have already advanced. It is possible that the sort of ad hoc approach that the amendment would involve would actually open up other anomalies because journey accidents, to the extent that they are covered under the Transport Accident Act, are not covered by virtue of nexus with work but by virtue of nexus with use of motor vehicles. That arises from the fact that a premium has been paid in relation to the motor vehicle by force of law for the very purpose of funding the scheme. Although the Leader of the Opposition did make some concession about the force of that nexus argument, and I appreciate the fact that he did, it is nonetheless the fact that the nexus ought to determine as a matter of logic the coverage under this act rather than a nexus with work.

The argument of funding properly belongs in the context of the workers compensation legislation, and I acknowledge that it is a longstanding policy difference between the Labor Party on the one hand and the Liberal and National parties on the other that the government does not believe it is appropriate for journey accident liability to be imposed upon employers. I am not sure whether the Leader of the Opposition was in the chamber so I do not want to be thought to be quibbling with him, but I think it is important to make the point that he strongly misrepresented the argument presented by the honourable member for Box Hill on cyclists. He was arguing that in logic, if the opposition were to be consistent, it should be arguing for that. There is a difference between those two things.

He also made the point that nobody really knows what the cost is, and as far as I am aware there has been no investigation of the cost. He assumes the cost is small. It is likely that it is small; we really would not know the answer to that but the issue is not simply one of magnitude. It is the issue of the principles upon which the scheme operates.

The government is in a position to respond to this because in addressing the issue of whether we should extend the coverage to accidents involving the opening and closing of car doors, we had to go through the logic of the scheme and consider the basis upon which we were entitled to impose the cost of such accidents on motorists.

If you reflect on it for a moment, and even as he has conceded without my pressing too hard against him,
you can recognise it as a concession against the theme of his general argument that the nexus is not established, and not necessarily established, in the sorts of accidents he is talking about where they would not already be covered.

However, it is important to remark in conclusion that many accidents involving cyclists, whether travelling to work or involved in other uses of their bicycles, involve the use of a motor car, and they will be covered by the scheme because of the presence of that nexus. In many cases that might appear to be covered by this amendment, and will already be caught by the substantive provisions of the legislation because the nexus exists.

It is always tempting to willy-nilly extend compulsory compensation schemes to cover up what looks like anomalies. Frequently when Parliaments have done so, they have created other anomalies that lead to even stronger arguments and that is the way we end up with inequity — with one group of interests in the community bearing costs which properly ought to be borne by others.

If there is a requirement for a scheme, I think there is bipartisan support for the view that it is impracticable and not desirable to license and register cyclists or pushbikes, and there are many practical difficulties in the way of a compulsory third-party scheme for cyclists.

First-party coverage is available in the commercial market. People have the option of taking it. There is strong competition in the provision of that cover. There is no doubt that the opposition would respond and, in practice, few people take it out as such. But nonetheless there is coverage available for people who wish to protect themselves and who make a deliberate decision to use a bicycle to travel to work.

On balance, the government comes down in favour of its own amendment, extending the cover to opening and closing car doors but not extending it generally as a substitute for workers compensation cover.

Committee divided on amendment:

Ayes, 25

Andrianopoulos, Mr  Loney, Mr
Baker, Mr  Marple, Ms
Batchelor, Mr  Micallef, Mr
Bracks, Mr  Mildenhall, Mr
Brumby, Mr  Pandazopoulos, Mr
Carl, Mr (Teller)  Sandon, Mr

Coghill, Dr  Seitz, Mr
Cunningham, Mr  Sercombe, Mr
Dollis, Mr  Thomson, Mr
Garbutt, Ms  Thwaites, Mr
Haemeyer, Mr  Vaughan, Dr
Hamilton, Mr  Wilson, Mrs
Leighton, Mr

Noes, 55

Ashley, Mr  Naphine, Dr
Bildstien, Mr  Paterson, Mr
Brown, Mr  Perrin, Mr
Clark, Mr  Percott, Mr
Coleman, Mr  Peulich, Mrs
Davis, Mr (Teller)  Phillips, Mr
Dean, Dr  Plowman, Mr A.F.
Elder, Mr  Plowman, Mr S.J.
Elliott, Mrs  Reynolds, Mr
Finn, Mr  Richardson, Mr
Hayward, Mr  Rowe, Mr (Teller)
Henderson, Mrs  Ryan, Mr
Hyams, Mr  Smith, Mr E.R.
Jasper, Mr  Smith, Mr I.W.
Jenkins, Mr  Spry, Mr
John, Mr  Steggall, Mr
Kennett, Mr  Stockdale, Mr
Kilgour, Mr  Tanner, Mr
Leigh, Mr  Tehan, Mrs
Lupton, Mr  Thompson, Mr
McArthur, Mr  Traynor, Mr
McGill, Mrs  Treasure, Mr
McGrath, Mr W.D.  Turner, Mr
McLehan, Mr  Wade, Mrs
Maclelan, Mr  Weideman, Mr
McNamara, Mr  Wells, Mr
Maughan, Mr

Amendment negatived; clause agreed to.

Clause 6

Mr STOCKDALE (Treasurer) — I move:

1. Clause 6, page 4, lines 32 and 33, omit “cannot enter” and insert “may not enter or may not remain on”.

2. Clause 6 page 5, line 5, after “Territory” insert “and in respect of which a transport accident charge was not paid at the time that the transport accident occurred”.

The amendments are designed to clarify the intention of the changes in relation to the use of unregistered motor vehicles involved in accidents on private land. They are designed to clarify the definition of ‘private land’ and remove an ambiguity. In respect of the definition of
'unregistered motor vehicle' the amendments make certain that the vehicle not be one in respect of which a transport accident charge has been paid.

Amendments agreed to; amended clause agreed to; clause 7 agreed to.

Clause 8

Mr STOCKDALE (Treasurer) — I move:

3. Clause 8, page 6, line 10, omit "impatient" and insert "in-patient".

This amendment corrects a printing error.

Amendment agreed to; amended clause agreed to; clause 9 agreed to.

Clause 10

Mr STOCKDALE (Treasurer) — I move:

4. Clause 10, page 9, line 16, after "earnings" insert "or other pecuniary loss".

5. Clause 10, page 9, lines 35 to 38, omit these lines and insert —

"services in the nature of housekeeping or the care of a child which would have been provided by the deceased person.".

The amendments restore the original intention that the no-fault benefits provided for the loss of services in the nature of housekeeping or care of a child are to be limited to those provided under the statutory code no-fault benefits. It restores that intention following a recent court decision which created an inconsistency between the benefit in relation to deceased providers compared with injured providers.

Mr BRUMBY (Leader of the Opposition) — I understand the Treasurer's amendment 5 is technical and quite complex. In a briefing on the amendment I was assured that it was designed to restore the intent of the original 1986 act. However, the amendment has been the subject of considerable debate by legal firms and others. After examining the expression, there may be some concern that perhaps in some way it could be construed as being discriminatory particularly against women who tend to be more usually occupied in looking after children than male breadwinners. There has been some criticism that this could be construed as taking away some of the rights of a woman who is not working and performing the extremely important job of looking after children in the home.

I would like an assurance from the Treasurer about that. I acknowledge that this is a complex piece of legislation. Although I have been assured that it restores the original intent of the 1986 act I think the public needs clarification from the Parliament that this provision will not deny women their rights.

Mr STOCKDALE (Treasurer) — That is certainly the case, Mr Chairman. For a reason I will come back to in a moment this amendment actually works the other way if at all. It is designed to create consistency — to use a shorthand expression that was used in the bill as originally prepared — for domestic services. It removes an inconsistency between cases where those services were previously provided by, on the one hand, a person who is injured and unable to provide them as a result compared with a deceased person on the other hand.

In my view the courts have departed from the intention that was there in 1986 and 1987 in the drafting of the bill where the previous government intended that this provision would be limited to the no-fault benefits. The courts have expanded that but only in the case of deceased persons, so there is a differential treatment not based on sex but based on whether the person providing the care is deceased or injured and unable to provide the care.

For the reason the Leader of the Opposition has given already, which is probably correct, that in most cases it is likely that the household services will be provided by a woman more often than a man, the action in relation to deceased providers actually means that it is the husband of a married couple, or the male partner where he is not providing the household services, who would suffer if the provision were continued because he would be receiving the benefits in excess of those provided for the person whose carer had only been injured. Therefore the benefit is one that is predominantly provided for males for the reasons he gives, but of course it does apply in the reverse.

If the carer were the male member of a household and it was the female member who had died in a motor accident the provision would limit the benefits to the statutory code.

Amendments agreed to; amended clause agreed to; clauses 11 to 25 agreed to.

Clause 26

Mr STOCKDALE (Treasurer) — I move:

6. Clause 26, page 17, line 29, after "office" insert "of".
This removes a typographical error.

Amendment agreed to; amended clause agreed to; clauses 27 to 31 agreed to.

Clause 32

Mr STOCKDALE (Treasurer) — I move:

7. Clause 32, line 26, omit “occurring” and insert “occurring”.

This amendment also corrects a printing error.

Amendment agreed to; amended clause agreed to; clauses 33 to 40 agreed to.

Clause 41

Mr STOCKDALE (Treasurer) — I move:

8. Clause 41, page 27, line 3, omit “judgement” and insert “judgment”.

This amendment also corrects a printing error.

Amendment agreed to.

Mr WEIDEMAN (Frankston) — I should like to say a few words about this clause. The principal act contains one or two anomalies in respect of people involved in accidents with unidentifiable drivers and vehicles. I imagine there is only a handful of such people, but one of my long-term files concerns a Frankston resident, Mr Tim Vorozilchak, who had an unfortunate accident on the Nepean Highway. As he was walking across the road he was run down by a motorcycle. After the accident the motorcyclist ran away, leaving a motorbike and an injured person on the road.

Tim was transported to the Frankston hospital with serious injuries. The driver could not be found and, unfortunately for Tim, the bike’s registration had run out two days earlier so the matter involved an unregistered bike ridden by an unidentifiable rider. When Tim applied to the TAC for compensation he was told that he was not covered because of an anomaly in the 1986 act. I want to thank the TAC, particularly Adrian Nye, for the help given to Tim in trying to resolve the anomaly in the legislation. Proposed new section 96(9), which contains specific arrangements for a person in those circumstances, states:

A person who, if this section had been enacted on 1 January 1987 but before the commencement of section 41 of the Transport Accident (General Amendment) Act 1994 may within three months of the commencement of that section commence proceedings against the commission under this section.

I am grateful to the TAC, the minister and the government for showing compassion and in taking action on behalf of the few people who have been affected by this anomaly. They are very grateful for this action. The issue dates back to the previous government, which took no action. Most of us who have served here for a long time know that when you want these things to happen and they do not happen you get frustrated. I thank the TAC for its compassion and for persuading the government to introduce this amendment. It is commendable and my constituent now feels he has been supported by the government.

Amended clause agreed to; clause 42 agreed to.

Clause 43

Mr STOCKDALE (Treasurer) — I move:

9. Clause 43, page 30, line 7, after this line insert —

“(2) For section 109(4) of the Principal Act substitute —

“(4) If a transport accident charge payable at the prescribed time or interval following the expiry of a prescribed period of 6 months or more is paid within 28 days after that prescribed time or interval, the charge is deemed for the purposes of this Act to have been paid at the prescribed time or interval.”.

This amendment deals with the period of grace that applies where a transport accident charge is not paid on time and where it is subsequently paid within the grace period and therefore deemed to have been paid on time so that cover is continuous.

Amendment agreed to; amended clause agreed to; clauses 44 to 54 agreed to.

Clause 55

Mr STOCKDALE (Treasurer) — I move:

10. Clause 55, page 35, line 32, omit “is” and insert “in”.

The amendment corrects a printing error.

Amendment agreed to; amended clause agreed to; clauses 56 to 62 agreed to.
Clause 63

Mr STOCKDALE (Treasurer) — I move:

11. Clause 63, page 39, line 17, omit "in the first 18 months" and insert "except any such compensation paid in respect of the whole or any part of the period of 18 months after the relevant transport accident".

This amendment is consequential to the amendment of section 93(10)(a) of the Transport Accident Act.

Amendment agreed to; amended clause agreed to.

Clause 64

Mr STOCKDALE (Treasurer) — I move:

12. Clause 64, omit this clause.

Amendment agreed to.

Clause negatived.

New clause

Mr STOCKDALE (Treasurer) — I move:

13. Insert the following new clause to follow clause 63 —

"AA. Amendment of Accident Compensation (WorkCover Insurance) Act 1993

After section 7(4B) of the Accident Compensation (WorkCover Insurance) Act 1993 insert —

"(4C) The employer of a worker employed under a program designed under section 12(3) of the Transport Accident Act 1986 is deemed to have a WorkCover insurance policy in respect of the worker only with the authorised insurer of the Transport Accident Commission and sub-section (1)(b) does not apply in respect of such policy.

(4D) Despite sub-section (4C), the premium payable in respect of a deemed WorkCover insurance policy under sub-section (4C) is to be calculated in accordance with the premiums order and is payable as if —

(a) the worker was employed by the Transport Accident Commission; and

(b) the remuneration paid to the worker had been paid by the Transport Accident Commission."

This is an amendment to the Workcover legislation to clarify the interrelationship of the two schemes.

New clause agreed to.

Reported to house with amendments.

Passed remaining stages.

BORROWING AND INVESTMENT POWERS (PUBLIC TRANSPORT CORPORATION) BILL

Second reading

Debate resumed from 21 October; motion of Mr STOCKDALE (Treasurer).

Mr STOCKDALE (Treasurer) — Pursuant to sessional orders I advise the house of an amendment to the Borrowing and Investment Powers (Public Transport Corporation) Bill and request that it be circulated.

The amendment remedies the omission of the word 'Transport' from the 'Public Transport Commission'. I do not anticipate it will be controversial. I understand there will be an extensive second-reading debate and I shall need to consult with the Leader of the House and Leader of the Opposition to ascertain whether to report progress at the beginning or deal with the amendment.

As I said, I do not believe the amendment will create any controversy. I do not believe anyone would wish to change the name of the Public Transport Commission. I anticipate the committee stage will be relatively short.

Mr BRUMBY (Leader of the Opposition) — I thank the Treasurer for his explanation. The opposition does not oppose the bill. However, it has concerns about some aspects of the legislation. This important legislation appears to be straightforward, but it makes important changes and it is for that reason that I shall move a reasoned amendment. I move:

"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 the government establishes appropriate and transparent guidelines for the contracting out of essential services, particularly in relation to what should be considered 'commercial in confidence', what degree of transparency and disclosure is required by tenderers or bidders for public sector work and the process by which contracts should be renewed (so as not to unfairly favour the incumbent contract holder)."
BORROWING AND INVESTMENT POWERS (PUBLIC TRANSPORT CORPORATION) BILL

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The bill has two general purposes. The first is to bring the Public Transport Corporation within the ambit of the Borrowing and Investment Powers Act and the second is to broaden the scope of the Borrowing and Investment Powers Act to facilitate the private provision of public infrastructure and contracting out.

