VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

FIFTY-THIRD PARLIAMENT
SECOND SESSION

Legislative Assembly

Volume 443
Autumn 1999
(From 6 May to 28 May 1999)

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The Governor
His Excellency the Honourable Sir JAMES AUGUSTINE GOBBO, AC

The Lieutenant-Governor
Her Excellency Professor ADRIENNE E. CLARKE, AO

The Ministry
[AS FROM 6 JANUARY 1997]

Premier, Minister for Multicultural Affairs and
Minister for the Arts ............................... The Hon. J. G. Kennett, MP

Deputy Premier and
Minister for Agriculture and Resources ................ The Hon. P. J. McNamara, MP

Minister for Education ................................. The Hon. P. A. Gude, MP

Minister for Industry, Science and Technology .......... The Hon. M. A. Birrell, MLC

Minister for Health and
Minister for Aged Care ................................ The Hon. R. I. Knowles, MLC

Minister for Police and Emergency Services and
Minister for Corrections ................................ The Hon. W. D. McGrath, MP

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Minister for Gaming .................................... The Hon. R. M. Hallam, MLC

Treasurer and Minister for Information Technology and
Multimedia ................................................ The Hon. A. R. Stockdale, MP

Minister for Small Business and
Minister for Tourism .................................... The Hon. Louise Asher, MLC

Minister for Transport .................................... The Hon. R. F. Cooper, MP

Minister for Roads and Ports ............................ The Hon. G. R. Craige, MLC

Minister for Housing and
Minister responsible for Aboriginal Affairs ............ The Hon. A. M. Henderson, MP

Minister for Tertiary Education and Training and
Minister assisting the Premier on Multicultural Affairs The Hon. P. N. Honeywood, MP

Minister for Planning and Local Government ............ The Hon. R. R. C. Maclellan, MP

Minister for Youth and Community Services ............. The Hon. D. V. Naphine, MP

Minister for Sport and
Minister for Rural Development ........................ The Hon. T. C. Reynolds, MP

Minister for Conservation and Land Management ......... The Hon. M. T. Tehan, MP

Attorney-General, Minister for Fair Trading and
Minister for Women's Affairs .......................... The Hon. J. L. M. Wade, MP

Parliamentary Secretary of the Cabinet ..................... The Hon. Rosemary Varty, MLC
Members of the Legislative Assembly

FIFTY-THIRD PARLIAMENT — SECOND SESSION

Speaker: The Hon. S. J. PLOWMAN

Deputy Speaker and Chairman of Committees: Mr J. F. McGrath

Temporary Chairmen of Committees: Mr Andrianopoulos, Mr Cole, Mr Cunningham, Mr Jasper, Mr McArthur, Mr Maughan, Mr Perrin, Mr Perton, Mrs Peulich, Mr A. F. Plowman, Mr Richardson and Mr Seitz.

Leader of the Parliamentary Liberal Party and Premier:
The Hon. J. G. KENNETT

Deputy Leader of the Parliamentary Liberal Party:
The Hon. P. A. GUDE

Leader of the Parliamentary National Party and Deputy Premier:
The Hon. P. J. McNAMARA

Deputy Leader of the Parliamentary National Party:
The Hon. W. D. McGRAITH

Leader of the Parliamentary Labor Party and Leader of the Opposition:
Mr S. J. BRACKS from 22 March 1999

Deputy Leader of the Parliamentary Labor Party and Deputy Leader of the Opposition:
Mr J. W. THWAITES from 23 December 1996

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Heads of Parliamentary Departments

*Council* — Clerk of the Parliaments and Clerk of the Legislative Council: Mr A. V. Bray

*Assembly* — Clerk of the Legislative Assembly: Mr R. W. Purdey

*Hansard* — Chief Reporter: Ms C. J. Williams

*Library* — Librarian: Mr B. J. Davidson

*Parliamentary Services* — Secretary: Ms C. M. Haydon
Thursday, 6 May 1999

The SPEAKER (Hon. S. J. Plowman) 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:

Racial discrimination

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

The humble petition of the citizens of the state of Victoria sheweth:

Racial abuse and discrimination is prevalent throughout Victoria. Such discrimination strikes at the very fabric of our society. As instance we cite the ongoing campaign of racial vilification, death threats and attempts on life directed against Captain Frank and Elisabeth Staberhofer of Captain’s Lodge International Motel and VIP Restaurant.

Your petitioners therefore pray that the government immediately launch an investigation in relation to occurrences of racial abuse and vilification generally and in respect of Captain Frank and Elisabeth Staberhofer particularly. This inquiry must focus on the effectiveness of such avenues of recourse as are open to victims of racial discrimination. It must also focus to halt the abuse immediately, to exonerate the parties concerned and to compensate them for their hideous suffering.

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

By Mr HAMILTON (Morwell) (9 signatures)

Catchment management authorities: levy

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 we strongly object to the Kennett government’s introduction of another state tax, through the introduction of a catchment management levy.

Your petitioners therefore pray that the Kennett government reverse its decision to allow the catchment management authorities to levy taxes.

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

By Mr HAMILTON (Morwell) (107 signatures)

Laid on table.

PAPERS

Laid on table by Clerk:

Crown Land (Reserves) Act 1978 — Section 17DA, Order granting under Section 17D the variation of an existing lease to Albert Park Golf Management by Parks Victoria.

Wonthaggi and District Hospital — Report for the year 1997–98, together with an explanation for the delay in tabling (two papers).

SHRINE OF REMEMBRANCE (AMENDMENT) BILL

Government amendments circulated by Mrs TEHAN (Minister for Conservation and Land Management) pursuant to sessional orders.

Second reading

Debate resumed from 22 April; motion of Mrs TEHAN (Minister for Conservation and Land Management).

Ms GARBUIT (Bundoora) — On behalf of the opposition I am pleased to support the bill. Although I had an amendment prepared for the committee stage, I have not circulated it because it duplicates one of the minister's amendments. I make that point because I wanted to ensure, one way or another, that the amendment would be available to honourable members.

The opposition supports the bill because it broadens the powers of the Shrine of Remembrance trustees and allows them to undertake work to develop the undercroft of the shrine. The bill also puts into place some changes to the membership, operating powers and arrangements of the trustees, which have been sought by the Shrine of Remembrance trustees.

The shrine has a significant and respected place in the history of this state. It has come to symbolise our respect for those who fought and fell in the wars in which this country has been involved. The shrine has developed as a symbol of respect from the state.

According to an article in the Age, its history dates back to a public meeting in the Melbourne town hall in 1921, which was presided over by the Lord Mayor, Sir John Swanson. The meeting was held to commemorate the 114 000 Victorians who served in World War I and the 19 000 who did not return from that war — a huge number, considering that Victoria was such a small state at that time. The meeting agreed that a fund would be established. The Melbourne City Council and the then government each contributed £50 000 to build what would become the Shrine of Remembrance.
The fund was then open to public subscription, and the people of Victoria raised £150 000, which was a huge effort, remembering that the 1920s and 1930s were prior to and during the Depression — the worst of times — when people simply did not have enough money to make ends meet, let alone have any to spare. The amount raised reflected the importance that Victorians attached to that proposal.

Building of the shrine began in 1928, and it is interesting to read that it faced some opposition at the time. Among others, the Returned and Services League (RSL) saw it as a waste of money, according to the *Age* report, because Australia was going through the Depression. It favoured something more utilitarian such as a hospital. Nevertheless the people of Victoria saw it as a significant and worthy project and contributed a remarkable amount of money for those times.

The shrine was opened by the Duke of Gloucester at 11.00 a.m. on Remembrance Day, Sunday, 11 November 1934, when the shaft of light fell from the dome upon the Stone of Remembrance. Those who have witnessed that sight know what a wonderful feeling it is, and the design has been constructed to allow that to happen. On that day 28 000 servicemen marched through the streets of Melbourne, 300 000 people assembled at the shrine, and tens of thousands lined the streets. That was a great tribute from the people of Melbourne and Victoria to our World War I servicemen and women.

However, the real strength and value of the shrine, and the attitude of Victorians towards it, is shown by how it has changed over the years to include other wars in which Australians have fought. It has now become a memorial for all men and women who have served overseas, not only in World War I, but also World War II and wars since then.

It is reported in the *Age* article that in 1953 the forecourt and statuary were added at a cost of £120 000 in memory of those who fought in World War II. Then in 1978 a simple memorial wall and garden costing $205 800 were put in place to commemorate post-World War II conflicts, including the wars Australians have participated in since then, in Korea, Malaya, Borneo and Vietnam.

The shrine’s position in the hearts of Victorians has meant that it represents our respect and appreciation for those who fought in all the wars this century, so it is a special place, and one that last week’s Anzac Day services showed is growing in respect. The reports from the last Anzac Day service reveal that more people than ever are attending, and that many of these are young people, so the Anzac Day ceremony at the shrine has come to represent a very broad range of feelings indeed. The day has come to symbolise a lot of things about our nation that we wish to respect and honour.

The bill will allow for some changes at the shrine. Several years ago when works were undertaken to fix the terraces of the shrine, rubble and materials were removed from the undercroft, and that area is now vacant. The trustees have plans to develop some galleries of remembrance, and they have received federal funding of $5 million from the Federation Fund for those works.

It is not often that I quote the federal Treasurer, but his press release of 22 September 1998 announcing the funding describes how the money will be used to depict:

... the way Australian servicemen and women lived while operating against the enemy ...

By the maximum use of interactive displays and modern audio and visual techniques — soundscapes, touchscreen videos and walk-through displays — visitors will have a life-like total experience.