The opposition does not oppose the bill, but it has moved a reasoned amendment to which I shall speak in detail later. The first purpose of the bill will be addressed in part by the honourable member for Thomastown. The second purpose relating to the broadening of the scope of the Borrowing and Investment Powers Act to facilitate the private provision of public infrastructure and contracting out will be achieved by clauses 3 and 4, which will allow the government to provide services and private obligations for organisations that contract with the state to provide such services. Such step-in arrangements can only be implemented if both parties agree to their implementation. As such, the bill raises a number of interesting issues which the opposition is looking at in terms of its future policy direction.

The transparency of the government's policy arrangements regarding the private provision of public infrastructure and the contracting out of services are important issues.

As has been noted by the government, clauses 3 and 4 clarify the government's borrowing and investment powers. Indeed, we have been advised and the government has suggested that these powers may well exist without the amendment. The government should be congratulated for the amendment which provides for greater certainty because, as the Treasurer would know, certainty is the key ingredient for investment in Victoria.

The step-in arrangements included in this legislation which relate to greater transparency and greater certainty should be supported. However, in attempting to clarify the position the government indirectly highlights one of the difficulties of private sector provision of public infrastructure and contracting out: the different pressures that exist on the government and the private sector to provide essential services.

The powers contained in clauses 3 and 4 demonstrate where the government wishes to step in to ensure the performance of certain contracts. In practice, this may be achieved in two ways. Firstly, by the government taking over the company entirely, assuming its liabilities and effectively running the company itself; or, alternatively, the government taking on the employees and equipment of the company, which may create a range of problems in terms of consent and other specific arrangements.

In both instances the government is saying that some services that are contracted out are essential and therefore must be provided. If that is the guarantee and the essence of the legislation, we need to think through what this will mean for a company that is contracted to provide services but where the government feels it is required to step in and resolve some difficulty. The company could face civil action for breach of contract. If the system were infallible it would have to pay for any losses suffered. Of course, there are many examples of people such as Alan Bond and Christopher Skase who have escaped liability leaving either shareholders or taxpayers to carry the cost.

It is fair to assume there will be situations — public transport may be one — where the government will have to step in and will not be able to recover damages from a company that fails to provide contracted services. Another example may be in the broad provision by the private sector of public infrastructure. As I suggested earlier, this would be the case without clauses 3 and 4. However, the clarification of the government's powers in those clauses illustrates the incentive for companies tendering for government contracts and for their financiers that in certain circumstances the government is willing to pick up the tab if things go wrong.

I understand that to be the intent of the legislation. As such, this power provides an incentive to contractors to secure the contract by bidding either artificially low or bidding beyond their means in the knowledge that once committed to a private contractor for the provision of services the government will be more obliged to pick up the tab if things go wrong. That incentive is made greater by the fact that agreement from both the government and the contractor is required before the government steps in.

I wish to stress that the opposition does not oppose the bill but does not consider that some of the changes necessarily clarify totally the intent of the government or necessarily are going in the right direction. Certainly the legislation highlights appropriate guidelines to ensure that private provision of public infrastructure and contracting
out is put in place so that potential problems down the track can be avoided by taking action now.

I stress that although the opposition does not oppose the legislation it has moved a reasoned amendment and does not endorse any moves in the legislation towards supporting or providing government guarantees for contracting out. The opposition thinks that sends the wrong message.

Given the broadening arm of Treasury activity in Victoria, it is important to look at the scope or potential scope of the legislation. The opposition has expressed concern in this place about some of the processes that have been used by the government in relation, for example, to privatisation. It has expressed concern in relation to Tabcorp and the processes under which the sale of the enterprise was rushed, with only three days being taken for the selection of the manager to oversee the sale, which was announced on Christmas Eve. It has expressed concern that the Treasurer approved the appointment of Mr Ross Wilson, even though he was not interviewed by Egon Zehnder, the firm selected to find the chief executive officer for Tabcorp, and that there was a proposal for an $8 million salary package for Mr Wilson. It has expressed concern that the float was conducted immediately after the opening of the casino, and that there was not a statement of opposition policy in the prospectus, even though that is accepted practice for privatisation in Australia and the United Kingdom.

The Auditor-General’s report of last week suggests that up to $19 million has been paid as the cost of the Tabcorp float, including up to $17 million for consultants. The opposition maintains emphatically that as the result of the sale Victoria is about $700 million worse off than it would have been had the TAB remained in public hands. That is one example of a case in which a public utility has been privatised and issues of process and transparency and the issue of ‘commercial in confidence’ are important considerations in the public debate.

We can look at issues such as the grand prix, about which there are Treasury guarantees towards the cost of the event. The cost will be anything up to $200 million but we do not know exactly what it will be. Although the opposition has tried under freedom of information processes to obtain that information and has gone to the Administrative Appeals Tribunal, it is impossible in this state to find out exactly what the precise commitment is of the government to the grand prix.

We know from some of the numbers in the budget papers that well over $100 million will be spent. We believe there are documents in existence that show that the liability of taxpayers to this event is unlimited. Yet, because of the nature of the government and its propensity to hide behind freedom of information legislation and the Administrative Appeals Tribunal and the use of expressions like commercial in confidence, we will never find out exactly what guarantees have been given by the government to the Melbourne Major Events Company or to Mr Bernie Ecclestone. It could be up to $200 million! Certainly press articles have suggested it could be up to that figure, but we do not know. That is the best estimate that is available.

When the opposition took that matter to the Administrative Appeals Tribunal, the Treasurer’s chief of staff stated in evidence under oath that the Treasury was guaranteeing the cost of the grand prix. As I have already said, the Auditor-General has expressed concern about those matters. The opposition has raised those concerns in Parliament. They have been the subject of recent comments in the press, particularly in the weekend papers. The opposition believes the information has not been provided to the Auditor-General for him to make a proper assessment. That was the crux of the concerns expressed in the Auditor-General’s report.

What is worse is that the Auditor-General himself has not seen any of the contracts. That is why the opposition’s amendment is so important: it will provide that commercial-in-confidence matters and transparency and disclosure matters should be spelt out clearly so that taxpayers know exactly what is going on.

Another example concerns gaming machines at the casino. I raised the matter in question time only a matter of weeks ago. At that time the Treasurer and Premier confirmed that decisions had been taken to set a limit on the number of gaming machines in Victoria to 45,000, to set the limit for each establishment at 105 and to put in place the 100-kilometre limit. The Treasurer confirmed in this place that the decision to set the limit at 45,000 machines was taken without Treasury advice. I believe the public of Victoria is entitled to an explanation about those matters. It is extraordinary that a decision of that type could be taken without Treasury advice. In another speech today I made clear my reasons for my understanding of why that decision was made and the process that was involved. I do not intend to repeat that now.
BORROWING AND INVESTMENT POWERS (PUBLIC TRANSPORT CORPORATION) BILL

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There is a need for greater transparency about hospital funding. The Minister for Health approached the Treasurer, as I understand it, practically begging for $30 million so that hospital beds would not have to be closed. The Treasurer said no. Now we have an ambulance service that is in a state of crisis. We might find later — —

The ACTING SPEAKER (Mr Weideman) — Order! The Leader of the Opposition should come back to the bill. The ambulance service really has nothing to do with borrowing powers. The Leader of the Opposition can make passing reference, and he has been given a fair bit of latitude, but I think he should now come back to the purpose of the bill.

Mr BRUMBY — With respect, I am being very polite in this debate, but — —

The ACTING SPEAKER — Order! With respect, it is not a matter of being polite. You are canvassing a speech you made this morning. My direction to you now is that you should get on with the bill we are debating this afternoon, which has nothing to do with ambulance services in Victoria.

Mr BRUMBY — With respect, this is a bill about contracting out — it makes provision for government guarantees for contracting out. The ambulance service has been involved in the process of contracting out. Hospitals are involved in the process of contracting out, and this legislation is about government guarantees for contracting out. The amendment which I moved before you took your place in the chair, Mr Acting Speaker, is:

this House refuses to read this bill a second time until the government establishes appropriate and transparent guidelines for the contracting out of essential services —

for which we might read 'ambulance services' —

particularly in relation to what should be considered 'commercial in confidence', what degree of transparency and disclosure is required by tenderers or bidders for public sector work and the process by which contracts should be renewed (so as not to unfairly favour the incumbent contract holder).'

There is no doubt whatsoever that this legislation is about contracting out and about providing government guarantees. The legislation also looks at the issue of the private provision of public infrastructure. The reality is that in the case of the ambulance service there has been significant

contracting out. In any government agency or semi-government agency where services are taken over by the private sector there is a risk that the firm taking over those services might fall over; might go broke; might do an Alan Bond or a Christopher Skase. That is the reality in the commercial world. The issue that then arises for governments is what sort of guarantees, if any, they provide either to those companies or to the beneficiaries or clients of those services which the private sector has been providing. In part that is what this legislation is about, so I think it is appropriate to talk about areas, whether we are talking about the cleaning of schools, the provision of ambulance services or about hospital, linen or cleaning services where in effect the government is guaranteeing the contracting out of services: it is a legitimate public debate and entirely relevant and germane to this legislation.

We are trying to have an informed debate, but the reality is that the public of Victoria is entitled to a proper analysis and debate about the extent of privatisation and contracting out which is occurring in this state on a massive scale. The report of the ambulance service, which was tabled yesterday and referred to by the honourable member for Albert Park, showed where services to Victorians have been cut, administrative costs have increased by 15 per cent and where consultancies, in many cases contracting out, have cost more than $1.4 million. These are legitimate matters for public debate in Victoria.

There is also the question of the ports, which involve public infrastructure. There are proposals by the government to privatise the ports. They are presently matters that are being discussed by the Treasurer and the Minister for Roads and Ports and others with port authorities. Any proposals to privatise the ports have been opposed vigorously by a range of business and industry bodies. They have been opposed by the Victorian Employers Chamber of Commerce and Industry, the Australian Chamber of Manufactures, by the Port of Melbourne Authority, by the Victorian — —

Mrs Henderson interjected.

Mr BRUMBY — You are out of your chair again. You ought to learn some manners.

The ACTING SPEAKER — Order! The Leader of the Opposition should address the Chair.
Mr BRUMBY — On a point of order, the honourable member for Geelong continues to interject from out of her place and I ask you to call her to order.

The ACTING SPEAKER — Order! Would the honourable member for Geelong please return to her place and not interject from out of her place. I also say to the Leader of the Opposition that the honourable member did interject but I did not see that as being incessant or continuous. It was in fact two phrases, and I ask him not to be so sensitive and to direct his comments through the Chair and he will get the full protection of the Chair.

Mr BRUMBY — What we have is this ideologically rabid program supported by the honourable member for Geelong to sell off the ports of Victoria. The honourable member for Geelong is one of the strongest advocates of the privatisation of the port of Geelong.

An honourable member interjected.

Mr BRUMBY — That is correct.

The ACTING SPEAKER — Order! I hope the Leader of the Opposition is not inviting interjections.

An honourable member interjected.

The ACTING SPEAKER — If he is canvassing interjections I suggest he does not do that but direct his comments through the Chair. The Leader of the Opposition has just asked for the support and protection of the Chair.

Mr BRUMBY — And I am very grateful for it.

The ACTING SPEAKER — I suggest he now direct his questioning and contribution through the Chair.

Mr BRUMBY — The government, which is driven by rabid ideology, proposes to sell off all of the ports in Victoria. Its proposal to do that has been criticised by a whole range of business and industry bodies: by the Victorian Employers Chamber of Commerce and Industry, by the Australian Chamber of Manufactures, by the Port of Melbourne Authority, by the Victorian Farmers Federation and by major port users in Melbourne, Portland and Geelong. You have got to ask what is driving this government’s privatisation program. The answer is its ideology. We have proposals which will come before the Parliament shortly for the privatisation of Melbourne Water. This has been the craziest plan of them all. It has been criticised by everyone, including consultants appointed by the government, London Economics, who say that the break-up will cost $50 million in lost economies of scale. Yet the government is still driven obsessively for the privatisation of Melbourne Water and what I believe to be the privatisation of water distribution functions by country water authorities.

We do not have to look too far to see what the experience was in Britain with the privatisation of water utilities. The experience was that tariffs went up by 68 per cent from 1989 to 1994, inflation went up by 20 per cent and the real increase to consumers was almost 50 per cent. But the most remarkable aspect of the privatisation program in Britain was that the fat cats, the people on the gravy train, were the beneficiaries. The salaries of the chairmen of the nine boards increased by 300 per cent. North West Water was a classic example: the chairman’s salary went up from £60 000 a year to more than £300 000 a year. We are seeing that already with electricity distribution companies in the state of Victoria. There is a totally arbitrary disaggregation of the electricity industry and it is happening in the following manner: we have five electricity distribution companies with effective monopolies over domestic consumers. We have the split of Victoria’s generators into six separate companies, the establishment of a pooling company to oversee the trading of electricity and system operations, the establishment of a separate grid company responsible for high-voltage electricity transmission, the establishment of the Office of the Regulator-General, which has the general responsibility to oversee the operations of the system, although the internal workings of the wholesale market rest with the company responsible for the pooling and system operations.

Interestingly, government sources have indicated that there will be arbitrary restrictions to prevent reaggregation of distribution and generation companies. Therefore the system being introduced in Victoria should not be regarded simply as one where market forces are allowed to operate to produce the most efficient outcome. However, more correctly, the system imposed is an arbitrary one, nominally based on competition that is being imposed by an ideologically driven government that is using as its crutch notional information and analysis which has never been made public, which seems to fly in the face of simple logic and which has been criticised by bodies that actually do know something about the electricity industry.
This includes the Electricity Supply Association of Australia, Pacific Power, the Business Council of Australia, which has also been critical of the proposals in Victoria, ICL, SEQEB in Queensland and also, ultimately, Generation Victoria itself in its own annual report. It is hard to find a single person who supports the reforms and they certainly will not benefit ordinary Victorians.

It is difficult to critique all of the inherent problems associated with the government’s reforms, but I shall note a few of them. The first is the need to write off debt from the operations of electricity companies to make them more appealing to potential purchasers. This will have the effect of making Victorian electricity prices non-cost reflective and will see Victorian taxpayers subsidising the profits of private and predominantly foreign companies.

Mr BRUMBY — Let me critique the so-called reform proposals of the Treasurer. The second criticism is this: that the sale of Victoria’s assets will leave Victorians worse off because like Tabcorp, the numbers just do not add up. Currently Victoria’s electricity industry services all of its debt and pays hundreds of millions of dollars annually in dividends to the state. We will lose not only our asset but also the income stream that goes with it, which goes into consolidated revenue and is available to be used for schools, education, ambulance services, preschools and whatever.

Mr Stockdale interjected.

Mr BRUMBY — The Treasurer says, ‘That will be news for the SEC’, but the fact is that the budget papers show that there is a contribution in consolidated revenue this year from the SEC; it is a dividend.

Mr Stockdale — It is not their revenue stream, which is what you are talking about. Their revenue stream goes to them.

Mr BRUMBY — The dividends go to consolidated revenue and are used to support schools, other educational facilities, hospitals and so on.

Mr Stockdale — You said the —

Mr BRUMBY — I said the revenue stream which comes to the government.

Mr Stockdale — You said the revenue stream that is coming from the use of the assets.

Mr BRUMBY — Of which a dividend is paid to the government.

The ACTING SPEAKER — Order! I do not think we should pursue this line of activity. I ask the Leader of the Opposition to address his comments through the Chair so as not to raise the temper of the debate.

Mr BRUMBY — The third point is that the government’s privatisation programs of electricity involve the abandonment of demand management and energy conservation programs. We have to ask what will happen to fire mitigation, research and development for alternative energy and efficiency, and for all of the greenhouse obligations, for example, to which national and state governments will be party.
Fourthly, the reforms appear to be made without reference to what is happening elsewhere in Australia, in particular, in New South Wales, and potentially making the disaggregated Victorian generators more vulnerable in a national market. This was recognised explicitly in Generation Victoria’s annual report.

The pooling system operations, which increasingly appear to be inconsistent with those likely to be introduced in the national grid and which do not appear to meet the desires of business consumers who seek fixed long-term contracts for electricity, are also a problem with the government’s arrangements.

The removal of uniform tariffs and the effect this will have on country consumers is another consideration.

The ability of distribution companies to restructure electricity charges within the so-called maximum uniform tariff has to be looked at. Indeed, it is possible for distribution companies to simply charge a one-off supply charge and nothing for consumption. This could have dire demand-management and environmental implications.

There is the issue of the losses of economies of scale associated with disaggregation. Most importantly it is in fact by no means clear that the system will produce lower electricity prices. Much greater reductions are possible without disaggregation, given the huge productivity savings that have already been achieved in the system.

The opposition would welcome a full and comprehensive debate on the government’s privatisation programs in this place. But what we find is that the Parliament is being gagged this week. There will not be the proper opportunity for debate on Friday, or on Friday week. In the last week of the Parliament, when we come back in late November and early December, I understand the Premier, and perhaps even the Treasurer, will not be here.

You have to ask why this government is so locked in to these proposals? If you look at what it is doing with ports, if you look at what is occurring in electricity, and all of the key organisations, including many business organisations that are totally opposed to what the government is doing, you have to ask yourself why the government and why the Treasurer are going down that track.

The fact is that this government, when in opposition, made commitments to certain sections of the business community. It gave them secret commitments, it gave them a secret plan about privatisation. The Australian Financial Review of 12 June 1992 under the heading, ‘Vic coalition’s sell-off unveiled’, details the secret meeting the Treasurer had with a number of people, many of whom I might say have done quite well with government contracts since the election of the government, when the now Treasurer went through a long list of assets he said would be sold. The Australian Financial Review reports:

While the meeting — a selected group of lawyers, consultants, brokers and lobbyists was quite — was ‘vowed to secrecy’, according to one participant, notes of the discussion have been given to the Australian Financial Review. What the Treasurer said was that in government he would sell, of course, the SEC.

The article went on to say that:

Mr Stockdale also targeted the Rural Water Commission, Dairy Industry Authority, Accident Compensation Commission, Gas and Fuel Corporation, Melbourne Water and the Coal Corporation of Victoria to be at least prepared for sale, if not sold, in the coalition’s first term.

At a later stage, probably in its second term, the coalition would aim to sell Film Victoria, the Grain Elevators Board, Tennis Centre, State Trust Corporation and Wholesale Fruit and Vegetable Trust and would partially privatise the Urban Land Authority.

It is not a bad list, is it? This is it what the Australian Financial Review reported under the heading of ‘Vic coalition’s sell-off unveiled’. So that is why the government is locked into it because the now Treasurer, when he was shadow Treasurer, went along to this meeting, gave everybody the inside oil, the running on what the government was going to do, and he is now absolutely committed to it. It does not matter what people say, what consultants say or what anybody else says, the Treasurer will do it because he has told some people who are part of the inner circle, part of the old Victorian Limited Club, the Rumour Tank that he is going — —

The ACTING SPEAKER — Order! Would the honourable member please acknowledge the Chair?

Mr BRUMBY — The second reason is that the Treasurer is ideologically driven. It probably dates back to the time he spent in the United Kingdom.
Many of his reforms, particularly those in the electricity industry, stem from that visit. In the United Kingdom they failed with electricity and they failed with water. They came to Australia because they saw the Treasurer in this state and said, 'Give us a second chance. We mucked it up the first time but we know we are right'. The Treasurer is accommodating. The Treasurer will not agree with that; he hates his integrity being impugned. The reality is that these people failed in their previous attempts at micro-economic reform and they are out here wanting a second go. And this government is giving them a chance.

The third reason is that the government owes a few favours. We are seeing a lot of people being given favours through this privatisation program. For example, the Treasurer might like to explain to the house later on exactly how much the new electricity board members are being paid. We have a pretty good idea what they and the chairmen are being paid. Most of them would not know a single thing about the electricity industry. Some of the people who have been appointed to the boards would not know the first thing about how to turn on a power point. Frankly, a lot of them are not too smart about running their own businesses. However, they have been put on these boards and it is a nice little earner from the state government. Large numbers of them are members of the Liberal Party. No doubt the Treasurer will jump up later on and impugn my integrity, saying, 'That's not true'. But we will have a debate on that another day.

The ACTING SPEAKER — Order! The Leader of the Opposition should direct his debate through the Chair.

Mr BRUMBY — I am doing that, Mr Acting Speaker. I am going strictly through the Chair because that is what you told me to do, and I would not dare disobey your instructions. The fact is that these people are being put on to boards. I understand there are about 40 new board members. If they were being paid $30 000 a year and the chairmen were being paid $50 000 or $60 000 a year, that would amount to $1.5 million or $2 million a year. However, the Treasurer might tell the house exactly what these people are being paid. They did not go through any process of selection based on merit. They were picked out. This is the gravy train. This is the government looking after its mates. We will have a debate about that another day.

It is worth noting that regardless of whether you are positions with the distribution companies or with the electricity boards, the taxpayers of Victoria will pay. There are numerous stories around about people who were being paid $60 000 or $70 000 a year under the old structures now clearing up to $350 000 or $400 000 a year under the new structures. You have to ask, 'What are they doing differently?' The answer is nothing. Are they working any harder? No. Are they better qualified? No. It is the gravy train. It is a case of getting what you can from a government that is slack about standards of propriety. Although we will have a debate about that, at the end of the day it is the consumers of Victoria who will pay, just as they paid in the United Kingdom when electricity tariffs went up by 40 per cent. The real — not the nominal — increase in water tariffs was nearly 50 per cent in five years. The consumers were ripped off.

I want to make a point so that we are absolutely clear about it. This side of the house strongly supports competition. We want to see competition that gives taxpayers a fair go. But we will not support this sort of gravy-train arrangement. We will not support this arrangement where people clean up, where people at the big end of town get their bit out of the system while the ordinary consumers pay. That is why later this week we will have a debate on estate agents. We are opposing deregulation because ordinary Victorians will pay the price. We support competition strongly, but only where consumers benefit. We will not support competition — as is the case with this legislation — that results in a rotten deal for consumers.

Let me return to the fundamental question of transparency. The opposition is particularly concerned that appropriate and transparent guidelines for private investment in public infrastructure and contracting out have not yet been established, particularly in relation to which matters should be considered commercial in confidence. That is an extremely important issue for Victorians, and it goes to the issue of the management of this state.

The second issue is the degree of transparency required of tenderers or bidders for public sector work. Again that is a fundamental issue for Victorians. Thirdly, we are talking about the process by which contracts should be renewed so as not to unfairly favour the incumbent contract holder.

The reasoned amendment is important. The opposition says the bill should be withdrawn and
redrafted. The opposition refuses to agree to reading this bill a second time until that occurs. This is a big issue for governments. I am sure members of this house will have seen just a few weeks ago the press reports of the Auditor-General in New South Wales about the building of the harbour tunnel. It involved the private provision of public infrastructure. The Auditor-General reported that a project that should have cost around $700 million over time ended up costing consumers — including taxpayers’ subsidies — around $4 billion. There is a significant difference between $700 million and $4 billion. It does not say the private provision of public infrastructure is improper or inappropriate. What it does say is that there must be proper, open and transparent guidelines. There must be clear rules and there must be openness about the use of the expression ‘commercial in confidence’ to hide material information from the public and from the taxpayers. That is what the New South Wales Auditor-General said.

We would not want to see that happen with Victorian projects, regardless of whether we are talking about the way the Domain tunnel or the Western bypass might be constructed. We share the government’s enthusiasm for those projects. They were on top of the list of the previous government. They have been on top of the list of this government. We want to see those projects go ahead. The reality is that they will go ahead with a combination of private sector investment, user contributions and taxpayer subsidy. That is how the projects will be funded.

There is an obligation on the government to make sure that all the information on financing arrangements are made public so that the members of this Parliament and the taxpayers of Victoria can properly assess the real costs of the private provision of public infrastructure and the real costs of contracting out. I repeat: have a look at the New South Wales Auditor-General’s report where over time a $700 million project will cost $4 billion. His report was highly critical of those arrangements. If major projects of that type go ahead, the opposition will want to ensure that Victoria has greater degrees of transparency, and that is why it moved the reasoned amendment.

In conclusion, although the opposition does not oppose this legislation it strongly supports the reasoned amendment. The public interest would be served by the government going back, consulting widely and establishing appropriate and transparent guidelines for the contracting out of essential services, particularly in relation to what could be considered matters that are commercial in confidence.

Mr BATCHELOR (Thomastown) — I strongly support the reasoned amendment moved by the Leader of the Opposition. This bill brings the Public Transport Corporation within the ambit of the Borrowing and Investment Powers Act. It provides the corporation with borrowing and investment powers which are more appropriate to its changing and corporatised status and which are more appropriate to its position as a non-budget sector business.

From the government’s point of view it is a logical extension of its program. If the government is going to embark on the restructuring of the PTC, it is essential that it have access to the borrowing powers contained within the Borrowing and Investment Powers Act. Those powers will be similar to those of other business enterprises. As I said, it is a logical extension of the way the government is carrying out its reform of the PTC.

Reform is long overdue. Although we do not agree with the full scope and exact nature of the reform program we understand the logic of bringing the PTC within the ambit of the borrowing and investment powers legislation. This bill broadens the scope of the act to facilitate the private provision of public infrastructure or contracting out. It concerns me as the shadow minister for transport and the opposition generally that huge slabs of government work are being transferred from the public to the private sectors. This transfer can be achieved through privatisation, outsourcing, contracting out or even privately funded new public infrastructure. A whole range of initiatives and government actions is being undertaken to provide this work to the private sector. It is part of the ideological platform upon which this government was elected.

While there are provisions for transparency, accountability and information in some areas, in others there are no such provisions, and they are causing the opposition extreme concern. The issue of the new infrastructure investment policy is dealt with in the 1993-94 Finance Statement and Report of the Auditor-General. The Auditor-General canvasses the appropriate guidelines that accompany the phenomenon of the private sector providing public infrastructure investment and outlines the guidelines of both the previous government and this government.
BORROWING AND INVESTMENT POWERS (PUBLIC TRANSPORT CORPORATION) BILL

Paragraph 7.76 on page 96 of the report deals with the new guidelines for the provision of infrastructure in respect of arrangements with the private sector, which create a requirement that:

Formal confidentiality agreements relating to commercially sensitive information will be considered when requested by a private sector proponent, but any agreements will have regard to the responsibilities of the Auditor-General, the Freedom of Information Act and Parliament's right to be informed of financial commitments entered into by the government.

Consideration has been given to the areas that are of concern to the opposition in the current debate and the government's written commitment to provide exactly that information. Unfortunately that government commitment, which details some acknowledgment of FOI, a requirement that the Parliament be fully informed, the responsibilities of the Auditor-General and the general principles of transparency and accountability, seems to be limited simply to the provision of privately funded public infrastructure. It is important to understand that. If we are not allowed to know what is going on, it is inevitable that a whole range of financial disasters will follow. Honourable members must understand our concerns about the bill.

Clause 3 extends the capacity of the government to provide guarantees beyond the debt of the government business enterprise itself where, under these provisions, the government will be providing guarantees for private contractors. That is a massive change in of the emphasis on the borrowing and investment powers legislation and greatly concerns the opposition.

In its method of contracting out and privatisation the government has tried to prescribe the powers of the Auditor-General, hide information from the Parliament and use the FOI legislation to prevent members of the public and Parliament from finding out what they have a right to know.

The way it has operated is a disgrace. I have tried to find out the details of the contracting out of metropolitan bus services to the National Bus Company, but the government has taken extraordinary steps to keep the information absolutely secret. At every turn it has resisted my attempts to obtain the most basic information, and that resistance is continuing. For example, the Department of Transport has engaged QCs, barristers and solicitors to prevent the public from knowing the details of the contracting-out arrangements.

Those are the reasons for our concern, which is expressed through the reasoned amendment. The National Bus Company contract will be worth around $130 million, but the government does not want to tell us the conditions of the contract and exactly how much it is. It would be interesting to know whether the contract that was signed with the National Bus Company some time ago contains one of the specific clauses that allows for the extension of government guarantees to private contractors as set out in the bill. We have asked to see the contract, but they will not show it to us or even give us a version that does not contain the commercial-in-confidence matters.

The bill extends the power of the government to give guarantees to contractors involved in outsourcing operations. We know that when the National Bus Company contract scandal was receiving media attention its financial backers were having second thoughts. We want to know whether this provision for special clauses, as provided in the amendment, is designed to provide comfort for the financial backers of the National Bus Company after it was successful in winning the contract for metropolitan bus services.

Of course, the bill provides step-in provisions where contractors fall over or where private companies are no longer able to provide the services they have contracted for. We need a provision such as this in the legislation. If the government is to allow essential services to be provided by private contractors, it needs legislation that allows it to rescue private contractors who either fall over or who are unable to deliver the services provided in their contract.

In the public transport area the contracting out of the ticket collection system is of particular interest. Automatic fare collection systems within the Public Transport Corporation will create a massive transfer of functions to the private sector. The opposition knows that the OneLink consortium has entered into a 10-year contract with the government to provide an automatic fare collection system. It is a long period, and one would expect that the public and Parliament would have the right to know what it is costing, but that will not happen.

I again refer the house to the 1993-94 Finance Statement and Report of the Auditor-General, in which the Auditor-General comments on the liabilities and
commitments of the government. Page 114 of the report, which deals with the automatic ticketing system, estimates that the 10-year agreement with the Onelink consortium to supply, install, test, commission, maintain and manage the automatic fare collection system will cost in the order of $300 million. It does not give a specific amount. That is a strange and extremely imprecise recording of the amount of the contract. Why is that so? The fact that it is so imprecise stems from a request by the consortium to keep secret the details of the contract. The consortium signed a contract for $337 million, but it is seeking to keep that information secret. The margin is approximately 10 per cent. I am unsure why the Auditor-General saw fit to agree to the request from the consortium to keep the amount of the contract secret from the public and Parliament. It does not augur well for the future contracting out of a range of government services if Parliament is not being told the true figure.