Special rooms will be set aside for lectures, further explanations and use by schools and tertiary institutions. The auditorium will show films relating to wartime on a continual schedule and be used for public lectures.

The shrine already attracts 300 000 visitors per year, and the proposed developments will add to the attraction.

The bill gives the trustees the power to develop the undercroft area, as the current act allows only for maintenance of the shrine and the grounds.

The bill also provides for the restructure of the trust by reducing the number of trustees. The eight trustees will be the chairman, the Lord Mayor or a councillor, a representative of the RSL, for the first time a representative of Legacy, and four members appointed by the Minister for Conservation and Land Management. Those four appointees will have the expertise needed by the trust to undertake the large proposed redevelopment.

An issue relating to the chairperson of the trust has been addressed by the minister’s amendment, which provides that the chairperson will be:

a person nominated by the minister, who has been engaged in service or duty as an officer or a member of the naval, military or air forces.
Therefore at least half of the eight members of the new trust will be former service people, which is important given the nature of the background of the shrine.

The trustees will be given extra powers to allow them to develop the undercroft, to employ people to carry out that development, and to charge a fee for entry into the undercroft area but not to the rest of the shrine, access to which must remain free to all. The bill also allows for the appointment of life governors, who will assist the trustees with their extensive ceremonial activities throughout the year. The opposition is pleased to support the amendments to the act.

It is interesting to note that $5 million of the funding for the galleries of remembrance has come from the federal government. I would have thought the minister would have taken the opportunity in her second-reading speech to offer some state funding for the project, but she was silent on that point. The minister will have another opportunity to do so when she sums up; I will be listening for that.

The bill also recognises organisations of importance to the Shrine of Remembrance, including the Melbourne City Council, which, as I said, was the original proponent of the shrine at the first meeting about it in 1921. The inclusion of the Lord Mayor or his or her delegate as a member of the trust is another important recognition of the ongoing role of the Melbourne City Council and the contribution it continues to make to assist the trust.

The bill also provides recognition of the work of the RSL which is an important organisation in my community as it is in all Victorian communities. My local RSL group has put a lot of money into the local community, and members attend the Anzac Day dawn service and march each year. Their work is well recognised by the bill.

It is also worthy of note that the work of Legacy is now recognised by the appointment of a Legacy representative as trustee. My own family has benefited from the work of Legacy, as have the majority of Victorian families over the years. It is an organisation that does wonderful work without much recognition. I am pleased it has received that recognition in the bill.

The opposition is pleased to support the bill, and wishes it a speedy passage through Parliament.

Mr McARTHUR (Monbulk) — I welcome the support of the opposition for the bill. As was mentioned in the house during the previous week of sitting, it is pleasing that nowadays the opposition is supporting much of the legislation proposed by the minister. I welcome the opposition’s pleasant change in attitude and its support of practical and reasonable bills.

The bill is a small measure that will be very important to many people for the simple reason that the residents of Victoria, and Australians as a whole, hold very dear the memory of what the men and women of Australia did for them during various wars and conflicts.

I will briefly outline my personal reasons for being protective of and respectful to that memory. My wife was, I believe, the first child born in Belgium after the war to Jewish survivors of concentration camps. In recent years she has spoken at dawn services about her origins, her feelings of gratitude and respect for the efforts and sacrifices of the allied servicemen and servicewomen, and the gratitude that members of her family felt when they were released from places such as Auschwitz and Bergen-Belsen as a result of the efforts of those servicemen and servicewomen.

My father and his two brothers served during the Second World War, and between them covered all the major arms of the military service. My father served in both the army and the RAAF; his brother Angus served in the army; and Jack served in the navy. Therefore I approach with much hesitation any bill that proposes alterations to arrangements for the shrine, which is a fitting and well-respected tribute and memorial to all the men and women who have served in Australia’s armed forces since the Boer War.

The reasons for the bill are twofold. At the outset it must be acknowledged that the bill has been developed at the request of and in consultation with the Shrine of Remembrance trustees. They have been closely consulted in the drafting and development of the bill, and they initially proposed the bill’s substantive parts.

The honourable member for Bundoora has mentioned the major purposes of the bill and the reasons for the trust’s interest in developing the undercroft, which was cleaned out recently when the shrine was refurbished. In household terms, the undercroft is the basement section of the shrine. It was full of builders’ leftovers, bits of rubble and such things. When it was cleaned out the trustees saw its potential for use as a museum, in effect. They are very keen to implement their plan to develop what they seek to call galleries of remembrance and so establish a permanent display of memorabilia of all the theatres of war from the Boer War on in which Victorian men and women have been involved.

As mentioned by the honourable member for Bundoora, the trustees have already received
considerable support from the federal government to assist them with that project. The trustees have received a grant of $5 million from the Federation Fund and have applied to the Community Support Fund for a similar amount. The balance of the capital cost of the program will have to be raised by the trustees themselves. They may do that in whatever way they see fit, such as seeking sponsorship or raising money from public subscription. Although they have considerable support for the capital cost of the project, there will also be recurrent costs associated with any such program and the trust proposes that it be allowed to set admission charges to the galleries of remembrance to help cover those costs. The current ballpark estimate of the cost of running and maintaining the galleries is $1 million a year.

The legislation is required because although the trust is keen to develop the galleries of remembrance and has the responsibility and power to maintain and preserve the shrine it does not have the power to alter or improve anything at the shrine. The bill will provide the trust with the power to improve the undercroft. The power will be limited to the undercroft as is defined in the early part of the bill and as will be defined in a plan of survey to be approved later. The public and former serving personnel can rest assured that although the bill will provide the trust with the power to make alterations and improvements, it applies only to the undercroft and not to the above-ground areas of the shrine with which the general public is familiar and which many visit for the dawn service on Anzac Day. As the honourable member for Bundoora has said, some 300 000 people a year now visit the shrine.

The bill also provides the trust with a number of other powers. It will allow the charging of admission fees to the undercroft area once it is developed but will not allow any form of admission fee to be charged for the normal public areas of the shrine. For the first time the trust will have the power to employ staff. That option has previously not been available to the trust and has not been required. Once the undercroft and the galleries of remembrance are established staff will be needed to maintain those areas, to undertake guide duties, provide explanations and assist visiting members of the public.

The bill also provides the trust with the power to delegate its powers to perform any of the duties required to one or more of the trustees, to staff or to appointees. It will also give the trust the power to appoint governors. Governors are required because many ceremonial duties are performed at the shrine at various times of the day throughout the year. Traditionally those duties have been undertaken by the trustees, but the task is becoming increasingly onerous.

Given that the trust is to be restructured the burden on the new trust members is likely to be too great and the power to appoint governors will assist the trust to deal with the ceremonial duties.

The bill implements the suggestion of the current trust that the trust be restructured. It is proposed that current trust membership of 14 trustees be reduced to 8, to be made up partly of representative members and partly of people with experience and expertise. The chair of the trust will be appointed by the Governor in Council following the recommendation of the minister and will be a person with some military experience. The Lord Mayor of the City of Melbourne, or his or her nominee, will also be a member of the trust. Traditionally the Lord Mayor has carried out that role, and I hope and imagine that that tradition will continue. The City of Melbourne has a long and proud tradition of supporting the shrine. I do not expect that that will change.

As the honourable member for Bundoora pointed out, the Returned and Services League will recommend to the minister that another trustee be appointed — again, a person with military service — as will Legacy. It is fitting that those bodies should have the opportunity to recommend to the minister suitable people for appointment to the trust.

The other four members of the trust will between them have expertise and experience in a range of areas, including administration, business, finance, marketing and public relations. That is necessary because in the future the role of the trust will be expanded to cover the administration and management of the galleries of remembrance that may be developed in the undercroft. The bill provides the opportunity for but does not guarantee the development of the galleries of remembrance. Whether the galleries are developed will depend on the trust’s ability to raise the required capital, a good deal of which has already been allocated by the federal government. For the project to proceed the trust will need to satisfy itself, firstly, that it can raise the required capital, and secondly, that it can continue to manage and operate the galleries of remembrance.

The bill requires that each year the trust provide a business plan to the minister, who may with the approval of the trustees provide a copy of the plan to the City of Melbourne. The requirement for the submission of an annual plan will involve the normal procedures set out in a range of legislation governing committees of management and boards. The bill will allow for reasonable comments by the minister about the content of the plan and consideration of the comments by the trustees. The trust will be subject to the Financial Management Act and in common with a
range of boards and committees of management across the system will be required to present an annual report.

The operation of the shrine involves many ceremonial duties. The bill provides for any person who holds office as a trustee immediately before the commencement of the operation of the act and who is not reappointed to the new trust to be made a life governor of the shrine. It also provides that a person who is currently a member of the trust and who takes a role on the new trust, and who later retires, will also become a life governor. The appointments recognise the excellent service provided by people who currently serve as members of the Shrine of Remembrance Trust. They will be allowed to continue performing ceremonial duties at and maintain their association with the shrine. It is a fitting tribute to their past efforts and a good way of ensuring the continuation for as long as possible of their long association with the shrine.

This is a very sensible piece of legislation, which will ensure the protection of a Melbourne icon, held very deeply in the hearts of people across Victoria. It is also a sensible way of making the shrine more important to people in the future by providing young Victorians and visitors to Melbourne the opportunity to visit the galleries of remembrance and learn more about the service given by those men and women who served us so well. I wish it speedy passage.

Mr Robinson (Mitcham) — I am pleased to support the Shrine of Remembrance (Amendment) Bill. The shrine is a significant monument in Melbourne and ranks as one of the two or three outstanding landmarks in this city. I do not know the visitation statistics but I suspect that probably more people per year visit the shrine than any other attraction.