Why has the government allowed the cost to be rounded off at $300 million when the true cost is some 10 per cent higher? The contract has provision for alterations, which is sensible, because it is a new system and changes may be required in specifications that may be the subject of negotiations and cost increases. I expect the real cost of the contract will be much closer to $400 million at the end of the 10-year period. It is ludicrous to argue, as Onelink does, that it has to keep that figure secret because otherwise it would disadvantage the consortium during the 10-year period of the contract. In 10 years time everyone will know the exact amount of the contract, but the facts are being kept secret from the public, Parliament and the Auditor-General at the outset when there is considerable controversy.

There are many other aspects of the contracting-out arrangements where these issues may arise. We need to be assured that the phrase ‘commercial in confidence’ is not going to be used time and again to deny Parliament access to the information.

The opposition has applied to the Administrative Appeals Tribunal to gain access to information under the Freedom of Information Act. The government has an inconsistent approach. On the one hand a minister has provided information, but on the other hand the department says it cannot provide the same information because it is commercial in confidence and the sky would fall in if it were ever revealed.

The Auditor-General has provided information which the Department of Transport has said should not be provided under any circumstances. It is clear that the government is in confusion on this issue.

Sitting suspended 6.30 p.m. until 8.04 p.m.

Mr BATCHelor — Prior to the suspension of the sitting I was raising the opposition’s argument for the absolute need for transparency, accountability and honesty in this process of contracting out, which in some areas has been provided, which in others quite sadly has not and which, from what the opposition understands, will not be provided. That is clearly completely unsatisfactory. If that is the way things proceed, the process will not get the support of the opposition and will be a source of continuing conflict.

We have had considerable experience of this process of contracting out and outsourcing since the government has been in power and, as a consequence, of how it seeks to keep things from the public, from the Auditor-General and from the Parliament. It is interesting to contrast how the Auditor-General deals with these issues with how the Department of Transport deals with them — that is, with the provision of important, detailed information to the Parliament.

I draw the attention of honourable members to the annual report of the Office of the Auditor-General, which was recently tabled in this house and in which it is acknowledged that for special reasons and the requirements of auditing a whole range of different and widespread government agencies it needs to contract out tasks to a number of private providers.

At page 46 of the annual report the office identifies in a very transparent and clear way the firms to which it has outsourced those functions. It shows that for the period 1993-94 the Office of the Auditor-General outsourced in excess of $3 million worth of auditing work. Not only does the office detail the aggregated amounts of those contracted-out services, but the Auditor-General specifically identifies by name the firms that were successful in obtaining work in that contracting-out process. As honourable members would expect, it is not surprising that most of the firms listed are the major accounting firms in Melbourne. It also lists the exact amounts that those firms received for doing that work. It is all detailed in a very clear and transparent form.
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That can be contrasted with the experience the opposition has had with the contracting out of government services where, at every turn, the government has sought to keep secret exactly that same sort of information. The government has sought to keep that sort of information away from the eyes of public and away from the eyes of this Parliament. It is for those reasons that the opposition moved its reasoned amendment.

In some areas information is grudgingly made available and transparency is considered to be an obligation of the government. As I pointed out, that is true in the private funding of public infrastructure area, but when you get into the contracting-out area it is a feature that the government fights at every turn. If you ask for something under freedom of information processes the government denies it and wheels in the QCs and their advisers to prevent you discovering information that even the minister is prepared to come into the house and reveal.

There are clearly great areas of internal contradiction as to what the government believes should be made available. On the other hand, there is a huge gap between what is a reasonable expectation on behalf of the opposition and what is a reasonable expectation on behalf of the government. Earlier we mentioned the clear example in the public transport area concerning the automatic fare collection system. The opposition knows that the nominal cost of the contract provided to the Onelink consortium was $337 million, but all the government wants to reveal is that the nominal cost is in the order of $300 million.

It is a difference of some $37 million, a discrepancy or variation of more than 10 per cent. It is this sort of discrepancy, this margin of error, that the government seeks to institutionalise and incorporate in its accounts. If that is where the government is going, it is absolutely unacceptable to the opposition and to the public. I believe that when the Auditor-General has had time to sufficiently examine this, even the Auditor-General's office will acknowledge that it is unacceptable and that the real information should be made available.

What is wrong with Parliament knowing the cost of these contracts? What is wrong with the Auditor-General being able to provide the information? What is wrong with the public being taken into the government's confidence? We see at every turn that that exact information is sought to be withheld from the eyes of the public.

The other piece of information we want from the government is which of the contracted-out arrangements, those outsourced arrangements and privatised arrangements that have already taken place, have the sort of provision that is envisaged should be contained in the bill that is before Parliament tonight, because we understand that some of the contracts already include those types of provisions or similar provisions. By de facto operation the government has provided guarantees to the financial backers of the contracting-out operations that have already been undertaken. They have already provided guarantees beyond what is currently provided in the legislation.

One of the things we want to know and want the government to make abundantly clear is which of these already entered into contracted-out, outsourced and privatised provisions this sort of contractual arrangement falls into. If the government will not identify them and tell us tonight, we can only draw the obvious conclusion that the government has something to hide.

Mr I. W. SMITH (Minister for Finance) — I would like to draw the attention of the house to some of the many remarks made by the Leader of the Opposition which were simply not correct. One in particular that the house ought to be aware of was his claim that the Auditor-General had expressed concern about the private development of public infrastructure policy. That simply is not true because in paragraph 7.76 of his report the Auditor-General said:

The implementation of this policy should provide a sound basis for the development of future partnerships between the government and the private sector for the provision of public infrastructure.

The Auditor-General specifically commended the policy provision in relation to confidentiality agreements being subject to the Auditor-General’s authority. That is absolutely and utterly the reverse of what the Leader of the Opposition would have us believe. We have just heard a contribution from the honourable member for Thomastown, that well-known reliable printer, in which he had the hide to advocate a course of action which his government did not follow at all. Where was he while his government persisted with some of the most discredited contracts, particularly in relation to the personal staff of ministers? They wrote their own contracts — some of them did not even sign their own contracts or have them signed by a proper officer — and when it came to paying them out in
many cases there were some years of the contracts to run. Most of them were three to five-year fixed-term contracts, unlike the contracts that this government insists on. How can the honourable member for Thomastown come in here and insist on standards that his own government did not apply? It is so hypocritical to do that.

With those remarks I commend the Treasurer on the introduction of this bill, and I look forward to its passage through the house.

House divided on omission (members in favour vote no):

Ayes, 41
Ashley, Mr  Maughan, Mr
Bidstien, Mr  Naphine, Dr
Brown, Mr  Paterson, Mr
Cooper, Mr  Perrin, Mr
Davis, Mr  Peulich, Mrs
Dean, Dr  Phillips, Mr
Doyle, Mr  Plowman, Mr A.F. (Teller)
Elder, Mr  Reynolds, Mr
Elliott, Mrs  Richardson, Mr
Finn, Mr (Teller)  Rowe, Mr
Hayward, Mr  Ryan, Mr
Heffeman, Mr  Smith, Mr I.W.
Henderson, Mrs  Spry, Mr
Hyams, Mr  Steggall, Mr
Jasper, Mr  Tehan, Mrs
Jenkins, Mr  Thompson, Mr
Kilgour, Mr  Traynor, Mr
Lupton, Mr  Treasure, Mr
McArthur, Mr  Weideman, Mr
McGill, Mrs  Wells, Mr
McLellan, Mr

Noes, 25
Andrianopoulos, Mr  Leighton, Mr
Baker, Mr  Loney, Mr
Batchelor, Mr  Marple, Ms
Bracks, Mr (Teller)  Micallef, Mr
Brumby, Mr  Mildenhall, Mr
Carl, Mr (Teller)  Pandazopoulos, Mr
Coghill, Dr  Sandon, Mr
Cole, Mr  Seitz, Mr
Cunningham, Mr  Sercombe, Mr
Dollie, Mr  Thomson, Mr
Garbutt, Ms  Thwaites, Mr
Haeremeyer, Mr  Wilson, Mrs
Hamilton, Mr

Amendment negatived.

Motion agreed to.
HEALTH SERVICES (AMENDMENT) BILL

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It is worth noting that although the commonwealth government provides the funding for nursing homes and hostels this legislation has been introduced without any prior consultation with the federal Minister for Health. The implications for the commonwealth could not possibly have been overlooked when the bill was being drafted.

Under the existing arrangements the commonwealth approves the establishment of nursing homes and hostels in all states and provides the funding, but state governments have carried out the functions of regulation and registration. If this bill is passed by both houses of this Parliament it will have the effect of transferring all the responsibilities that the state had previously assumed to the federal government.

The bill is saying that the state government of Victoria no longer wishes to be involved in any way with the administration of commonwealth-funded private nursing homes or hostels, and that the state is not interested in ensuring that standards in these establishments are kept at a high level.

The government, however, is interested in deregulation to ensure that the owners and operators of nursing homes who are running them purely for profit in some cases will have the ability to run them more cheaply. If this bill is passed, the frail and elderly people living in hostels and nursing homes will be left without a safety net. This should not happen in any civilised society. We have heard it said on many occasions that a good society can be measured by the way it cares for its very young and its very old. If this bill is passed Victoria will not deserve even a pass mark.

Good government is about striking a balance between the rights of individuals to live their lives free from unnecessary constraints of government and bureaucracy and the right of each individual to the protection of their dignity and lifestyle. This bill, which is so eager to promote the rights of free enterprise, is ignoring the rights of the frail and elderly and leaving them at risk of exploitation and diminishing standards of care.

Most members on this side of the house would agree that in some areas of government administration there is too much bureaucratic intervention in our lives, but we believe there are still people in our community today that need the protection of all levels of government because they are extremely vulnerable. These people are the mentally ill, the intellectually disabled, as well as the frail aged. As I indicated, this bill was introduced without any prior consultation or arrangement with the federal government. Not only is this a very discourteous way to treat another level of government it certainly does not augur well for any future negotiations the minister may want to have with the commonwealth.

When the federal Minister for Health, Dr Carmen Lawrence, was advised about the introduction of this bill she expressed her deep concern in an article in the Age of 31 October this year. She said:

Victoria had risked the health of elderly nursing home residents by trying to change key safeguards controlling nursing homes. She said that deregulation of the industry would mean nurses no longer had to be employed to care for the elderly, and nursing home operators would not be required to register with the state authority.

Mrs Tehan interjected.

Mrs WILSON — It would have been nice to have consulted her, Minister. Dr Lawrence went on to say:

It was the state's responsibility to oversee medical standards, nursing registrations, medicines and poisons, and to ensure building codes were met.

Mrs Tehan interjected.

Mrs WILSON — It would have been nice if you had met with her and advised her. Dr Lawrence said that the new proposals meant that the state was abdicating its responsibilities. I understand the senior members of Dr Lawrence's staff have met with the Minister for Aged Care in another place but unfortunately little progress has been made as a result of that meeting.

I again emphasise that this matter is so serious that any decent, caring government should have negotiated these changes with its federal counterparts before introducing a bill that makes deregulation more or less a fait accompli. By these changes Victoria will be the only state without regulatory responsibility for aged-care establishments. All other states have legislation in place which allows them to work in partnership with the commonwealth government.

When the Minister for Aged Care in another place was asked by the Age newspaper to comment on the proposed changes he defended the new proposals. In an article in the Age of 31 October this year the Minister for Aged Care said the changes would stop the doubling up of nursing home registration costs.
He also said the industry would remain tightly controlled.

The opposition does not share the minister's optimism about these changes. The federal Minister for Health does not share the minister's views, nor does the Australian Nursing Federation, the Australian Pensioners and Superannuants Federation, the Council on The Aging (Australia), or the Victorian branch of the Combined Pensioners Association. Those groups have spoken out against the changes and I will read some of the press releases and letters we have received.

Recently the Victorian branch of the Australian Nursing Federation wrote to all its members in nursing homes advising them that the amendments remove all regulations pertaining to nursing homes and hostels on the basis that the commonwealth regulations for the nursing home industry provide sufficient and effective regulation.

That is not the case. The removal of the state regulations will have a significant negative impact on the provision of care for residents in nursing homes and hostels. The following will no longer be required: a director of nursing position; registered nurses to care for residents; and nursing home registration by the state. Therefore they will no longer be required to provide a safe environment for residents and staff. The letter continues:

"Your nursing home/hostel may be forced into a position of providing both an unsafe level of care for your residents and an unsafe environment for both your residents and staff. The jobs of nursing staff, including the Director of Nursing position, will also be jeopardised.

A media release from the Australian Pensioners and Superannuants Federation states:

"We demand that the Victorian state government withdraws its legislation immediately," said Edith Morgan, Vice-President of the Australian Pensioners and Superannuants Federation (AP&SF) today.

"The state government is effectively washing its hands of its responsibility to the frailest and most vulnerable in the community in Victoria. Anyone would be able to set up a so-called "nursing home" or "hostel", but no-one would have the responsibility to ensure they provide decent conditions and care".

The Acting Executive Director of the Council on the Ageing (COTA) says in a letter dated 9 November:

COTA is deeply concerned at amendments to Health Services Act proceeding prior to negotiation with the commonwealth government to ensure quality of services for older people. COTA believes that Victoria should maintain the capacity to act in relation to nursing homes and hostels to maintain a safety net for older people. COTA notes that other states, for example, New South Wales, have significant powers which are supported by consumer groups.

The Combined Pensioners and Superannuants Association of Victoria Inc. says in the note I have here:

We the Combined Pensioners and Superannuants Association Inc. condemn the Kennett government's Health Services (Amendment) Bill 1994. It will endanger the care of older persons in nursing homes as many safeguards will be removed.

The Minister for Aged Care seems to be confident that nursing homes and hostels will remain tightly controlled. In fact, the legislation takes us back 10 years to the mid-1980s when there were regular reports of the exploitation of older people living in unsafe accommodation — accommodation without fire escapes or firefighting equipment — and with inadequate standards of care, food and attention to the hygiene and health requirements of the residents. Even in the 1990s a number of articles have suggested that nursing homes and the standards of care people have been receiving have not been what they should be.

I am not suggesting that these things happen in all or even a majority of nursing homes because there are many excellent private nursing homes. There are many excellent nursing homes run by the Uniting, Anglican and Catholic churches and by our migrant organisations, which take a real pride in what they do and have worked hard to support nursing homes for their elderly.

I think we will find that some owners or operators who are in the aged care field purely for profit will manage to manipulate the system and cut corners. It is reprehensible that the second-reading speech indicates that one of the main aims of the legislation is to reduce costs to business. By deregulating nursing homes and hostels the government is presenting a wonderful opportunity to unscrupulous operators to make a fast buck at the expense of the standards of care provided to residents.

Mrs Henderson interjected.
Mrs WILSON — I suggest the honourable member look at some of the hospitals that have been closed in country Victoria.

Mrs Tehan interjected.

Mrs WILSON — I will ignore the minister. Without the state government’s involvement in the supervision of medical standards there is no doubt that much of the superb care provided by registered nurses and state enrolled nurses will disappear as their numbers decrease. Some homes could become little more than places of custodial care. Anybody who regularly visits a nursing home would know that because of the great dependency of the residents a higher level of nursing care is often required. Most of the people who are approved for nursing home care are, sadly, in the last few years of their lives and are there because they are far too frail to live at home. Some of them have dementia as well as physical frailties. I have been told that the average stay in a nursing home is just over 12 months, which gives an indication of the dependency level of the people concerned.