Mrs Tehan interjected.

Mr Robinson — The figure is 300 000 a year, is it? That would put it in the top two or three attractions in Victoria. The shrine has significance beyond being a tourist attraction. Its purpose is to commemorate the deeds and efforts of Victorians over many years in defending the country abroad.

The shrine’s busiest day of the year is Anzac Day, and the crowds start gathering early in the morning. This year I had the opportunity of taking some people from the Mitcham electorate to the shrine for the dawn service. It was a moving experience. The dawn service is becoming more popular with each passing year.

Numerous benefits will flow from the use of the undercroft area at the shrine, not the least of which will be the capacity to offer a greater range of displays, information and interactive material for visitors and, especially, younger Victorians. That is to be commended. Some time ago the federal government produced an interesting booklet subtitled *The Australian Corps in France, 1918*. It is an example of the popularised history emerging about the contribution made by Australians, particularly in the First World War. It is easy to read but provides substantial detail with a great array of photographic material of the many different campaigns that Australian troops were involved in during 1918 under the command of General Monash and other great Victorians.

The book is interesting also because it refers in some detail to the different campaigns involving battalions raised on a state-by-state basis, particularly in the first and second world wars. There were something like 60 battalions in the Australian corps in the last year of the First World War, and a number of them were almost exclusively Victorian. For example, the 24th battalion, which my grandfather had the opportunity to serve in, was involved in the last great infantry action in France in 1918 which culminated in a three-day battle in the town of Montbrehain on 5 October.

The redevelopment of the shrine will allow Victorians to be informed of, to remember and to celebrate instances like that. The efforts were outstanding and the legacy of the Victorians who served in France is well remembered by people in France today. The deeds of the soldiers in those early battalions are not forgotten.

A number of unit associations use the shrine throughout the year for their annual gatherings, and I note that the 24th battalion has an annual pilgrimage to the shrine in September. The shrine is used throughout the year for this purpose, and its redevelopment will facilitate and enhance that usage. Members of the 24th battalion wore the colours of white and red, and it was commonly referred to as the blood and bandages battalion, so high was the rate of casualties in its early days in World War I.

My only comment on the mechanics of the bill is that its provisions allow for the Lord Mayor of Melbourne to be represented on the Shrine of Remembrance Trust. That is appropriate, given the significance of the city council’s role in supporting the activities of the trustees over many years. However, there is nothing in the bill that deals with the possibility of the removal of the Melbourne City Council. It would be a pity if there were no representation from the council. I have looked through the bill and I am not certain whether a trustee appointed by the Melbourne City Council would be
allowed to continue should the council be dismissed by the state government.

There are provisions for other people to be appointed in addition to the trustees from time to time, and someone from the council could be appointed in that capacity. The council’s role is substantial, both traditionally and currently, and it deserves to have a trustee rather than someone in a more peripheral role. I raise that issue for the minister’s attention.

The opposition does not want to make a big argument about the rights and wrongs of sacking councils. This is not the occasion to do that. However, the Premier has indicated that he reserves the right to review the council’s performance and does not shrink from dismissing councils if he does not think they are up to scratch. As I said, I raise that matter for the minister’s attention and hope we get a commitment that the council will be represented in the form of a trustee regardless of what happens to the council over the next few years.

With those comments I support the bill and wish it a speedy passage.

Mr E. R. SMITH (Glen Waverley) — It is with a great deal of pride and delight that I support the bill, which obviously has bipartisan support. It is a bill that goes to the heart of Australianism. The design of the Shrine of Remembrance is unique in the world. It is interesting that there is no indication or sign nearby to show that it is the Shrine of Remembrance: visitors just learn it is the shrine. That is part of the magic of the place when visitors first come into it. In comparison to similar memorials in many other places, such as those in Whitehall and Sydney, the Melbourne shrine has a special magic.

In war cemeteries such as the one at Kanchanaburi, where the bridge over the River Kwai was, or the one in Changi in Singapore, there are rows of simple crosses indicating that this is a burial place, even though in many cases that is not where the victims are buried. The crosses might show Private A, 17 years; Private B, 19 years; a very elderly corporal, 21 years; and a very elderly sergeant, 23 years. Walking through a war cemetery gives a sense of the significance of the sacrifices made for Australia by thousands of young men and brings to mind what they died for. Because of them we enjoy a freedom today from the dictatorships and authoritarian governments that could have been imposed on us.

The minister should talk to those in charge of the galleries of remembrance about a central theme focussing on youth, because it is the young people who have recently been captured by the spirit of Anzac. They can easily identify with young men who gave their lives for them. That is the reason why thousands have been attending the dawn services, the marches and other services in suburbs such as Glen Waverley, where 800 to 1000 people attended or the 6 a.m. service in Mount Waverley where 400 attended. Young people are identifying with Anzac Day. There could be a theme for youth in the galleries of remembrance.

The honourable member for Caulfield suggested that the mothers who were left behind should also be identified in the galleries of remembrance. Years ago I was involved in work on dioramas at the War Memorial in Canberra. The community wants to assist the new shrine trustees and such ideas should be considered. Mr Tony Beddison was head of the Australia Remembers campaign in 1988. Many people looked to Tony or the person visiting Parliament today, Major Peter Thomas, who worked with Tony on public relations work, for advice. Such people should be used in the new organisation. It is important that the minister chooses appropriate people for this task.

I turn to whether there should be an admission charge to the shrine. I have no problem with such a charge. There could be some form of sponsorship, but not commercialism. Perhaps sponsors could be listed on the program that is given to visitors. We do not want commercialism such as that associated with Optus Oval, but the program that is handed out could have, for example, ‘CUB’ at the bottom. There should be no advertising on the walls of the galleries. Taxpayers should not be funding such an entity. The RSL can raise money and we all stand on railway stations during Anzac Week to raise funds for the Anzac cause. Entry to most of the war memorials, cemeteries and so on that I visit is free. I have no ideological objection to a fee being charged but it is a matter that the minister may wish to consider.

The themes in the galleries of remembrance should be about youth, the mothers who stayed behind or the females who worked to support the men in the field. People such as Mr Beddison should be considered when appointing governors. The bill provides time to reflect on what we are about, our history and the sacrifices that were made by the young men in those days. It will help bring together our history to ensure that the memory will not only be long lasting but also be part of the Australian way of life.

Mr BAKER (Sunshine) — I strongly endorse and support the intentions of the Shrine of Remembrance (Amendment) Bill. We all have problems in deciding
how to strike a balance between glorifying war and remembering the bravery of those who fought for our country across a series of wars. My own family, from the last count, has lost seven men in the Great War and in the Second World War. They are buried at Lone Pine, Crete and in the Coral Sea. Some of those who returned had their lives destroyed. The cost and the pain of that to our family is still carried on into present times. Family names died out because of war, names of original settlers in Australia six or seven generations ago. Those names have been totally wiped from my family’s history.

The other day I had to talk to students at Sunshine Secondary College and there was a sea of faces that were not Caucasian in the main. I was the last speaker and I was thinking about what to say. I said that I wondered what had happened to a fellow I knew called Bobby Morton who was the soak in the block where I grew up and was often belted around the head by the local bully. Bobby was brought up by a couple of maiden aunts in a bush mining town and people thought that was strange. When he returned from Vietnam six months later they put him in the back of a utility and drove him down the main street and everybody cheered Bobby Morton. He had no legs because he had been shelled by our own troops. I wonder how he spent Anzac Day and whether they put him in the back of a utility again. I suspect they did. He is two or three years younger than I, and I now wonder how he spends the rest of his time.

I suggest, with respect, that in remembering war we should also remember the other aspects of it, not only the glory and the contribution of those who served but the suffering of those who returned and the effect on their families, because it is never the politicians who are killed in the wars! In electorates like mine one does not see many military crosses on the honour boards because most of the people from those electorates who fought were not officers. The majority of those who won medals were of the officer class. I should like to see a modern display in the undercroft of the Shrine of Remembrance some weighting paid to that and to the contribution in particular of women who have only recently been given due recognition for the role they played in the armed services, both on active service and working at home.

One of my grandmothers worked in the munitions factory with many other women rolling bullets for the war effort. She had to bear the consequences of all the men, husbands and sons being away at war for periods of up to five or six years, some of whom when they returned were never the same again because of the horrific circumstances they experienced. Her first husband spent three to four years at the Somme and when he returned he was never the same. He put up his age to go to the Great War. Her second husband, who put his age down to go to the Second World War, fought in Balikpapan and Tarakan. This lady lived through the experience of two wars with children to care for in difficult circumstances.

I endorse the remarks made by the honourable member for Glen Waverley and in particular his reference to the excellent work of Mr Beddison in recent times. I could not think of a more ideal appointment for that board without presuming to tell the government what it should do. Persons of that calibre would be welcomed by all sides of politics.

It is a good bill and a worthwhile thing to do. I commend it.

Mrs TEHAN (Minister for Conservation and Land Management) — In closing the debate, I thank all honourable members who contributed and those who would have liked the opportunity but were denied it due to the time restraints of the house. I especially welcome the opposition’s support for the bill. It is good that it will be passed with the bipartisan support one would expect.

The bill was developed from a proposal by the trustees themselves. Approximately two years ago the trustees asked me to consider the size and composition of the trust. It was seen to be large and unwieldy. For example, no arrangements had been made for the retirement of trustees. The trustees had seen the changes made to the Melbourne Cricket Ground Trust in the Melbourne Cricket Ground (Amendment) Bill and thought it appropriate to review the trust administering the shrine in the same way.

Further stimulus was provided by the need to develop the undercroft. A Federation Fund grant of $5 million was made towards the development of the shrine undercroft and further consideration was given to what legislation was required. It became obvious that the trustees did not have the power to plan for development of the shrine per se — the act provided only for its administration — and further powers were needed to enable the development and operation of an undercroft. It was decided to use the bill to address the deficiencies in the 1933 act.

The honourable member for Bundoora addressed the role, history and development of the shrine, as did other honourable members. The Shrine of Remembrance Site
Bill was introduced in 1933 by the then Premier and Treasurer, Sir Stanley Argyle. The second-reading speech states:

This is a bill intended to provide for the permanent reservation of a site for the monument known as the Shrine of Remembrance which has been erected, but not yet completed, under the supervision of a body known as the National War Memorial Committee …

The building is, in the words of the late Sir John Monash, the greatest structure in granite that the world has ever seen. There has never been a building, in any part of the civilisation known in this world, the equal of this in solid granite, and it is fitting and proper that Parliament should put the care of the shrine in the hands of some responsible people …

It will always be accessible to anybody who desires to enter. There will never be a charge for admission or anything of that kind which will make it a money-making concern. It is the property of the people of Victoria, and this bill is designed solely to place in responsible hands for all time the matter of its care and maintenance.

Those objectives and that vision for the shrine were restated in the contributions of honourable members today. The only difference is that the new legislation adds to the responsibility of the trustees for the care and maintenance of the shrine — the operative words at that time — a new responsibility for its development, and especially for the development and operation of the undercroft.

The bill clearly restates the intention in the 1933 act that there should be no charge for admission to the shrine. If and when the undercroft and remembrance galleries are developed a charge for entry to them will, however, be applied.

Contributors to the 1933 debate spoke of the role of the Melbourne City Council and of the lawns and vista. The report of Sir Stanley Argyle’s speech states:

… it is necessary to have this large area. Trees will be carefully selected and tended, and the lawns will be looked after. The idea is to use a system of watering which will be hidden below the surface. Honourable members will know what I mean. When a tap is turned on, the grass will be watered with concealed sprays. A boy could attend to this.

Obviously the latest 1933 technology was used for the watering system around the shrine. Watering systems are now taken for granted, but at the time it was the latest technology. It will be interesting to see what technology is considered for the galleries of remembrance. No doubt it will be the latest, state-of-the-art, touch-button technology and an advance on any technology of the previous 50-odd years, but it will be no more advanced relatively than the original watering system was in its day.

The contributions have been very positive and I appreciate them. I refer also to the contributions of the trustees themselves, in particular the contributions of two men: the chairman, Mr Peter Isaacs, and Colonel George McKenzie. They formed a small committee to work with Helen Harison of the Land Victoria component of my department to prepare the legislation. Those three people have worked carefully and have considered seriously all of the proposals that now form part of the bill. They will be pleased with the outcome, including the support of the whole of this house. I place on the record my thanks for the work they have done.

As the honourable member for Monbulk said, $5 million has already been provided by the federal government. There is a proposal under consideration for another $5 million to come from the Victorian government through the Community Support Fund. As the trustees recognise, an important consideration will be the recurrent costs of operating the proposed galleries. Setting the galleries up is one thing, the cost of operating them is another. It is unlikely that there will be a revenue stream to meet that ongoing cost and the issue is one with which the trustees, both current and new, will have to grapple. The balance of capital funding will in all probability be provided through a public subscription of some sort, and probably one not dissimilar to the fund used to raise funds for the building of the shrine in the 1920s and 1930s. The first step was to introduce legislation to allow fundraising that is not provided for in the limited objectives of the 1933 act. That shortcoming is addressed in the bill.

The trust will comprise eight trustees: the chairman, who will be a member of the active services; a Legatee and two Returned and Services League representatives, who will also be people who have seen active service; and four persons appointed for the skill and experience they can bring to the development of the undercroft galleries as well as to maintenance and care of the shrine.

I thank the current trustees, who have done an excellent job in caring for the shrine, a Victorian icon. As honourable members have suggested, the shrine holds a very special place in the hearts of Victorians. The trustees who are not to be reappointed will become automatic life governors. It will be an ongoing and real role involving the protocols and ceremonial duties that are associated with the shrine. I am sure that the new trustees will follow on in the spirit of past trustees, in the spirit of the debate on the 1933 legislation and in the spirit of the debate on the bill today.
Mr BRACKS (Leader of the Opposition) — I am pleased to speak on the Appropriation (1999/2000) Bill. Tuesday's budget was not a plan for Victoria; it was a plan for an early election. The commentators say that and members of the public know it is the case. It is an election bribe that will disappear overnight if the government is re-elected. The government will return to form if re-elected. It will go back to being the same old government — cutting services and privatising whatever is not tied down.

In his rush to offer pre-election bribes the Treasurer has forgotten ordinary Victorians who are suffering under high taxes and charges, poor health services and overcrowded classrooms. The Treasurer's last budget encompasses his vision for Victoria: schools with insufficient teachers, hospitals with insufficient nurses or cleaners, police stations manned by insufficient police.

I am not churlish. Breaking from the tradition of shadow Treasurers I am prepared to accept that the budget contains some good initiatives. The Eastern Freeway extension and the Princes Highway upgrade, including the Hallam bypass, are long overdue. The emphasis on science, engineering and technology is welcome.

But where is the plan to restore service in Victoria? No plan exists to reduce Victoria's hospital waiting lists which have blown out under the Kennett government. There is no plan to ensure that hospitals are kept clean. There is no plan to reduce class sizes and there is only a half-baked plan to improve community safety and increase police numbers. The budget lacks a plan for the real issues that affect all Victorians.

The Treasurer said that the budget was one of social advantage. Listen to the words — 'social advantage'. He was not referring to social fairness but to 'social advantage'. However, the reality is that the budget will advantage some Victorians and disadvantage others.

According to the Treasurer the budget makes up for seven years of austerity and provides a social dividend. Instead, it is a budget that provides a dividend for some — that is, those who are already advantaged in Victoria — but it continues to ignore the majority of people in the state.

The budget marks out the difference between the Labor Party and its opponents. The Labor Party stands for all Victorians. It is not about social advantage but about social fairness. The government stands for those who are already advantaged. The Labor Party stands for delivering basic services while the government stands for election bribes and hollow promises.

The budget is a missed opportunity. The opportunity to sell the budget has also been missed. In an extraordinary display of petulance and pique yesterday the Premier white-anted his Treasurer. The Treasurer, who is described by some honourable members on the other side as the engine room of the government, should at least have been given one more day to sell the budget. However, the Premier — annoyed at being overlooked, as he often is, and even more annoyed at being regarded as the Treasurer’s sidekick — decided to speculate about his retirement. It was a clear and deliberate attempt to move the camera away from the Treasurer and his last budget. What kind of support is that for the Premier to give his Treasurer? The Treasurer knows that the Premier's comments yesterday ensured that he was removed from the front pages of the papers and the Premier was back on them. The Premier knows that by speculating on his own future the Treasurer will not get his day in the sun.

Mr Baker — What a mate!

Mr BRACKS — The dynamic duo. According to the Premier, Victoria is a one-man show, so if another person is in the limelight the Premier will cut that person off. If I were the Treasurer of the state I would be damned annoyed. I would want the chance to explain and sell the budget. I should have thought that rather than talking about his own future the Premier would be more intent on speaking about the plan for Victoria’s future, leaving the Treasurer to explain the budget.

The government benches look more like a retirement village than anything else. Ministers appear to be planning their retirement rather than planning Victoria’s future. The Premier has joined the queue of ministers and others seeking to leave Parliament.
The SPEAKER — Order! The Leader of the Opposition does not require the assistance of the honourable member for Swan Hill.

Mr BRACKS — It is best to judge politicians by their actions rather than by their rhetoric. The Premier’s comments yesterday indicate his belief that his best days are behind him.

The budget will cut education spending over the next four years. It will also cut health expenditure over the next four years and, as I said, it has a cynical and half-baked approach to community safety. It provides no tax relief for ordinary Victorians. It covers up the real surplus and ditches — —

Honourable members interjecting.

The SPEAKER — Order! The Treasurer was heard almost in silence. I ask that the few members on the government benches who are being disorderly accept that the Leader of the Opposition deserves the same courtesy. That clearly includes the honourable member for Swan Hill.

Mr BRACKS — Education spending will be cut over the next four years, and I will explain that in detail later. Health spending will be cut. The surplus is dodgy, and I will also come to that later. The promise that 1.25 per cent of gross state product (GSP) will be spent on capital has been ditched. The budget goes back to what has been achieved in actual terms — that is, only 1 per cent of GSP being spent on capital.

I turn now to some of the deficiencies. Where does the surplus go? That is not my heading but part of the heading of the table on page 5 of budget paper no. 2: ‘Box 1.1: 1999–2000 Budget — Where does the surplus go?’. The table commences with an operating surplus of $6.2 billion and finishes with a sustainable cash surplus of $67 million. That is what the Treasurer would have Victorians believe. Whenever the Treasurer comes in with a surplus there is always a balance figure. It is either capital underspent or some new arrangement he has identified to trick up a lower surplus. There is a new one in the table, called ‘economic and financial parameter changes’.

I further refer to budget paper no. 2, which shows the figure for 1998–99 to 1999–2000 as $170 million. That figure is designed to depress demand, so ministers do not get their turn and the public does not get what it wants. I will be fair to the Treasurer on that aspect because a note is attached to the provision stating that the $170 million balancing figure:

Comprises the net impact of economic and financial parameters (such as wage and price inflation, economic growth and less buoyant property and financial markets) which result in growth in departmental operating costs and a decline in operating revenue. This is partly offset by lower interest costs as a result of debt reduction.