I stress that I am talking about the average length of stay because, obviously, some people live in these establishments for many years. I regularly visit my mother in a nursing home and the woman in the next room is 106. She has lived there for more than 20 years and although she is still mentally alert she is very frail. I am sure honourable members would agree that the care of the elderly in any situation requires special skills and training because such people need not only expertise but also care from people who will treat them with dignity, compassion and patience. Most nursing home residents need assistance with showering, toilet, feeding and dressing and the training of state enrolled nurses equips them well for their role in the more personal care of the elderly.

I am concerned that owners of nursing homes will be allowed to determine the mix of staff they employ and will not be bound by the ratio of registered nurses and state enrolled nurses to residents that applies under the present regulations. In this regard I repeat the comments and concerns of the Secretary of the Australian Nursing Federation when she advised her members that nursing homes and hostels would no longer require a director of nursing or registered nurses to care for residents. Ms Moriesen said she believed it would lead to an unsafe level of care and an unsafe environment for both the residents and the staff. We could very well see the future situation of only one registered nurse with, perhaps, a state enrolled nurse administering a nursing home of between 30 and 40 residents with help from nurse assistants and personal care attendants.

While I believe that all four categories of nursing staff have roles to play in caring for the residents of nursing homes there must be an appropriate ratio of trained staff to residents. If the number of fully trained staff in nursing homes is relaxed it will have the potential in extreme cases to incur legal action by relatives who do not believe their family member has received appropriate care. Honourable members would be aware of the residential rights statement which applies to all nursing home and hostel residents and which is given to either the resident or a relative of the resident on admittance to the establishment. Those rights include: high-quality care; choice; nutrition; shelter; the right to dignity and privacy; the recognition of the rights of citizens and all that that entails; the right to manage their own finances where possible; and the right to freedom of speech in respect of matters related to the provision of their health care.

Honourable members would be aware that the Health Services Act, which was introduced in 1988, was in response to the reports of many sad situations involving elderly, frail residents of nursing homes, hostels and other supported accommodation establishments.

The legislation was introduced after a thorough investigation by two ministerial committees, two task forces and several reports from the all-party Social Development Committee. At that time there was a real and genuine concern in the community about the operation of a number of nursing homes. The legislation was introduced by the former Labor government with the intention of updating the act so far as it applied to health care agencies and because it believed it could play a major role in ensuring that good quality care was available to the frail elderly who required nursing home admission. When the then Minister for Health, the Honourable David White in another place, made his second-reading speech he said:

The underlying theme of the legislation is accountability to government. In turn the responsibility of government will be to ensure quality, equity and efficiency in the delivery of health services ... A principal focus of the bill is the strengthening of the capacity of the government to curb abuses of older and disabled people living in nursing homes, hostels and
supported residential services or special accommodation houses.

The Hansard report of that debate is interesting. It was a substantial debate in both houses of Parliament and there was a lengthy committee stage in both houses where the bill was scrutinised meticulously. At no stage did any member of the opposition suggest amendments should be made to part 4 of the bill. Most of the contributions from the Liberal and National party members at that time focused on keeping employees off hospital boards. The opposition parties were not interested in deregulation of nursing homes or hostels.

The part 4 provision of the act was passed unanimously and applied to nursing homes and hostels, as well as supported accommodation houses. Part 4 of the act contains the provision that regulated health service establishments, which according to the definition contained within section 3 of the act, includes hostels and nursing homes. These provisions provide for the regulation of applications for approval for land use and premises and the revocation of such approvals; the design of premises proposed to be used as a health service establishment; the registration of the premises according to prescribed criteria and the renewal of such registration; the censure of a proprietor and the suspension of admissions to a hostel, nursing home or supported residential service by the minister in extraordinary circumstances; the appointment of an administrator in extraordinary circumstances; the preparation of residential statements by proprietors, in consultation with residents, outlining the nature of the health services to be provided; the protection of sick residents; the maintenance of appropriate records; and the prescription of offences in relation to the contravention of the conditions of registration.

These provisions are very important for older people who in many cases are powerless to control their own destiny or lives. As I mentioned before, the state's role has been that of an extra safety net and the combination of the federal and state governments working together in the interests of this group has proved very successful.

However, the opposition is not surprised to learn there has been strong support for deregulation from groups representing the proprietors of nursing homes. As is always the case, when balancing costs against quality, cost almost always wins. Given the number of options, proprietors will opt for the one that returns the highest profit margin. It is imperative that nursing home proprietors are not allowed to run down the standards of care in the establishments for which they are responsible. They certainly should not be allowed to get rid of a majority of their trained staff.

The minimum nurse-to-resident ratio for day and night shifts and the mix of nursing and staffing qualifications and skills that are currently included in the Victorian staffing regulations were prescribed because the residents of nursing homes require skilled nursing as well as personal care.

As a result of the establishment of regional geriatric assessment teams only the most frail and dependent residents are being admitted to nursing homes. In fact, the commonwealth government CAM/SAM funding arrangements for nursing homes require that to receive the maximum funding the dependency levels of residents have to be high. Those in the category of resident classification four and five have difficulty gaining admission to nursing homes because of the lower funding involved and these people are more likely to be admitted to hostels in the first instance.

It is not easy to get into a nursing home. In fact, it is quite difficult. I have had recent personal experience of trying to find a nursing home bed for my mother who at 89 years requires constant care and attention. I assure the house that of all the nursing homes I visited over the past few years only people with the highest levels of dependency and need were admitted.

Because of the government's lack of courtesy or concern in failing to discuss this matter with the commonwealth government, the commonwealth will be forced to move quickly to offer protection to these elderly residents, because it is unthinkable that they could be left without adequate protection or that their standards of care in any establishment could be allowed to diminish.

I return again to the funding being provided by the commonwealth government. Those members who have an interest in these matters would know the funding for nursing homes comes in two categories. The care aggregated module (CAM) of the funding has to be expended on the provision of direct care to the residents and is based on their classifications. The standard aggregated module (SAM) component of the funding provides for other duties such as laundry, cooking and cleaning. If owners or operators of nursing homes are allowed to reduce the numbers of trained and skilled staff and employ
unskilled staff, it will be possible to fudge the costs; it will be possible to transfer money from the CAM category to the SAM category. For example, by hiring large numbers of untrained staff an owner will be able to ask unskilled workers to undertake duties in the kitchen, the laundry or in general cleaning. This work will be paid for by the commonwealth under the CAM category of the nursing home budget, whereas it should come from the SAM category. The money saved under the SAM component of the funding is money in the pocket of the owner or operator.

By deregulating nursing homes and hostels, the government is presenting a wonderful opportunity to unscrupulous operators to make a fast buck at the expense of the standards of care of residents. Since it came to office in 1992 the Kennett government has been dumping its responsibility for residential aged care onto the commonwealth government — and in doing so it has saved many millions of dollars.

During that time the commonwealth has taken total responsibility for the funding of state geriatric nursing homes. Of course, even those establishments are in the process of being sold to the private sector. I must say I wonder whether the private sector will be willing to assume responsibility for some of the more serious and less manageable long-term cases that have previously been cared for in state geriatric centres. I should think some of the psychogeriatric cases would be hard to sell to the private sector!

I shall briefly mention some of the other implications of the bill. It removes the access of nursing home and hostel residents to the state health complaints mechanisms. I realise the government does not like complaints and does not like criticism in any shape or form. But from time to time people are faced with situations where they just have to complain because of inappropriate situations or because injustices have occurred. They certainly need to be able to seek redress, and they need to be able to complain to an appropriate organisation that has the power to investigate and seek solutions.

In Victoria the Health Services Commissioner and the Office of the Public Advocate do an absolutely excellent job. Despite the unwillingness of the government to make a permanent appointment to replace Ben Bodna and despite the huge decrease in staff, the Office of the Public Advocate still tries valiantly to protect the rights of the elderly and the disabled. The Health Services Commissioner, too, has a good record in investigating the serious matters referred to that office.

It is a travesty of justice that the frail elderly in nursing homes and hostels should be denied access to these two complaints bodies. I ask the minister to consider having the matter addressed while the bill is between houses. I am not convinced that the appeals mechanisms that enable residents to lodge complaints and seek the redress of legitimate grievances will remain as comprehensive as they are under the current act. Some of those responsibilities will presumably be assumed by the commonwealth; and other matters will no longer form the bases of complaints simply because no regulations or standards will have been breached. Some of these areas may be overcome by future commonwealth action but some matters will remain the responsibility of the state. However, the state complaints mechanism will, of course, no longer apply. That will lead to protracted disputes and will certainly cause a great deal of anxiety and stress for frail elderly people and their relatives.

At the same time the opposition is not satisfied that adequate provisions exist to protect the privacy of residents. I understand that Dr Lawrence has already contacted the Minister for Aged Care in relation to this matter. Provisions in the commonwealth Health Act and, possibly, the Privacy Act may not cover these matters as comprehensively as the current arrangements do.

As to the appointment of administrators in extreme cases, the opposition is concerned that the commonwealth, despite having the best intentions in the world, may be unable to assume many of the responsibilities and powers previously vested in the minister under Victorian legislation. Again I understand that the federal minister has informed the Minister for Aged Care that the commonwealth cannot exercise the powers of the state in relation to the appointment of administrators.

This power of last resort is an important safeguard for the frail aged and would apply should their nursing homes or hostels fall into financial trouble. The government's priority must be the protection of the standards of care afforded to the frail aged, but there is no doubt that the bill compromises the status of that priority by removing a very important safeguard.

The bill also removes the power of the state government to prosecute organisations that advertise themselves as nursing homes or hostels, whether or not the establishments in question actually offer those types of services. That means that any boarding house, special accommodation
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house, private hotel or similar-type residence can advertise itself as a nursing home or hostel. As the need for aged care increases — and of course we know it will increase because people are living longer — and given that most people requiring nursing home care are generally in the 80-and-over group, the door is being opened to enable various establishments to falsely advertise their businesses. I realise that the lack of commonwealth funding will be a deterrent; but if people are desperate enough they may seek private accommodation, accommodation that they are willing to pay for. Of course, that will occur only if government funded places are not available.

I also express concern at the removal of the powers of the state to direct nursing homes and hostels to provide residents with appropriate health care. The Australian Nursing Federation cites a number of recently reported cases where nursing home proprietors have been very slow to seek additional specialist care for their residents. Just because people are old and frail and possibly at the end of their lives it does not mean they should be precluded from receiving the same standard of health care that is available to other sections of the community. These residents should have regular medical attention; and in more serious circumstances they should be referred to a specialist.

Some public hospitals are reluctant to admit elderly nursing home patients. Proprietors of nursing homes have told the opposition that beds are often not available and that the only way to gain admittance is through the emergency section of the hospital. A few months ago I attended a conference sponsored by the Mount Eliza Geriatric Centre. At that conference it was reported that one nursing home proprietor had taken a very sick elderly resident to the local Frankston hospital and that that resident had to wait 24 hours in the emergency section. The proprietor had to leave her on her own after spending several hours with her in the hospital waiting room. During all that time she was offered a couple of sandwiches and a cup of tea!

Acute care for the elderly residents of nursing homes is a matter the government has not addressed since case-mix funding was introduced. If stories like the one I have just mentioned are happening in other parts of the state — and I believe from the anecdotal evidence the opposition has received that that is the case — we are being confronted with a disgraceful situation that is an indictment of not only the government but also the Victorian community as a whole.

In conclusion I ask the minister to withdraw the bill, which the opposition will not be supporting. We believe it has been hastily introduced without consultation and will obviously reduce the standard of care available to the elderly and the frail in nursing homes. It is obviously of concern to all staff in these establishments, who in the majority of cases are very dedicated. They are particularly dedicated to this area of nursing. It is also of great concern to the relatives of residents. They are worried that their family members may receive even less care from qualified staff than they do at present. Despite her earlier outburst I ask the minister to personally discuss the matter with Dr Carmen Lawrence, who is seriously concerned about the actions of the Victorian government.

Mrs Tehan interjected.

Mrs WILSON — Between them, the two ministers could come up with a sensible and practical approach and positive suggestions which could preserve the standards of care in the nursing homes.

Mrs Tehan — I will talk to Carmen Lawrence any time if she comes to Melbourne.

Mrs WILSON — The government seems to have forgotten that it is juggling with the lives of elderly people. The main role of government is to protect them and to ensure that nursing home proprietors do not find it easy to manipulate the system.

Mrs HENDERSON (Geelong) — I am pleased to contribute to the debate. The bill aims to withdraw the state from the registration and monitoring of the commonwealth funded and monitored private and voluntary charitable sector of nursing homes and hostels.

At the outset I must say I was amazed that, after giving such a concise definition of the CAM/SAM funding arrangements, the honourable member for Dandenong North showed such a lack of understanding of how the CAM/SAM funding arrangements for the commonwealth work and of the Victorian supporting legislation.

It is important when addressing the bill to note that since 1992 the Victorian government has had a very strong commitment to the provision of high-quality health care for older Victorians. For many years Victorians under a state Labor government have had limited health care services and certainly insufficient home care support. For the past two years major
change has been brought about to support older Victorians by providing health care and home care services.

The appointment of the Minister for Aged Care was a very important initiative of the Kennett government. The Aged Care Division was created in the Department of Health and Community Services and, most importantly, a commitment of $25 million in additional funding was made.

Mr Doyle interjected.

Mrs HENDERSON — I repeat, in the past two years additional funds were allocated for the improvement and expansion of support and specialist health care services for our older Victorians.

I heard the honourable member for Dandenong North make some quite amazing statements. I will attempt to set the record straight. The senior policies of the state government in 1992 included the intention to clarify the roles and responsibilities of the commonwealth and state governments so as to enable the state to focus on aged health care and community care services that it must provide. One of the major areas where dual responsibilities between the commonwealth and the state governments have applied has involved the commonwealth funded nursing homes and hostels.

The Victorian government’s aged care policy, ‘Everyone’s future: the direction for aged care services in the 1990s’, published in 1993 acknowledged that nursing homes and hostel services are the responsibility of the commonwealth. It indicated that the Aged Care Division of the Department of Health and Community Services would undertake to resolve the inefficient and overlapping roles in residential care then in place.

Those responsibilities included the inspection of the facilities for the quality of care provided and the penalty provision for breaches of prescribed standards of care. The direct duplication between the commonwealth and the states on the inspection and monitoring of standards of care provided became so inappropriate and unreasonable with the commonwealth legislation preventing any shared information between the two monitors that the department suspended all inspection processes in 1991. The honourable member for Dandenong North may be interested to listen and respond to complaints and other concerns. The duplication of roles has also imposed additional, unfunded costs to the industry, which is a very important issue when talking about the bill.

The honourable member for Dandenong North said there had been no discussion between the commonwealth and the state about the amendments to the bill. I remind the honourable member that Dr Carmen Lawrence, the federal minister, and the Leader of the Opposition have created unnecessary fear among elderly people and a great deal of distress among those in the industry. All their claims are based on ignorance and misinformation.