Economic commentators and the Victorian public were not born yesterday. The $67 million sustainable cash surplus is as dodgy as a surplus can get. It is a figment of the Treasurer’s imagination and does not match up with reality. If one examines the balancing figures — the amount underspent from estimates to capital, the underestimation of revenue so the revenue figure comes in higher, and the expenditure not spent — one sees the surplus is dodgy and absolutely inaccurate.

In each budget for seven years the Treasurer has claimed the cupboard is bare; yet 12 months after each budget he returns and tells us why the situation is better than expected. Has any honourable member ever seen the actual figures in departmental expenditure for 1997–98? The truth is there are no actuals for that period. There is no evidence that promises in previous budgets were delivered. Every year all the house gets is a series of estimates and later revised estimates. This year a $770 million operating surplus simply disappeared without any sustained boost to expenditure and without any tax relief.

At page 5 of budget paper no. 2 the question is posed, ‘Where does the surplus go?’. The answer is that it has disappeared because the Treasurer has done what he has always done and redefined it in his own way to make sure he comes up with the figure he wants. How can we be expected to believe this surplus when the budget contains interest payments of $237 million lower than the previous forecast for 1999–2000? For example, capital spending for 1998–99 and 1999–2000 has been revised down by a massive $738 million — that is, the amount underspent on capital compared with what the government estimated is reduced. Taking in capital and interest payments that have been reduced, the underestimate in the budget on only those two aspects is about $1 billion.

I turn to deal with other matters underestimated in the surplus. What about state taxes? They are $106 million higher than the figure forecast in the last budget. The sale of goods and services figure has been revised upwards by $50 million. The level of underspending across departments was more than $136 million, and the figure for the reduction in superannuation and depreciation expenses was $128 million. Employee entitlements, particularly in health services, were more than $30 million less than previously forecast. Taking in capital expenditure revenue, about $1.4 billion has
not been properly accounted for in this budget, which makes an absolute mockery of the $67 million figure.

We know about the $1.4 billion, but what will the government do with that figure? It will be used for the big pre-election spend-up. The Treasurer has hidden it and the Premier knows about it. Not only is this a dishonest budget in its forecasts and surplus, but it has hidden amounts that will be used for pre-election spending.

I turn now to what is a capital expenditure con in the budget. Prior to his introduction of the budget the Treasurer attempted to convince anybody who would listen that the government had boosted expenditure on capital. Nothing could be further from the truth. We have only to look at the budget papers to realise that. In April 1995 the government set itself a target for capital spending of 1.25 per cent of gross state product. This budget scraps the target. At page 22 of budget paper no. 2 we discover the scrapping of the commitment to capital spending in Victoria. It states:

An operational target of a minimum 1 per cent of GSP, from 1999–2000 onwards, is now considered to be consistent with the long-term objective of ensuring that the state’s infrastructure is adequate to support service delivery and economic growth.

Capital spending has been cut in forward projections, as is shown in the budget. The government has ditched its commitment to a 1.25 per cent spending on capital. In addition, at one fell swoop the budget has revised down expenditure on capital for 1999–2000 by $180 million. Capital spending has been revised down by a staggering $558 million. A comparison of the last budget expenditure on new fixed assets in the general government sector reveals the extent of the downturn. I seek your leave, Mr Speaker, and that of the Treasurer to incorporate in Hansard a table from budget paper no. 2 which describes the underspent capital.

The SPEAKER — Order! The papers have been checked with and approved by the Chair and Hansard. That ruling applies so far as the Chair and Hansard are concerned for the other incorporations, but the Leader of the Opposition needs to seek the leave of the Treasurer for each incorporation.

Mr Stockdale interjected.

The SPEAKER — Order! The Treasurer has confirmed that he gives leave to incorporate all those documents.

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Mr BRACKS — I turn to a comparison of general government sector asset investment. When one looks at the estimated expenditure on new fixed assets in the table I have just incorporated in Hansard one finds an underspent amount in each year increasing from $189 million in 1998–99 to $604 million in 2001–02. In other words, almost $2 billion has been wiped off Victorian capital expenditure in one fell swoop through this budget.

The budget is no big-spending capital initiative. There was an announcement in the press before the budget was introduced, but the budget discloses that historically the government has underspent by $1.5 billion, and the underspending increases to $2 billion. The government has never met its target, so has scrapped it.

The picture is the same when one examines actual infrastructure spending by the state. That document will be incorporated in Hansard, in line with your earlier ruling, Mr Speaker.

Leave granted; table as follows:
Actual infrastructure spending by the state

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<tbody>
<tr>
<td>Estimated direct additions to public infrastructure</td>
<td>$1461.3m</td>
<td>$1322.5m</td>
<td>$1434m</td>
<td>$1538m</td>
<td>$1547m</td>
</tr>
<tr>
<td>Actual expenditure</td>
<td>$942.4m</td>
<td>$1246.6m</td>
<td>$1,237m</td>
<td>$1,244.1m</td>
<td>$1160.3m</td>
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<tr>
<td>Government underspending on capital</td>
<td>$518.9m</td>
<td>$75.9m</td>
<td>$197m</td>
<td>$293.9m</td>
<td>$387.1m</td>
</tr>
</tbody>
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Source: Compiled by the state opposition from various budget papers

Mr BRACKS — The budget is a con in its underspending on capital. The Treasurer has claimed that more money will be spent on education. If the Treasurer had a vision for Victoria’s future he would have set about repairing the damage to our education system. This budget shows there is no plan for education — no plan to improve numeracy and literacy skills in schools or to reduce class sizes. The government has no intention of fulfilling the promise it made at the last election to place 1000 additional teachers into schools.

Instead of supporting them the government plans to close another eight primary schools, according to my reading of the budget documents. Parents with children at Victoria’s 560 schools in classes of 30 or more students will condemn the Premier for his failure to ensure a fair go for their kids. While children are dropping out of school at alarming rates the Premier’s response is to revise down the targets. The budget offers no targeted improvements for next year.

The commitment to provide 1000 more teachers has not been met. Figures released by the Australian Bureau of Statistics on 21 April 1999 show that as at December 1998 there were 254, or 298 full-time equivalent, fewer teachers in Victorian schools than there were in December 1997. The number of teachers was actually cut! The budget shows that the student-teacher ratio is expected to increase.

For the benefit of the honourable member for Box Hill, who will speak next on the budget, I refer to page 27 of budget paper no. 3, which shows that the teacher-pupil ratios in schools will increase under performance indicators. It is no wonder the government expects 28 per cent of primary teachers and 36 per cent of secondary teachers to have low morale by 2000 — another performance indicator under the budget.

The government has decimated Victoria’s public education system. According to Commonwealth Grants Commission data Victoria spends less on education per capita than any other state or territory — almost 13 per cent below the Australian average — and it appears that less will be spent in the future. The budget shows that spending on education over the forward estimates period is well under the expected level of inflation and takes no account of potential wage increases. Where is the vision? The government has none for education beyond the next election.

In a pre-leak of next week’s federal budget I notice that the federal Treasurer, Mr Costello, is looking at a new funding formula for non-government education and an extra boost to education funding in all states. Victoria has one of the worst-funded non-government education systems of any state in category 10 and category 11 non-government schools, essentially the Catholic system.

Honourable members interjecting.

The SPEAKER — Order! If the honourable members for Niddrie and Swan Hill want to have a debate they should await their opportunity or do so out of the chamber. They should not interrupt the Leader of the Opposition by debating across the chamber.

Mr BRACKS — The lack of expenditure on health is also a hallmark of the budget. Despite all the pre-budget hype the government has failed to deliver solutions to the escalating crisis in the health system. The budget shows the government has again broken its promise to provide 1000 extra workers in the health system. Page 65 of budget paper no. 3 reveals an $85 million downward revision in employee-related expenses in 1998–99, which means fewer nurses and fewer health workers.

The budget involves real expenditure cuts over the next three years. If inflation and wage movements are taken into account and a view is taken of the years ahead it will be seen that in the future there will be real cuts in education and health expenditure.
Leave granted; graph as follows:

**Percentage annual growth in outlays**

![Graph showing percentage annual growth in outlays]

**Source:** Compiled by the state opposition from information in 1999–2000 budget paper nos 2 and 3

Mr BRACKS — The graph shows effectively that in the years beyond 2000 there will be real cuts in education and health — approximately a 5 per cent cut in the period to 2003. Where is the vision for health? The government has none beyond the next election.

The big winners in the budget are contractors and consultants, to whom funding has increased by 37.8 per cent. Funding for hospitals and schools has been reduced but funding for consultants and contractors has been increased. In each of its past three budgets the Kennett government has claimed it has spent significantly more on hospitals. The reality is less staff and longer waiting lists.

The budget does not do enough to turn around Victoria's rapidly growing crime rate. If the Premier were serious about reducing the crime rate he would have matched Labor's commitment to an extra 800 police. He did not. Instead he went in with a half-baked promise in a half-hearted way. The Premier's political response to a serious community safety issue will not fill the vacancies in police stations, get patrols back on the streets or cut crime.

The Premier's promise is underfunded. On Productivity Commission figures the average cost of employing an additional police officer is approximately $67,000, and if the on-costs, equipment costs and other capital costs are included it works out to about $85,000 per police officer. The government has undercosted and underfunded its promise. The government is talking about providing 400 extra police at a cost of $20 million — something like $50,000 for each police officer when according to the Productivity Commission figures the average cost is about $85,000 per police officer. The government will not meet its commitment of 400 extra police and on those figures will have to cut the number back to 235.

There is no commitment by the government to replace outdated police stations such as those at Preston, Northcote, Seymour and Moe. There is no commitment to provide new police stations where they are needed in places such as Endeavour Hills, Rowville or Diamond Creek. There is no reassurance about police stations that are threatened such as those at Mount Evelyn, Olinda, Croydon or Drysdale. The government has taken a hands-off approach to crime prevention and a half-hearted approach to community safety. The government's proposal goes only half of the way and is underfunded.
The Treasurer made a pre-budget promise that there would be real tax relief. That was everyone's expectation. However, the fine print of the budget reveals that last year Victorians paid taxes and charges to the tune of $220 million more than the Australian average. When examining this year's budget one would have expected the Treasurer would want to reduce that over time. The Treasurer made a commitment when he first came to office that he would seek for Victoria to have something like the average of the taxation rate in other states. At page 157 of budget paper no. 2 it is revealed that Victorian average taxation levels relative to the rest of Australia have not gone down, they have gone up. The level of taxes in Victoria is now $314 million higher than the national average, and higher than it was last year. In the past 12 months taxes in Victoria have increased.

According to budget paper no. 3 actual tax receipts have increased by $106 million more than was forecast.

Every man, woman and child in Victoria now pays $84 per person more in tax than the average Australian in other states. That is the amount Victorians are out of pocket under a Treasurer who said he would reduce taxes to the national average. This is the Treasurer's last budget. He is leaving as Treasurer at a time when taxes in Victoria are $314 million higher than the Australian average.

The Treasurer has made great play of the reduction in the rate of payroll tax to 5.75 per cent, which the opposition welcomes. However, because of the inclusion of superannuation charges and the lack of an adjustment to the threshold — the threshold has been kept at the previous level — 2500 Victorian firms are now paying payroll tax for the first time. That is why the Treasurer can bring the rate down. I now refer to the graph on payroll tax liability.

Leave granted; graph as follows:

![Graph showing the number of firms in Victoria with payroll tax liability from 1992-93 to 1997-98.](image)

Source: Compiled from answers to questions on notice nos 742 and 1545

**Mr BRACKS** — The Treasurer can reduce the payroll tax rate because there are more firms paying the tax. If he were fair dinkum about reducing payroll tax he would have increased the threshold so fewer firms were required to pay. That would have been a real reduction in payroll tax. Instead the threshold has been dropped effectively through the inclusion of superannuation contributions in the calculation of the payroll tax base. There is a great payroll tax con in the budget. I concede that there are some good things in the budget that are welcome, such as road funding and the emphasis on science technology and multimedia. There are also other winners in this budget and I will refer to some of them. The Treasurer and Premier know about these winners — the consultants, contractors, advertising agents and the Premier's and Treasurer's own departments. They are the big winners. If you are an adviser or a consultant in this state or in the Premier's or the Treasurer's departments you have got a big tick; you have won.

Let me go through that. Consultants: in the budget papers the increase in the cost of supplies and consumables across all government departments is
staggering. On the revised 1998–99 estimates alone there is an unexplained additional $1 billion extra for supplies and consumables. For that, read ‘consultants’. I urge the Treasurer or his parliamentary secretary to explain that.

In the Premier’s department — here we go again: in every budget everyone else misses out but the funds to the departments of the Premier and Treasurer increase each time. For example, there was a 33 per cent increase in the Premier’s budget over the same period that education and health suffered real cuts and they will suffer further real cuts in future. Table 1.3 on page 11 of budget paper no. 3, shows a 35 per cent increase in the Premier’s budget for next year alone.

The Premier has also rewarded himself also with an 84 per cent increase in the cost of purchasing supplies and consumables. For that, read ‘consultants’. The subheading in the tables in the budget papers is ‘Strategic Leadership’ and it has an 84 per cent increase. Health and education go down but the Premier’s budget goes up.

The Treasurer’s own department has done it again. Without any explanation there is a 36 per cent increase in expenses in Treasury over the forward estimates period. I refer the parliamentary secretary to table 1.3 on page 11 of budget paper no. 3, which shows a 36 per cent increase.

That has happened despite claims to the contrary — which honourable members may not remember. When I said that I would cut into privatisation services and the reform unit at Treasury and use the savings to fund some of the Labor Party’s initiatives — remember this? — the Treasurer said, in effect, ‘Look, you wait until the budget and you will see we don’t have any allocation for privatisation services and nothing for the reform unit’. Well, let’s look at the budget! The Treasurer said there would not be any forward estimates, but the reality is that over the next year $40 million will be spent on privatisation services and $42.9 million will be spent on reform services.

Honourable members interjecting.

Mr BRACKS — When the Minister for Finance was asked about this matter yesterday he said he did not know what it was about and that we should refer it to the Treasurer. We will do that. We hope that the parliamentary secretary to the Treasurer will explain the matter. We all know what it is about. We know why the $80-odd million is in the Treasurer’s department when he said it would not be — it is there for the next stage of privatisation.

The Treasurer can leave after his last budget. In the meantime he can say what he likes in the full knowledge that if the government happens to be re-elected it will privatise water and hospitals in this state because the government is totally obsessed with privatisation. We have to ask why there is $80 million in the Treasury budget in the two units of privatisation and reform if the government does not plan further privatisation. The senior staff and consultants are there; if the government does not intend to further privatisate, why provide funds for it?

Labor will cut that funding in future and use the money for other priorities. The Treasurer said it was not going to be there, but it is. He has been dishonest about this matter. The reality is that there is money allocated that can be cut and used for other purposes and Labor will do that.

Honourable members interjecting.

Mr BRACKS — The honourable member for Bentleigh was very keen to hear about Labor’s plan. I can understand why she is, because the government has a very good plan to sell this state.

I will now reflect on what Labor will do — that is, on Labor’s budget and Labor’s plan. I am resolute and keen to ensure that the next Labor budget — which I expect will be presented later this year or early next year — will be financially stringent and tight and will be a budget that ensures that we will live within our means and not spend money we do not have. That is an absolute and 100 per cent commitment to this state. Let me go through this.

Honourable members interjecting.

The DEPUTY SPEAKER — Order! The Speaker made it quite clear earlier in the debate that the Treasurer was heard in relative silence during his budget speech and it is the Speaker’s wish that the Leader of the Opposition be given the same courtesy. I support that process and ask honourable members on my right to restrain themselves from continual vociferous interjections which make it very difficult for the debate to continue in an orderly fashion.

Mr BRACKS — On Labor’s plan and Labor’s budget, we understand that we cannot repair overnight in a responsible way the damage that has been done to this state in health, education and community safety but that it will take some time to repair. The commitment that Labor gives is that it will repair the damage but that it will take several years and not just one year to do so. We have a clear picture of our plan and our priorities for government. Everything we do and commit to will
be underpinned by a commitment to financial responsibility overseen by an independent Auditor-General enshrined in the state constitution. That is Labor’s commitment to Victoria. All of Labor’s promises will be dependent on meeting financial targets that will also be audited by the Auditor-General.

Mr Mildenhall interjected.

The DEPUTY SPEAKER — Order! The honourable member for Footscray would assist the Chair if he did not bait members of the government across the table.

Mr BRACKS — Every one of our financial commitments will be overseen by an independent Auditor-General. The financial principles will require the Auditor-General to scrutinise and ensure that that commitment is adhered to. The targets are that every budget will have a substantial operating surplus; taxes and charges will be benchmarked on a national average; debt and unfunded liabilities will be contained; and all public expenditure will be closely targeted, with state service benchmarked against clear service delivery outcomes. They are the four commitments in all parts of the budget.

Labor will also give the Auditor-General unique new revolutionary powers that will be the most stringent powers of any Auditor-General anywhere in Australia. The Auditor-General will be given power and resources to concurrently report on budget day on the adherence to financial principles to which Labor will commit. Not only will the state see a budget but it will see a surplus, spending on capital, and outlays on revenue, with third-party scrutiny of it by the Auditor-General. That is important because of the shonky surplus in this Treasurer’s budget.

The shonky budget surplus the Treasurer has delivered contains loose figures. That will not happen under Labor because the Auditor-General will concurrently report on budget day on the surplus and the accuracy of estimates, revenues and outlays and capital spent. That guarantees Victorians they will have a watchdog looking after their interests to ensure the figures are accurate.

Mr Mildenhall interjected.

Mr BRACKS — The shadow Minister for Finance is with me on this. He has assisted me in driving one of the hardest, tightest financial management plans any Labor Party in this state has presented. As future finance minister, he will adhere to that plan. He will be the toecutter in the Labor government. The shadow finance minister will be the Peter Walsh of the future state Labor government. That will be his role.

Mr Thompson — On a point of order, Mr Deputy Speaker, standing order 101 states that no offensive or unbecoming word shall be used in reference to any member. One would only need to read the autobiography of Peter Walsh to understand what that expression might mean for the honourable member for Footscray.

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

Mr BRACKS — Not only will the shadow finance minister be the Peter Walsh of the new government; there will also be an Auditor-General with new powers under the constitution to report concurrently on budget day and to protect the public interest by ensuring clear and unequivocal transparent reporting in Victoria. Labor will show its commitment to whole-of-government reporting by legislating for a financial disclosure bill. Whole-of-government reporting will require a Labor government to produce half-yearly financial reports, embracing all entities it controls, in which it has a substantial interest or which expose the state to substantial risk. That will enable all Victorians to be regularly informed of the true position of state finances.