The honourable member for Dandenong North may be interested to know that many months ago the Minister for Aged Care in the other place sought meetings with the federal minister, Dr Lawrence, to discuss this bill but has received no response.

Mr Doyle interjected.

Mrs HENDERSON — As my colleague reminds me, for up to five months no response was received on this matter. However, agreement to have private sector nursing home and health care pass to the commonwealth was agreed with the Deputy Prime Minister, the former Minister for Human Services and Health, Mr Howe, nearly three years ago. In an article in the Geelong Advertiser of 31 October, the Leader of the Opposition is reported as having made some extraordinary comments:

The move by the Kennett government will deprive frail elderly nursing home and hostel residents of a safety net to protect their rights and standards of care.

I believe I heard that sentiment expressed by the honourable member for Dandenong North. The Leader of the Opposition further states:

Since it first came to office the Kennett government has been dumping its financial responsibility for residential aged care on the commonwealth government, and now it is seeking to dump its regulatory responsibility as well.

Either the Leader of the Opposition does not know about or has chosen to ignore the additional $25 million poured into services for older Victorians in the state in the past two years.

Dr Napthine — How much?

Mrs HENDERSON — Some $25 million in additional funds. He further states that the proposed state laws:
... would remove state government powers to prosecute for false advertising of nursing home facilities.

I will clarify the issue. The supporting regulations of the Health Services Act have prevented and will continue to prevent the proprietor of a supported residential service from using, displaying or implying the term, 'nursing home'. If that occurs, those proprietors can be prosecuted by the state. Should any other businesses use the term 'nursing home', the regulations allow the state to prosecute them as an unregistered premises offering special or personal care.

The second comment from the Leader of the Opposition in this article suggests that the legislation would remove state powers to enforce appropriate health care standards at nursing homes or hostels. It is worth reminding honourable members that the commonwealth is the funding authority for nursing homes and hostels in the private sector in Victoria. The commonwealth has taken an increasing role in the monitoring of nursing homes and hostels through the implementation of its outcome standards. Certainly for the past three years the state's role has been in registration only. That in itself is a duplication as the commonwealth has an approved operation status for nursing homes and private hostel proprietors.

The third point he raises in this article is that the proposed state laws would scrap guaranteed staffing and qualification levels. Victoria is currently the only state with nursing home regulations that spell out both minimum nurse to resident ratios for day and night shifts and a mix of nursing qualifications.

Again I ask the honourable member for Dandenong North to listen because she has made some extraordinary claims about qualified staff being removed from nursing homes and hostels. Perhaps I could remind her that commonwealth CAM/SAM funding arrangements provide for director of nursing and registered nurse salaries in all nursing homes. Should an agency choose not to employ qualified staff, the commonwealth has the power to withdraw funding subsequently. In addition, commonwealth government outcome standards and monitoring provisions provide for censure and other penalty measures against proprietors who fail to meet the carer standards required. I reiterate that the commonwealth CAM/SAM funding arrangements provide funding for director of nursing and registered nurse salaries in all nursing homes.

The commonwealth government has undertaken a stringent campaign in this area to determine and enforce high standards of care. This is clearly a commonwealth government responsibility and is one area in which the Victorian regulations have been an obvious and ineffective duplication.

I will refer to a particular paragraph in a recent letter from the Minister for Human Services and Health in the federal government to the Minister for Aged Care in another place:

I understand that the Health Services (Amendment) Bill was introduced to the Victorian Parliament on 13 October 1994 to minimise, in the main, legislation and policy overlap between the commonwealth and Victorian governments regarding nursing homes and hostels. While I support these objectives, I am concerned that the bill reduces protections for nursing home and hostel residents which are provided to citizens in other states...

Let me assure honourable members that Dr Lawrence's concerns have been fully addressed in this bill. I know that the Minister for Aged Care has responded to her in a very detailed letter, addressing the issues she has raised and once again offering to meet with the federal minister to discuss these issues, as he has sought to do for the past five months. He has certainly extended a further invitation for her to meet with him for clarification or discussion as required.

Again the honourable member for Dandenong North made some incredible comments about our frail elderly. Apart from saying that this bill was introduced without any prior consultation with the commonwealth, she said that the frail elderly will be left without a safety net in nursing homes and hostels. Unfortunately this appears to be an assumption in some quarters. Again I refer to an article in the Geelong Advertiser of 2 November headed, 'Nursing care will “not be affected”':

The standard of care in nursing homes in the Barwon region will not be affected by changes in state legislation.

The Geelong Organisation of Directors of Nursing president, Mrs Jan McAllister, said the group has been advised that nursing home funding would not be affected.

'The commonwealth government has gone so far, and has done so much, to make sure what happens in nursing homes is done correctly', Mrs McAllister said.
HEALTH SERVICES (AMENDMENT) BILL

There have been no cutbacks in funding and all nursing homes were licensed and government approved. They are all run by trained professionals.

That was said by someone from the nursing industry, a director of nursing who understood exactly how the legislation will work.

Some further areas need to be addressed to re-emphasise that these amendments to the Health Services Act will carefully put in place a safety net for our elderly people living in hostels and nursing homes.

The honourable member for Dandenong North talked about an administrator. The Victorian act supporting the regulations provides for the appointment of an administrator by the state minister where there is an intention to close down a residential care facility. The commonwealth government has not sought the application of this provision to nursing homes within the state and the provision has been applied in a nursing home on only one occasion when the state government determined that a nursing home should be supported through a financial crisis. In effect, the state used its legislation for a purpose that was not intended within the act.

The provision is intended to ensure that private operators of unfunded services, such as supported residential services, can be brought to account for poor standards of care and that facilities can be kept operating until alternative homes can be found for vulnerable clients.

I have heard that there was some concern regarding the effect of the amendments on the standard of buildings and the moving of responsibility for the supervision and monitoring of private sector nursing homes and hostels to the commonwealth. The commonwealth department has relied on the state regulations that support the Health Services Act for assurance of building design standards in nursing homes and hostels. However, general building design and safety standards, including fire safety for these facilities, are covered by the Victorian schedule to the building code of Australia, which is administered in this state by the building office of the Department of Planning and Development and by local government.

Victoria has acted to ensure that the commonwealth can be assured that the building standard for nursing homes, the Victorian schedule to the building code of Australia, has been amended to include design requirements for nursing homes as special-use buildings, enabling local government to take responsibility for matters such as the size of bedrooms, the size of common rooms, the adequacy of exits and the like. Those requirements will be in effect from 1 November this year and ensure that the application of the building code standards by local government will address the functional standards currently required through the residential care regulations of the Victorian Health Services Act. Again we can be assured that the safety net is there and the regulations are in place to maintain building standards within nursing homes.

The honourable member for Dandenong North mentioned her concern that anyone can open up a nursing home, put up a shingle and offer care to elderly people. The Health Services Act and supporting regulations have prevented and will continue to prevent the proprietor of a supported residential service using, displaying or employing the term ‘nursing home’. If that occurs the proprietor can be prosecuted by the state.

Under the amendments contained in the bill, which move responsibilities from the state to the commonwealth, there is no way a nursing home can operate illegally. Building standards are to be maintained and CAM/SAM funding arrangements provide for a director of nursing and qualified staff in nursing homes and hostels, and it is scurrilous for the opposition to suggest otherwise. The concerns of the ANF are issues that can be taken up with the commonwealth. Once again I stress that qualified nursing staff are protected under the CAM/SAM funding arrangements.

The opposition is playing politics with the bill. I do not believe it is a laughing matter; it is a matter of great concern for older Victorians. It is a shame that the opposition opposes the bill. In her concluding remarks the honourable member for Dandenong North asked the minister to withdraw the bill. That is absolute nonsense. She needs to understand how the bill will work. It deals with the duplication of roles, which has resulted in additional costs to the industry and caused a great deal of confusion about the roles and responsibilities of the two levels of government. That view has been expressed by the industry for many years.

The bill will enable nursing homes and hostels to be treated equitably. All facilities will be subject to the provisions of the National Health Act 1953.

Mr Baker interjected.
Mrs HENDERSON — I hear the interjection by the honourable member for Sunshine. It would have been appropriate — —

The ACTING SPEAKER (Mr Cooper) — Order! The honourable member for Sunshine will force me to call the Speaker to send him to Bleak House if he continues to interject.

Mrs HENDERSON — The other area of concern is residential rights. The commonwealth government has a comprehensive aged care reform strategy which has provided formal bureaucratic complaints units for use by nursing home residents and their relatives and provides advocates to act on behalf of elderly people. In addition, residential care rights services have been funded in voluntary agencies in every state to ensure that residents have access to advocates and mediators when they are concerned about the care they are receiving in nursing homes.

Any complaint about the care provided by medical practitioners can be taken to the Medical Board of Victoria. Complaints about nursing care can be taken to the Victorian Nursing Council and complaints about health care agencies can be taken to the Health Services Commissioner. Of course the Public Advocate can also act on behalf of individual residents where appropriate.

Commonwealth and state legislation ensures that residents of nursing homes have a range of complaint processes available to them. It is completely wrong for the honourable member for Dandenong North to suggest that residents' rights will be eroded as a result of the amendments contained in the bill.

The protection of the privacy of residents was also raised. Again, commonwealth outcome standards require proprietors to respect and observe the privacy rights of residents at all times. That extends to the records of residents. The commonwealth has provided bureaucratic complaints units and residential rights advocacy services to help residents, their relatives and advocates if there is any breach of these requirements, and the Public Advocate can act for residents who are unable to act on their own behalf. Provisions contained in the act and the regulations duplicate these measures, and they have not been invoked since the state withdrew from the monitoring of these facilities.

In conclusion, the bill does a great deal to eliminate the duplication of roles, which has resulted in additional costs to the industry. It is a change the industry has been looking for. It places the full responsibility for private sector nursing homes and hostels in the right place, which is with the commonwealth. I commend the bill and wish it a speedy passage.

Mr THWAITES (Albert Park) — The bill demonstrates clearly the priorities of the government. The minister's second-reading speech states that the bill is in line with government policy and sets out that the purpose of the bill is to eliminate unnecessary regulation and reduce costs to business. Clearly the main motivation behind the bill is to reduce costs to business. The honourable member for Geelong said the bill is supported by the industry, which is not surprising. However, the bill removes the rights and protections for some of our most vulnerable citizens: elderly people living in private nursing homes.

Mrs Tehen interjected.

Mr THeNITES — The minister has interjected, 'Tell us who opposes it. The unions?'. It seems that anything the union says is wrong and inaccurate. The union represents nurses who play a caring role in nursing homes.

The other group that cannot speak easily and does not have the same access to the minister as the industry is the old people who live in these homes. The whole point about protection is to protect the people who do not have the ability to be advocates on their own behalf. If you go into many of these homes you will see that, as I have when visiting nursing homes.

Honourable members opposite say that the commonwealth can do it all. If the commonwealth can do it all, why is the commonwealth complaining about the legislation? Why does the commonwealth say that the bill will leave a significant gap in the regulations? The commonwealth knows; it has the rights of residents at its heart, unlike those opposite, who have the pockets of the industry at heart.

The commonwealth has clearly set out that it is not appropriate to completely deregulate the industry in Victoria, which is what the government is doing. Quite clearly there is a constitutional gap where the commonwealth is unable to regulate for all the areas. The commonwealth minister says it should be filled. I am sure if this minister's government were
prepared to refer powers to the commonwealth it would gladly accept them. However, this minister represents a government that is more interested in states' rights than the human rights of nursing home residents. This case is a good example —

An honourable member interjected.

Mr THWAITES — I have, and I will talk about one in which I have spent quite a bit of time — the South Port Community Nursing Home. An administrator was appointed to that nursing home, but that option is now to be eliminated with this legislation. Under the new regime imposed by this uncaring government there would be no way that such an administrator could be appointed because the commonwealth does not have the power. The only power it has is to come in perhaps some months down the track under the outcome standards and perhaps pull out all the funding from the nursing home, which would have resulted in the South Port nursing home being closed down. That is what this government seeks to do; close down the home and throw out all its residents.

The current legislation which was introduced by the previous government had the power to do a much more sensible thing — that is, appoint an administrator. The South Port nursing home was basically in a financial mess. It was getting to the stage that no-one knew what its debts were; the nursing staff were not sure if they would get paid, other staff were being messed around and the people who suffered were the residents.

There was a real possibility that the place would close down. However, through the legislative mechanism that now exists the then minister, Mrs Lyster, was able to appoint an administrator, who did a wonderful job. Over a period of months the funding and finances of the nursing home were fixed and the residents continued to get a high standard of care. In fact the standard of care improved and increased.

That was not a situation where the commonwealth could step in because it did not have the constitutional power to do so. The commonwealth does not have a mechanism to fill that role. All it can do is act in an advisory way and, as I think the briefing indicated, perhaps pressure banks or others to act in a particular way. The commonwealth cannot appoint an administrator, and that is what was needed at the South Port nursing home. It was necessary to break the deadlock that existed between the staff and the then manager and to fix the financial problems. Residents of nursing homes all over Victoria will lose that protection with the proposed legislation.

Mr Weideman interjected.

Mr THWAITES — The question was asked about why the commonwealth does not do it. The commonwealth has set out a number of its concerns about the legislation which, in our view, are fundamental concerns. The first is this: under the new legislative regime any place can call itself a nursing home, any place at all. You can just put up your shingle; it does not matter what sort of place you are. In this state you cannot call a place a casino, but you can call it a nursing home. The second —

Mrs Henderson interjected.

Mr THWAITES — The question is asked, 'Do they get funded?'. That is not the only issue. The issue is whether places out there — they might be existing special accommodation houses or whatever else — will put up signs saying they are nursing homes.

Many people in the community believe that brings with it the standard of care that has been associated, generally speaking, with nursing homes. They believe that will bring protection to them, but that will not be the case because under this legislation it will be eliminated.

The second thing proposed by this legislation is the removal of any requirement for nursing homes to employ qualified nursing officers. It even removes the requirement to have a director of nursing. There will be no legislative requirement to have a director of nursing or to have a minimum number of qualified nursing staff. What will that lead to? In many cases it will lead to a lower quality of care. In most cases the proprietors will —

An honourable member interjected.

Mr THWAITES — I will come to that. So far as I am aware other states have a minimum nursing requirement.

Mrs Henderson interjected.

The ACTING SPEAKER — Order! I hate to interrupt the honourable member for Geelong, but she has had a go. I ask her to remain silent.
Mr THWAITES — Comments have been made about the requirements in other states. My advice is that New South Wales has a mandatory requirement to have a chief nurse with at least five years post-basic or post-graduate experience. In Tasmania there must be a resident manager and in the ACT the certificate on the issuing of registration must show the number of registered nurses employed.

Mr Doyle interjected.

Mr THWAITES — I was asked about the situation in other states; I cannot quote the information off the top of my head and I am being advised on it. I am now going through it, if you would like to listen. In Tasmania the regulatory powers include provisions for the numbers and qualifications of staff to be employed, and that is also the case in Western Australia. In Australia regulations require registered nurses to be on duty at all times. In Queensland there are requirements for qualifications of nursing staff and the minimum number of hours required, which must be approved by the director-general of health and medical services. I apologise for not having that information in my head, but with the help of the shadow minister for the aged I am certainly able to provide it to the house.