There will be greater accountability in the budget through the provision of more detailed, timely, comparative information. There is a need for better, more accurate information on the state’s budgetary position, including reconciliation of estimates against budget outcomes, regular budget reporting — at least half-yearly, with progress reports — and performance and output measures that are accurate and reliable. On the matter of comparisons, I am not sure — —

Mr Perrin interjected.

Mr BRACKS — Don’t you talk! You will be joining the retirement queues! In your case it will be compulsory retirement. You should get severance pay for that.

On the matter of comparisons, I reported in my reply to the budget last year that the budget contained 1000 different performance indicators — 1000 performance indicators that had changed from one budget to the next! I can report some improvement. The Treasurer has only 435 changed performance indicators this time. Maybe one day we will get to the position where we can compare apples with apples and performance indicators with performance indicators. Under Labor that will be the case. Exactly the same
performance indicators will be compared year after year. Comparisons will be equal, ensuring the budget can be scrutinised properly.

Labor’s recurrent expenditure proposals will be effectively targeted and sustainable and will produce clear service delivery outcomes. Our expenditure proposals will be assessed against relevant national benchmarks, producing clear and accountable outcomes. Proposals will be consistent with our commitment to a substantial budget surplus. That will be required before any commitment is made to outlays or expenditure. It will be about financial responsibility; getting the basics right in health, education and community safety; and restoring democracy.

I make it clear to people on the government benches and others that Labor will not go to the next election with a bagful of promises. It will be absolutely and totally responsible. Labor will commit to Labor values and getting the basics right. Today I want to recommit Labor to its pledges for an alternative budget for the state. The shadow finance minister is with me on these proposals.

Labor commits to class sizes for grades prep, 1 and 2 of 21 students or fewer through annual savings of $40 million from cuts to government waste in advertising and the employment of consultants. Hospitals will be cleaner and emergency waiting times reduced by redirecting $18 million from the health network bureaucracy. Labor will abolish the health networks. They are unnecessary.

We will make sure 800 more front-line police are in place. The 800 police positions will be funded by abolishing the privatisation and reform units detailed in the budget. Reliable supplies of gas, water and electricity will be guaranteed through a new Essential Services Commission with tough teeth and new powers.

The common-law rights of seriously injured workers will be restored, and 30 new hazardous chemical inspectors will be employed by slashing $2 million from Victorian Workcover Authority advertising. Victorians will be given a start in life and in their careers through the implementation of a JobsNow package that will be funded by cutting back the number of senior public executives to 1992 ratios. The number of senior public executives has grown under the government, and Labor will cut that number back.

These commitments are made with zero incursion into the operating surplus; they will be funded by cuts to government waste, mismanagement and excessive spending. The commitments are responsible, affordable and absolutely essential.

Labor will commit to total per capita revenue raising from all sources including the commonwealth being comparable with or less than the Australian average. Labor will maintain competitive state taxes and charges while maximising commonwealth funding of Victoria. We will ensure that taxes and charges that affect households are equitable and progressive; that business taxes and charges are competitive with those of other states; and that Victoria gets an increased share of commonwealth revenues.

Labor’s platform commits it to an arrangement whereby payroll tax will be reduced once a growth tax is in place, whether it be a goods and services tax, which we would oppose, or whether, in a preferred way, it be a share of commonwealth revenues and particularly commonwealth income tax. If a growth tax is put in place, that growth will go not towards outlays but to reducing payroll tax — the tax on jobs. There will be a real reduction in payroll tax. Labor will sit down with industry and unions and work out a scheme whereby new job starts in the state will be excepted from payroll tax once the new jobs are committed to. Providing zero payroll tax on new job starts in the state is a far superior payroll tax cut, driving new job outcomes and based on responsible use of a future growth income.

The growth tax is accounted for in the budget. On page 181 of budget paper no. 2 it is estimated that, after an initial three-year transition period, a proposed national tax reform package will improve the budget position in Victoria. That is in the budget papers, and if that is true or if Victoria gets a better preferred share of federal income tax, Labor will reduce payroll tax in Victoria.

Labor’s commitment on capital works expenditure is to develop projects that guarantee job growth and rebuild Victoria’s social infrastructure. Capital works will not be for icons in the centre of the city, but on productive investment involving rail, roads, ports and areas from which the private sector can grow. Why should we not consider the standardisation of the rail system throughout Victoria? Why should we not increase the productivity of our ports that the government has neglected?

The Treasurer has dropped the ball on increasing productivity in the port of Melbourne. The port has an uncompetitive duopoly and the Treasurer lost the possible investment from OOCL because of bungling and mismanagement. The port of Melbourne has shown
no clear improvement in productivity. A future Labor government will ensure that capital investment is designed to grow the state, not just Melbourne. An infrastructure planning council will ensure spending is designed to increase private sector growth. It is a different commitment to that of the government.

With this government, the Premier wakes up in the morning and says, ‘I want to put a building on that corner’. That is how the Premier runs capital investment in this state. A future Labor government will have a program of capital investment that will lead to private sector growth.

Mr Baker interjected.

Mr Bracks — The interjections of the honourable member for Sunshine are usually very good, but I think he slurred the first word of that interjection.

A future Labor government’s capital works spending will not be city-centric. It will allocate spending programs throughout Victoria so that the whole of the state grows, not just Melbourne. A future Labor government will create an environment for real growth in the Victorian economy. It will ensure active growth targets and a whole-of-government approach to jobs and growth. Every cabinet submission will be accompanied by a growth-and-job impact statement. A future Labor government will commit itself to new employment targets. It will ensure that at the end of the first term of office Victoria will have lower unemployment rates for adults and youth than the national average.

In conclusion, a future Labor government commits itself to financial responsibility and a growing economy in which everybody shares, not just a few. It will repair the damage to our health and education systems and will have an open, accountable and transparent budget arrangement scrutinised by the Auditor-General.

A future Labor government will not have social advantage, but social fairness — that is Labor. It will not have a plan for an election, but a plan for Victoria — that is Labor. It will have a fair Victoria, a prosperous Victoria, a fair go for all — that is the Labor way. That is what Labor will do for this state.

Opposition members applauding.

The Deputy Speaker — Order! The Speaker said early in the week that there had been a revolution in Parliament with the applause that follows the Treasurer’s speech. We have just seen the same revolution occur today at the conclusion of the speech of the Leader of the Opposition. It is important to understand that this is a parliamentary debate and not a gathering place for a mutual admiration society. This is a debating chamber where the old Westminster tradition of ‘Hear, hear’ as an acclamation is more appropriate. Handclapping is totally inappropriate and unacceptable. The Speaker intends to rule firmly on this issue.

It happens to fall to me to explain clearly once again that clapping is considered appropriate only if we have a distinguished guest from an overseas country in our chamber when it is seen as a sign of special welcome and recognition of that person’s distinguished position. Acclamations will not be accepted at the conclusion of speeches. I hope that is clear.

Mr Clark (Box Hill) — One may have thought that in his reply to the budget speech the Leader of the Opposition would put forward an alternative platform — the opposition proposal of what it would do if it were to form the government. Instead it has resorted to two traditional Labor opposition practices.

Firstly, grubbing around in the detail of the budget looking for odd points on which it can focus, question and rant and rave about. One would have thought those are things the Leader of the Opposition would have left to other speakers on his side of the house, but he spent probably two-thirds of his speech grubbing around in that detail. Secondly, the Leader of the Opposition resorted to the usual wild promises. Those of us who look back on the record of this debate and the remarks of the Leader of the Opposition over the last 10 or 15 minutes of his contribution will probably come to the conclusion that the list of promises he has made today will quickly eat up several-fold any potential increased revenue to the state that may come from the commonwealth tax reforms.

The other point the house needs to bear in mind, particularly shadow ministers in spending portfolios, is the habit that past leaders of the opposition have of repudiating those promises at the last minute so that they can maintain the other half of their strategy, of claiming financial responsibility. That certainly occurred last year when the present Leader of the Opposition said in his speech that from then on the only promises that would count would be those that he set out on that occasion. It is easy to make wild claims, but it will be interesting to see whether in a few months’ time the Leader of the Opposition repudiates those claims and tries to get some pretence of financial responsibility.
If the Leader of the Opposition and the Labor Party are sincere in trying to demonstrate financial responsibility and hold themselves out as an alternative government, they would lay down in detail how they would implement the commitments made by the Leader of the Opposition, what they would add to and subtract and how those elements would come together. The Leader of the Opposition has not done that and the opposition has not shown itself willing to take on responsibilities such as potential government; instead, it tries to be all things to all people. The opposition makes many wild promises that it can put off to the never-never without ever trying to bring them together into a coherent budget.

The remarks of the Leader of the Opposition are inconsistent. On the one hand, he argues that the budget is an election bribe; on the other hand, he says that the government is holding a war chest in reserve for an election campaign. His allegations of election bribery are not borne out even by commentators who tend to support his side of politics. I refer in particular to the opinion piece written by Mr Tim Colebatch in the *Age* of 5 May in which he states:

> The temptation for a government heading into an election is to focus on blatant vote buying, as the Howard government did last year in pledging big tax cuts for polluting diesel fuel. There is little in this final Stockdale budget that fails the test of good policy. Indeed, some of its big-ticket items will win few votes, but are there solely because they are good long-term policy.

Mr Colebatch makes some points that I take issue with, but he says clearly that the government in this budget is committed to good policy.

The Leader of the Opposition made much of the reference to parameter changes referred to in budget paper no. 2. He referred to $170 million attributable to parameter changes.

The Leader of the Opposition read the footnote to box 1.2 on page 5 of budget paper no. 2 with the implication that any person reading it would not be able to understand what the parameter changes were about. I would have thought that reflects a great deal on the Leader of the Opposition, given that he has now been shadow Treasurer for many years.