This legislation will remove the ability of the state to appoint an administrator for homes in serious trouble. It will also remove access to the state health complaints mechanism regarding health care in nursing homes and hostels. That is of real concern. The honourable member for Geelong tried to pass it off by saying that there would be other ways of making complaints. However, I notice in the 1991 report of the Health Services Commissioner that some 61 complaints were lodged in relation to residential aged care facilities. In the 1992 report, the most recent to have been tabled in the house, there were some 20 complaints against private nursing homes.

Mr Weideman interjected.

Mr THWAITES — No, the previous one referred to all residential accommodation; the recent one refers to nursing homes only. There were some 21 additional complaints against other aged and supported residential services.

It is clear that the Health Services Commissioner received a number of complaints arising out of such facilities; the commissioner has even referred to them in her report and to the particular need to protect older people in those residences.

The next ground of concern of the commonwealth is that the provisions relating to poisons legislation will not be linked to the regulations covering nursing homes.

The next concern is the power of the chief general manager to direct that health cover provided to an individual patient will cease. Although outcome standards address this issue, they do not offer the immediate response that has previously been available.

Although honourable members opposite may have concerns about that, there is a constitutional gap. The fact is that the commonwealth does not have power to regulate those issues. The only power the commonwealth has is to withdraw funding. That is not the kind of power you would normally want to exercise in a situation like this, because all the other residents suffer if that power is exercised. If we retain the flexibility to order the nursing home to provide a particular type of care or retain the flexibility to appoint an administrator, we will get action when it is needed, not some time down the track. That would mean we have a much better system.

Although in the climate of regulation numerous cases have arisen where private nursing home proprietors have conducted themselves in ways that have not been appropriate or proper, the ability to intervene has always existed, and the state has been able to intervene. This government has taken away that power; it is more interested in looking after proprietors' business rights than protecting the rights of nursing home residents.

The SAM funding component contains the profit for the proprietors, and that is where deregulation will have an adverse effect. Some proprietors — there have certainly been cases in the past — will try to fiddle their CAM calculations so that, in effect, they find ways of using CAM staff, that is, the care staff, to perform SAM duties, those basic duties that allow for increased profits.

I have been informed of a case where a nursing home proprietor employed a former truck driver as a cleaner under the SAM part of his duties. However, his duties also included showering the residents. That was of great concern to an elderly and frail resident who complained about the man's behaviour. There were allegations of sexual abuse.
Apart from the sexual interference, the elderly lady was not too impressed by being showered by a burly truck driver who was covered in tattoos. That is the sort of risk we are introducing with the deregulatory approach.

The commonwealth is currently investigating another nursing home for fraud. In that case, a former hairdresser was giving directions to the nursing staff on how to care for the residents, including giving orders on the type and amount of sedation to be administered. Nursing staff were threatened with dismissal if they refused to carry out those directives. Currently the act has a provision that allows the state to intervene in that sort of case and appoint an administrator.

Mr Doyle interjected.

Mr THWAITES — The honourable member for Malvern says, 'We haven't done anything for three years'. While you have been in government, you have let it rip!

The ACTING SPEAKER — Order! The honourable member for Malvern has suggested that the honourable member for Albert Park should read something. If he does not cease interjecting, I will advise the honourable member for Malvern to read the standing orders.

Mr THWAITES — Thank you for your assistance, Mr Acting Speaker. The fact that this government has not used the powers in the current legislation is no answer at all. Of course it has not done so, because it does not believe in regulation. It does not believe in protecting elderly people's rights. In the same nursing home, residents suffered profound weight loss. Due to lack of food some ended up weighing only 25 kilograms. Food costs are a SAM item and a reduction in this area of spending increases the profit margins.

The commonwealth enforces its outcome standards in the CAM area. In a number of cases the SAM figures can be rigged in order to maximise the profit.

In one nursing home the management attempted to discipline a registered nurse employed on duty because the porridge was cold. The fact that the nurse was not supposed to be carrying out duties such as cooking seemed to escape their attention. Again, the method used was to try to maximise that SAM percentage and so maximise the profit. It is another case where after deregulation the state would not be able to intervene.

There are numerous cases, just as there have been cases in the past where the courts have become involved. Another very well-known case involved a Mr Peter Strauss who I understand may still be in prison following his fraudulent activity in nursing homes. The people who suffered in those nursing homes were of course the residents. Certainly for a good deal of the time they did not get the kind of care and attention to which they were properly entitled. Another case that came before the Guardianship and Administration Board — —

Dr Napthine — When?

Mr THWAITES — In 1990. There was a threat then that the place could be closed down under the existing state regulations. In one case an elderly woman was left lying on a plastic sheet in her own urine and in an uncontrolled fit. Ambulance officers were later called to take her to hospital. In that situation the threat of the regulatory involvement of the state was enough to force the operator out of the business. That will not exist under the new deregulatory regime. There is case after case of instances where an unscrupulous few — and I emphasise it is only a small percentage of proprietors — are prepared to maximise their profits at the expense of the residents.

The whole point of protection is not to limit the proper business rights of the vast majority of reputable proprietors but to regulate and discipline the disreputable few. Unfortunately, as a result of the legislation, this ability will be removed. We will no longer have the ability to step in to protect the older people who have been abused. We will not have the ability to step in and improve the financial management of nursing homes like the South Port nursing home. We will not have the ability to ensure that residents' rights are protected by ensuring that they retain their right to complain to the Health Services Commissioner. We are losing the regulatory framework and nothing is being put in its place. Nothing is being left to protect the residents.

I emphasise that the Health Services Commissioner has played a vital role in underpinning the safety net that has been provided to protect nursing home residents. That has led to comments in the reports and I would hope action being taken by nursing home proprietors. Following comments made by the Health Services Commissioner I understand a working party was set up to examine how to improve residential aged care. That is the kind of positive outcome that comes as a result of regulation. Regulation does not always lead to
negative outcomes; it can lead to positive outcomes. It can lead to a better environment for residents. As we saw at the South Port nursing home, it can lead to a better financial situation for nursing homes.

A major issue of concern is that there may not be enough nurses to provide appropriate nursing care in nursing homes and hostels.

Debate interrupted pursuant to sessional orders.

ADJOURNMENT

The SPEAKER — Order! The honourable member may continue but must ask for some administrative action.

Mr HAERMeyer (Yan Yean) — The administrative action I seek is to have the Minister for Local Government rule out any possibility that Fran Bailey will, in fact, be appointed as a local government commissioner in the area for which she is again seeking election.

Having gone out and sought to be the Liberal Party candidate for Kooyong — because McEwen was not good enough for her and she wanted to represent the toffs — and failed, she now wants to come back to McEwen and the Labor Party —

Honourable members interjecting.

The SPEAKER — Order! Stop the clock. I will not allow the debate to continue with this barrage of interjections. I ask honourable members on my right to remain silent. Perhaps the honourable member for Ripon will sit back in his seat and relax.

Mr HAERMeyer — Having been rejected as the Liberal Party candidate for Kooyong she now trots back to McEwen and says, 'Please take me back'.

The SPEAKER — Order! The honourable member’s time has expired.

Olinda nursery

Mr McArThUR (Monbulk) — I direct a matter to the attention of the Minister for Natural Resources, and unlike my predecessor I will definitely be asking for some administrative action. The matter relates to a Mr John Faul, who carries on a nursery business in Monash Avenue, Olinda, just at the headwaters of the Olinda Creek.

As most people would be aware, last Sunday there were severe storms across the state and Mr Faul suffered severe damage to his property as a result of the wind storms. Two large mountain ash trees that grew very close to Olinda Creek were blown over and landed on sheds and vehicles belonging to Mr Faul.

A farm shed was almost demolished, a coolroom was smashed to pieces and a farm truck was very badly damaged. Although that damage is severe and will probably cost the Faul family some tens of thousand of dollars, we are very lucky it was not a lot worse. Mr Faul’s son Grant was working in the
shed at the time of the storm. The tree fell on the
exact spot in which he had been working some 2 or 3
minutes previously. If he had still been in that
position when the tree fell he would have been
driven into the ground and there would be no more
Mr Grant Faull.

Those trees are growing along the banks of Olinda
Creek. I seek some confirmation from the minister
on whether these trees are growing on a stream-side
reserve and, if that happens to be the case, who has
the responsibility for that reserve. Is it possible for
the minister to determine whether the department
administering that stream has any responsibility for
the maintenance of the trees and bears any
responsibility for damage caused by those trees now
that they have been blown over and have damaged
private property?

Further, sometime in the recent past Melbourne
Water carried out drainage works in that area and it
is the belief of the Faull family that that drainage
work may also have contributed to the weakness of
the trees and to their collapse in the wind that hit the
area on Sunday afternoon. I can assure you,
Mr Speaker, that it was fairly windy up there on
Sunday afternoon. I was actually in Olinda between
2 and 3 o'clock of that afternoon.

Mr Hamilton interjected.

Mr McARTHUR — And it was not all coming
from my mouth, as the honourable member for
Morwell suggests by interjection. It is a serious
matter. It has seriously damaged this family's
farming operation. I would be grateful if the
minister could check those matters.

Western and Southern bypasses:
environment effects statement

Mr HAMILTON (Morwell) — I raise a matter for
the attention of the Minister for Planning concerning
the Western and Southern bypasses environment
effects statement inquiry, which is currently being
conducted by the Office of Planning and Building
Control.

I have been asked to raise this matter on behalf of
residents who live along the Tullamarine Freeway. I
understand the Tullamarine section of what will
quite clearly be part of the Western bypass is not
included in the terms of reference of the current EES
inquiry. I understand that the Western bypass will
spill directly onto the Tullamarine Freeway and no
doubt any increases in traffic, traffic noise or traffic
pollution will have an impact on the people living in
the vicinity of the freeway. Those residents feel they
should be given an opportunity to contribute to the
environment effects inquiry.

I believe that by and large the community is
appreciative of and has welcomed the EES inquiry
which is currently being conducted and which,
through its terms of reference, enables the
community to participate in what is an important
part of the decision-making process. I am told that at
this stage the conduct of the inquiry is proceeding
smoothly. The panel members are paying strict
attention to the arguments being raised on behalf of
the people making submissions to the inquiry and
representatives of the relevant government
department have been responding to questions and
providing information.

It seems to me it is fairly logical that the people on
the Tullamarine Freeway section should have the
opportunity of contributing to the environment
effects statement. If it is too late for the terms of
reference to be extended or for the minister or
responsible person to instruct that the panel should
hear submissions from the Tullamarine people, I ask
whether the minister will consider conducting an
EES for those people who will feel the impact of the
additional traffic on the Tullamarine section of what
will be a major traffic and freight route for vehicular
traffic around Melbourne.

I hope the minister gives sympathetic consideration
to this request from people who feel threatened by
changes that they perhaps do not understand or
who wish to make some contribution towards
achieving a sensible solution to the problems of
what will be a major road project in the central part
of Melbourne.

Airport industry training centre

Mr FINN (Tullamarine) — I ask the Minister for
Industry and Employment to examine the benefits
for Victoria of the proposed airport industry training
centre at Melbourne Airport. The centre will be
established by a combination of the Broadmeadows
College of TAFE and the Federal Airports
Corporation.

As the minister is probably aware, the
Broadmeadows College of TAFE recently opened an
aerospace industry training centre on its
Broadmeadows campus. It is an impressive project,
which is housed in a splendid building. This new
proposal is designed to provide a focus for all
non-engineering aerospace-related training, particularly in the growth industries of transport and travel. Training within the facility will encompass hospitality, travel and tourism, and transport, with an emphasis on training requirements for air transport, including the handling of dangerous goods, customs and freight, marketing and exports, international trade and security. This could well be a big feather in Melbourne's cap.

The house and the minister will be aware that the federal government gave Melbourne and Victoria an enormous kick in the teeth when it refused to privatise the airports. It basically told the people of Melbourne they could stay in second place behind Sydney for ever and a day. We are all well aware of the Prime Minister's and the federal government's dislike of Melbourne, to say the least.

I believe this offers the government an opportunity to become involved in a project that could push Melbourne to the forefront in the area of training. As I said, the centre that was opened earlier this year gave Melbourne a focus in the training field. In a few years time I would love to see Melburnians travelling throughout the world, applying for jobs in the Frankfurt aerospace industry, for example, and having doors automatically opened for them on the basis of their saying they were trained in Melbourne.

This is an opportunity to make Melbourne the home of aerospace training. Given the fact that the federal Labor government slapped us in the face by refusing to privatise our airports, I believe the minister would be well advised to consider this matter. I believe it could have great benefits for Melbourne and Victoria. It could have benefits particularly for the aerospace industry in Australia, and it is something at which Melbourne could be no. 1.

**Austin Hospital**

Mr LEIGHTON (Preston) — In the absence of the Minister for Health, who is not in the chamber — I understand she is in the dining room — I direct to the attention of Minister for Planning the future of health services in the north-eastern suburbs and, in particular, the future of the Austin Hospital in Heidelberg. There are reports that the Austin Hospital will close. I call on the minister to make a detailed statement clarifying the future of both health services in the north-eastern suburbs and the Austin Hospital; and in making such a statement I ask her to ensure that there is proper community consultation.

The Austin Hospital is a hospital of excellence. It provides a range of leading services — from its surgical and spinal units to its specialist areas of psychiatry. According to reports in the *Heidelberger* of Wednesday, 2 November —

**Mr Perton interjected.**

The SPEAKER — Order! The honourable member for Doncaster is interrupting the proceedings of this house from out of his place. He is being doubly disorderly, and I ask him to keep quiet.

**Mr LEIGHTON** — According to reports in the *Heidelberger* there is a 10-year plan to close the Austin Hospital and relocate services to the Heidelberg Repatriation Hospital. I believe all honourable members would be aware of the hundreds of millions of dollars that have been spent on capital development and redevelopment at the Austin Hospital. It is not surprising that there are enormous concerns in the community. As the report in the *Heidelberger* says:

Rosanna resident, Mr Brian Tyers, believes the loss of the Austin Hospital at its present site is a blow for the local community.

He has called on MLA for Ivanhoe, Mr Vin Heffeman, to support the maintenance of the hospital on its Studley Road site and he would like to see a survey of residents to gauge the community's true feelings on the issue.

'I'm hoping other people in the community feel the same way I do and fight to save our hospital,' he said.

'It's a marvellous hospital and to let it go from its present site is a crying shame.'

The honourable member for Ivanhoe has an obligation to state his position and assist his local community. The Minister for Health has the responsibility to clarify the whole future of health services in the north-eastern suburbs. There are enormous concerns. There has been a lack of consultation over the integration of the Austin Hospital and the Heidelberg Repatriation Hospital.

There are also substantial reports that down the road the Preston and Northcote Community Hospital will be closed. This and the government's move to close the North East Women's Health Service is occurring without consultation, which is causing major community concern. The government has a
responsibility to consult the whole north-eastern region, to clarify and to put clearly on the table what its intentions are for the future of health services in the north-eastern corridor.

**Cobram levee banks**

Mr JASPER (Murray Valley) — I raise a matter for the attention of the Minister for Natural Resources. Despite the dry conditions in country Victoria, particularly in the north-eastern part of the state, I raise concerns about the improvement to the levee bank system in the Shire of Cobram.

The minister will be aware of the situation because he visited the Cobram shire some months ago. He had discussions with representatives of the shire, representatives of the Cobram Consultative Committee on levee banks, and also undertook discussions with the Cobram Flood Levees Association, another flood levee committee operating within the Shire of Cobram.

It has been proposed to improve the levee bank system to protect the township of Cobram against flooding. In seeking to protect the township of Cobram, the committee considered improving the levee bank system along the river and developing a ring levee to protect the township itself. This would have entailed flooding of some prime agricultural land in the shire. There have been extensive discussions and the two committees got together to determine what would be the best method of providing protection for the township of Cobram and protecting the area where there was prime agricultural land.

The Cobram Consultative Committee has recommended that there be improvements to the levee bank system between the river and the township of Cobram and the levee bank system east or upstream from the township of Cobram, which has been accepted by both of the committees. But there is concern that there has been no determination about the levee bank system downstream of the township.

I am seeking from the minister an indication, from the information that has been provided to him, of action that he can take in insisting that the township be protected by the levee bank system, not only for the people in the township of Cobram and those living upstream from the township but also for the residents and landowners downstream from the township. There are certainly some significant problems. The levee bank system runs right along the Murray Valley system, and areas in the northern part of the Shire of Numurka are also experiencing difficulty with the levee bank there.

I seek from the minister information about improvements to be undertaken to the levee bank system to ensure protection for not only the township of Cobram but also the people living in the outlying parts of the Shire of Cobram, indeed the landowners and those living downstream from the township running into the Shire of Numurka.

**You Yangs Regional Park**

Ms MARPLE (Altona) — The matter I raise for the attention of the Minister for Natural Resources concerns the You Yangs Regional Park and its use by the Geelong Mountain Bike Club. For a number of years this club has used the track between the two quarries and has kept the rangers of the park well informed about the club’s yearly activities by its yearly calendar, on which the club meets are clearly marked. The Geelong Mountain Bike Club has been refused future access to the track while other clubs have been able to use that track.

I have spoken with the club’s president, Mr Mark Curran, who believes that communications between the park and the ranger have broken down. The club provides organised recreation for about 70 members aged between 10 and 40 years. While not everybody thinks mountain bike activities are perfect for regional parks, the riding of bikes can be a relatively peaceful and healthy recreation compared with the many other activities occurring in regional parks. If managed well, this activity can be of great benefit to participants and parks alike.

For the benefit of all concerned I ask the minister to examine this matter. I am sure some simple resolution skills could be put in place by the minister or his officers because the club has always complied with all regulations and is willing to work with the ranger to assist in any cleaning up or restoration work that the ranger believes should be done. If the minister could assist in that way, we would have a win not only for the mountain bike club but also in the regional park for the benefit of all concerned.

**Drysdale Primary School**

Mr SPRY (Bellarine) — I direct a matter to the attention of the Minister for Community Services and, in his absence, to the Minister for Planning. I am concerned about the need for an after-school care
program for children attending the Drysdale Primary School in my electorate.

About 500 children attend the highly regarded Drysdale school which, with its sister school in Clifton Springs, serves the Drysdale-Clifton Springs region.

Early this year a subcommittee was formed at Drysdale under the chairmanship of Mrs Patricia Myers to demonstrate a need for after-school care of the children of working and studying parents in the region. This subcommittee approached the federal Department of Human Services and Health. For some reason that is unclear, negotiations hit the wall — I suspect because the attitude of the federal government regarding the application of funding and the system used to provide funding was seen to be inflexible.

It is clear there is no alternative for the parents of Drysdale Primary School. A day care service operates at Drysdale and the SpringDale Community Cottage, but both have now reached their capacity. There is no further room for children at Drysdale Primary School to attend either of those two facilities. The program at Clifton Springs is highly regarded and provides a great service for children; however, for logistical reasons it cannot provide a service for the students at the Drysdale school.

Although I do not know what he has to do with this region, recently the honourable member for Geelong North was reported in one of the newspapers as having described the situation at Drysdale as scandalous. I assume he is referring to the attitude of the federal government in this matter.

I ask the minister whether he can do anything to hasten the resolution of this problem to advantage the parents and the children of the Drysdale Primary School.

Melbourne Water: charges

Mr SEITZ (Keilor) — I direct the attention of the Minister for Natural Resources to water charges. My particular concern on behalf of the constituents of Keilor is the water restrictions imposed on tenants and low-income families. There is some confusion. Although the board admitted in the local paper that it sent out legal enforcement letters in error there is still a lot of pressure on the local community.

I ask the minister to clarify one item. With the pressure of paying for water and the possibility of charging for sewerage services how will these charges be assessed and what will be the costs? According to the board, no assessment of charges has been made. No attempt has been made to calculate water or sewerage charges, and this is of great concern to tenants, who have not had to pay for water before. If extra charges are to be introduced I ask the minister to start a community education program in budgeting rather than face the prospect of imposing water restrictions.

Water restrictions can cause ill health in summer. Restrictions are particularly devastating for families without decent water pressure for their showers. Washers can be installed to control the water pressure. I ask the minister to examine the situation seriously and make sure that Melbourne Water deals with people humanely so that they have access to water even if they do not have the means to pay for it. Will the minister examine methods by which people can pay off their accounts gradually? I ask that the minister put an end to the sending out of enforcement notices in areas with large migrant populations. I refer to legal-type letters in particular. This is an unnecessary expense and puts extra pressure on these people.

As I said, the board has acknowledged in the local paper that it should not have sent out legal enforcement letters. It is a constant concern when the local media says tenants will have to pay extra charges for sewerage without clarifying how they will be assessed and what the cost will be. I ask the minister to take the matter on board, examine it and clarify the situation for the constituents of Keilor before summer approaches.

Frankston pier

Mr WEIDEMAN (Frankston) — I ask the Minister for Planning to direct the attention of his colleague the Minister for Roads and Ports in another place to the Frankston pier, which is of historical significance and has been in use for well over 100 years. Those who knew the pier in its early days would remember that it was once much longer. The steamers used to travel from Frankston to Mornington and return with loads of wood.

The 140-knot winds across Canadian Bay over the weekend caused the end of the pier to be wrecked. The winds raised the planks above the water level and the waves lifted off many of the planks. Although engineers will not be assessing the
situation for some two weeks. I ask them to treat the pier as a matter of urgency. All honourable members know that tourism is a major consideration in the Frankston area. Over the Christmas period one of the main programs is the blessing of the waters. Up to 9000 visitors come to Frankston and march on the pier to try to recover a crucifix which is sent into the water by the Greek archbishop.

So that we get action and so that this festival can take place I ask that the minister convey this request to his staff quickly. At least the pier could be cut off and protected at the point where it is dangerous so that those who wish to use it are not exposed to danger. I request that all haste be taken so that this festival and other festivals can be held in the summer period at Frankston. Many honourable members would use the pier in that period.

Responses

Mr COLEMAN (Minister for Natural Resources) — The honourable member for Monbulk referred to damage caused to buildings owned by the Faull family in Olinda as a result of the storm at the weekend. Obviously it is a matter of concern to that family and to the honourable member for Monbulk. I am not aware of the specific case. I am prepared to take it up in the morning with both Melbourne Water, which seems to be involved, and also the department to try to get some satisfaction for the family involved.

Mr Micallef interjected.

The SPEAKER — Order! I don’t know about three palings, but the honourable member will be three shingles short if he continues the way he is going.

As was indicated by the honourable member for Murray Valley, I met with both groups at a meeting convened by the shire some weeks ago. Subsequent to that meeting a report has been delivered suggesting that the levees that protect the town proper will be brought up to a standard sufficient to protect the town but that further work will be done on two other areas to the east and west of the town that are subject to inundation, although neither of the areas have been breached since, by my recollection, about 1937. Nevertheless it is an issue that will be addressed and one on which further reports will be constructed based on input from both the shire-convened committee and the community committee. Hopefully some resolution of the issue can be found through that process.

The honourable member for Altona referred to the Geelong Mountain Bike Club, which is apparently having some dispute with the department concerning the You Yangs. It is an issue of which I am not aware. I will get some advice and get back directly to the honourable member on that matter.

The honourable member for Keilor referred to letters of demand that have been forwarded, as I understand it, to some of his constituents by Melbourne Water. For the first time tenants are being exposed to the cost of water usage in households on a consumption-charge basis. That situation is not unique to Keilor. We understand by the number of notices that have been put on the notice paper that we are likely to have this debate on a number of occasions.

The issue concerns policy development undertaken by the Labor Party in government aimed at water conservation programs being put in place and, through the implementation of those programs, the households using the water being exposed to its cost. That policy has now been put in place, with charges being attributed to tenants. Some people have not previously been exposed to those costs. Although the supply cannot be withdrawn, it can be restricted while those accounts are unpaid.

Obviously the situation is under review because we need a full understanding of the impact. Nevertheless the policy is in place and I encourage tenants to maintain their payments.

Mr GUGE (Minister for Industry and Employment) — The honourable member for Tullamarine referred to the training centre at Melbourne Airport. I compliment the honourable member — —

Mr Andrianopoulos interjected.

The SPEAKER — Order! The honourable member for Mill Park has been in this place long enough to know not only that interjections are
disorderly but also that interjections out of one’s place are grossly disorderly. I ask him to keep quiet. The honourable member for Thomastown should keep quiet as well.

Mr Micallef interjected.

The SPEAKER — Order! If the honourable member for Springvale does not be quiet I will name him, even though it is late.

Mr GUDE — Thank you for your protection, Mr Speaker. Things get difficult because people get tired and emotional late at night. Unlike the empty suit who represents the seat of Broadmeadows, the honourable member for Tullamarine has been working hard to achieve something productive for the community. As a consequence of his initiative and the fine work being done by the Broadmeadows College of TAFE the college will have a new aerospace training facility located, one hopes, at Melbourne Airport. It is a very important initiative.

The honourable member for Tullamarine has made a commitment to assist his electorate and the aerospace industry and generate jobs, which is something the opposition would know nothing about. It put a lot of people out of work but it is not interested in getting them back into work. The honourable member for Tullamarine has a totally different and visionary concept — —

Mr Haermeyer interjected.

Mr GUDE — I pick up the interjection about hallucinations. If the honourable member for Yan Yean thinks educating people into employment is an hallucination I can understand why the voters will throw him out at the next election and why his performance in this place is so poor! Why the Labor Party would appoint him to represent it on police matters is beyond my comprehension.

The new training facility will assist people in the aerospace industry and related areas and will create jobs in hospitality, travel, tourism, transport and storage. There will be an emphasis on training requirements for such areas as handling dangerous goods, customs, freight, marketing and exports, international trade and security, all of which involve Melbourne Airport and developing export opportunities.

The government has been pleased to work with a number of international operators to generate the increased export of Victorian produce through the airport; therefore, this initiative is sensible at a time when the airport is being developed by the current FAC arrangements and will be further enhanced as a consequence of the federal government’s decision, which we support, to privatise the airport. Both the college and the honourable member for Tullamarine will be working with business and the community to achieve a new knowledge bank and opportunities for training and learning skills that will generate business opportunities and jobs in the area. The government supports that initiative and looks forward to working with the honourable member for Tullamarine, Melbourne Airport and the TAFE college to bring this fine project to fruition.

Mr JOHN (Minister for Community Services) — The honourable member for Bellarine raised the important issue of after-school child care in the Drysdale area. I noticed that the honourable member for Geelong North raised the issue in the local newspaper, the Echo, saying that it was scandalous. Of course it is scandalous, but the situation has been caused by the inadequacy of the commonwealth government. The honourable member should direct to the commonwealth government his comments about its failure to come to the table to sign the commonwealth-state child-care agreement.

The commonwealth Labor government has been slammed by the Auditor-General and it was slammed during the past couple of days by the magazine Choice because of the inadequacy of its child-care policies. As the responsible minister I have repeatedly written to the federal Minister for Family Services, Dr Crowley, and her predecessor, Minister Staples, with a view to negotiating a proper and fair child-care agreement.

Mr Haermeyer interjected.

Mr JOHN — That is not correct because New South Wales has not signed the agreement. You are wrong again! They are always wrong and they are always irrelevant! Since 1992 we have provided 1200 new child-care places at TAFE institutions, and a further 200 new child-care places have also been provided. In all we have spent $7.2 million on child care without the aid of the commonwealth Labor government.

The commonwealth Labor government wants us to set up brand new child-care centres in Labor electorates, but we will not have that!

Honourable members interjecting.
Mr JOHN — We will not have political interference!

Honourable members interjecting.

The SPEAKER — Order!

Mr Batchelor interjected.

The SPEAKER — Order! If the honourable member for Thomastown wants to take on the Chair, I remind him that standing orders clearly state that when the Speaker is on his feet honourable members shall remain silent.

Mr JOHN — We will not be party to political interference in where child-care centres go. We have infrastructure already existing in kindergartens and in maternal and child health centres. We want integrated centres that meet the needs of families. We do not want to be irrelevant like honourable members opposite, who had 10 years to solve this problem but failed.

It is audacious for the honourable member for Geelong North to say that the situation is scandalous. He should see the Prime Minister, Mr Keating, and Minister Cowley on behalf of his constituents in Geelong North.

Mr Loney interjected.

The SPEAKER — Order! I know the honourable member for Geelong North aspires to getting on the front bench, but at the moment he is not a frontbencher. He is interjecting from out of his place.

Mr JOHN — I compliment the honourable member for Bellarine for the work he has done to represent his electorate. I assure the house that the Victorian government remains committed to establishing integrated child-care services that are responsive and meet the needs of families while providing quality child-care programs.

Mr MACLELLAN (Minister for Planning) — The honourable member for Yan Yean used the appointment of commissioners for the administration of councils to make an attack on the merits of Mrs Bailey and quite unnecessarily sought the consideration of the Minister for Local Government. I will direct the matter to that minister.

The honourable member for Morwell was concerned with the expansion of the scope of the environment effects statement for the southern and western bypasses. I shall certainly get some advice from Robin Saunders, the officer in charge of environment effects statements.

Mr Micallef interjected.

Mr MACLELLAN — I will not be carrying on long enough for you, so you have no need to stay. You can go now. You will not have any need to be stupid in the house.

The honourable member for Morwell can be assured that I shall ask Robin Saunders for advice, but I understand the terms of reference for the EES were determined by him after a determination of the whole process over a two-year period.

The honourable member for Preston asked the Minister for Health about the Austin Hospital. I shall direct that issue to the minister and obtain a reply for him. I believe the purpose of raising the question was simply to direct attention to the front page of the honourable member’s local paper.

The honourable member for Frankston asked for a quick assessment to the damage of the historic jetty in Frankston. I shall ask the Minister for Roads and Ports to have that matter raised.

The SPEAKER — Order! The Chair will be resumed at 10.00 a.m. tomorrow.

House adjourned 10.47 p.m.