Economic parameters change from year to year, and each year the Treasury officers, in their normal diligent and professional manner, reassess their estimates of economic growth, their revenue forecasts and their wage and price expectations and a whole range of budget figures are adjusted on account of those reassessments. That multitude of adjustments has been distilled down to the $170 million figure. I am surprised that the Leader of the Opposition raised the point because I would have thought that figure was completely appropriate and that he and other opposition members who have claim to fiscal expertise would readily appreciate it.

Other strange remarks made by the Leader of the Opposition related to capital expenditure. I came into the house expecting to have to rebut a line of argument by the opposition that the government was spending too much on capital expenditure, because that is the sort of allegation the Leader of the Opposition made in his initial budget response and the sort of allegation being made by some commentators and groups sympathetic to the opposition, such as the Australian Nurses Federation.

Mr Mildenhall interjected.

**Mr CLARK** — The honourable member for Footscray has interjected with a reference to pork-barrelling. It would seem that the opposition is trying to have its cake and eat it, too. In an *ABC* news report the Leader of the Opposition was quoted as having said:

> In effect what we have here is a virtual budget, facilities and equipment, but no people to fill these facilities in the future.

Similarly, the Australian Nurses Federation said they were pleased to see an increase in capital works. It seemed to them that the government was happy to spend money on bricks and mortar. Then they went on to talk about funding for nurses. I was expecting that line of approach, but all of a sudden the opposition appears to have reversed its argument and is now saying that the government is not spending enough. Once again, that shows the zigzagging nature of opposition members’ response to the budget — they are all over the place trying to find some theme to latch onto, but they are proving incapable of doing so.

The Leader of the Opposition also made allegations about tax relief. He made two main points. Firstly, he referred to the figures in the Commonwealth Grants Commission report that compared Victoria’s tax burden relative to the Australian average and to that of New South Wales. He asserted that last year’s figures show that Victoria was $220 million above the national average and that this year’s figures show that Victoria is $314 million above the national average. The straightforward explanation is that between last year’s budget and this year’s budget the Commonwealth Grants Commission revised the way it does its calculations, which led to the difference in the figures between last year’s budget and this year’s budget. For the Leader of the Opposition — who as I said has been
shadow Treasurer for some time — to draw from that the naive conclusion that the government has not in fact reduced taxes, displays his lack of understanding.

I refer the Leader of the Opposition and other honourable members to chart 2.5 on page 26 of budget paper no. 2, which clearly shows that the trend is towards reducing Victorian taxes compared with the national average. Between last year and this year the government adjusted the charts based on the Commonwealth Grants Commission information. The point is inescapable that the trend remains the same — the line moves downwards as the government continues to bring Victorian taxes closer to the Australian average and below the New South Wales average. The point made by the Leader of the Opposition is completely spurious.

Similarly, the Leader of the Opposition has tried to imply that the government has not delivered payroll tax relief because there has been a change to the base in relation to superannuation. He is not alone in making such assertions. Mr Terry McCrann of the Herald Sun made similar assertions, but the conclusions drawn by both of them are incorrect. Certainly when superannuation was brought into the base it increased revenue. The fact remains that even taking that into account there has been a substantial reduction in the overall payroll tax burden on Victorian businesses. The gross error of logic displayed by the Leader of the Opposition yesterday, which I do not think Mr McCrann would display, was to sweep up jobs growth into the issue by arguing that because over past years payroll tax receipts have increased the burden has increased. However, a large part of the increased revenue came as a result of more employment, which is something to be welcomed rather than criticised.

It is easy for the Leader of the Opposition to fall back on old tried and true Labor Party practices. His points do not paint a comprehensive alternative vision of the budget. The fact is that the budget continues the tradition of the current government — to state what will be done, and then proceed to do it. In 1992 the government said quite candidly, in effect, ‘Victoria is in a mess. We will set about fixing it. We will reduce spending. We will increase taxes. We will privatise so as to reduce debt and, therefore, the interest bill’. On top of that the government undertook to fix the various Labor Party fiddles in relation to such liabilities as the gold loans, the unfunded superannuation liability and the sale and lease-back of rolling stock, which were practices that were terribly detrimental to confidence in Victoria. The government used the reform of the budgetary process as one of the key elements in restoring general economic confidence in Victoria and getting Victoria on the move. That is what the government set out to do in 1992, and has continued to do so in successive budgets so that Victoria has moved forward slowly, steadily, step by step.

The government also said back then that, once the financial affairs were in order and once it had cleaned up the mess its predecessors left it, it would use the benefits gained from the interest savings, the increased buoyancy in the economy and the greater number of jobs and revenue that would flow from that to provide benefits to Victorians by increasing spending on services and reducing taxes. That is what the government said it would do, it is what it has done, and it is what it will continue to do. One only needs to look at the various charts in the budget papers to see that the budget will do just that. The budget provides in real terms for a 12 per cent increase in education spending, a 21 per cent increase in police funding, and a 24 per cent increase in funding for health, social security and welfare spending since 1992. On top of that there will be a cumulative $650 million per annum reduction in taxes. All of those things are delivering exactly the sort of thing the government set out to deliver from the time it came to office.

It is easy to criticise any budget that any government puts forward. It is the task of the government to draw on all the disparate aspirations, wishes and dreams of various sectors of the community, to reconcile those competing proposals to reality so as to make the ends and the means fit together, and to put forward a comprehensive proposal that achieves a balance. That is what a budget is.

One can criticise a budget from a multiplicity of directions. I will save opposition members the trouble of working out the list of logical categories for themselves by saying that anyone can criticise a budget for too much or too little recurrent expenditure, for too much or too little capital expenditure or for cutting taxes too much or not enough. People can also say, ‘You have the wrong priorities and you should be spending money on this rather than that’, and can look at value-for-money issues. Public responses to the budget have fitted into various of those categories.

It is argued by some that the government is spending too little in the budget on recurrent outlays, yet the government has made significant increases in recurrent outlays. It has returned all but a very modest surplus of $67 million on a sustainable cash basis in the form of either service improvements or taxation reductions. The government can afford to trim that margin to get the maximum in outlays on services because Victoria is in a sound economic situation and because on a broader
front the Asian economic situation has stabilised compared with last year.

The government has used that money to good effect in two broad ways: firstly, in directing it to meeting current needs; and secondly, in what in one sense can be characterised as investment rather than recurrent outlays, in investing in social capital for the future through education and research. The government has made a big commitment in the budget to building up social and human capital stocks as well as continuing its contributions to physical capital. The figures in the budget show how the surplus is arrived at. It is explained that the bulk of this year's starting point surplus of approximately $6 billion represents privatisation proceeds. The government makes no secret of the fact that it has reaffirmed its commitment to use privatisation proceeds for the reduction of the debt and liabilities. The government will not go back to Labor's habit of borrowing to meet recurrent expenditure. For the time being, the government is also covering capital expenditure out of the surplus.

Mr Colebatch has argued in the Age that the government is not spending enough on education. He stated that the 12 per cent real increase in education was not sufficient for two reasons: the number of students has been growing and the size of the Victorian economy has increased since 1991–92.

Mr Mildenhall interjected.

Mr CLARK — The honourable member for Footscray interjects and says it is not the case that student numbers are rising, that they are falling, and he attributes that remark to the Treasurer. Indeed, the Treasurer and I have independently reached the same conclusion — because it is right! I cite as evidence for that figures from the Victorian year book for 1999. The figures show that in 1992 the total number of students in the state was 787 622. The numbers then fell for several years, bottoming out at 770 277 students in 1995, and rising modestly to 781 424 by 1997, which is the latest figure provided.

With respect to Mr Colebatch, I suggest that the number of school students in Victoria has declined. He may have had in mind the significant increase in the number of TAFE students in Victoria as a result of the outstanding work of successive ministers for tertiary education in that area. If that was what he was referring to it cannot bear out his conclusion given the relative sizes of school education and TAFE education in the education budget. There has been growth in the Victorian economy since 1991–92, something of which members on this side of the house are proud. However, the fact that there has been growth in the economy does not mean that equal percentage increases should necessarily be applied in particular areas.

Another line of argument that has been raised is that the increase in Victoria's population reduces the impact of the real increases in expenditure that have been made in various service delivery areas by the government. For the record, the forecast I have for the cumulative population increase between 1992 and 1999 is 5.64 per cent — well below the 12 per cent real increase in education, the 21 per cent increase in the police budget and the 24 per cent increase in health, social security and welfare.

It can always be argued that there are additional unmet needs a budget should meet, but I reject the argument that the government has spent too little on recurrent expenditure. The government has increased that expenditure dramatically. It is interesting and demonstrates how different critics can approach the budget from different directions that some other commentators have criticised the government for spending too much on recurrent expenditure. I refer particularly to Mr Terry McCrann. Different people have different priorities, but at least Mr McCrann is consistent in his commentary in his recognition that it is a policy call. His argument is that there should be greater tax reductions and fewer expenditure increases. Opposition members want to do both — they want to promise massive tax cuts and massive expenditure increases. The responsibility of reconciling those competing demands falls to the government.

I referred earlier to similar criticisms concerning capital expenditure. I reiterate in relation to the line of argument the opposition is now running on capital expenditure, as distinct from the line of argument it was running before today, that the government is constantly reviewing the situation, making adjustments and balancing various considerations. The Leader of the Opposition stated that the government had cut the capital expenditure target from 1¾ per cent of gross state product to 1 per cent. That demonstrates the government's willingness to adjust and review from time to time in accordance with priorities.

Victoria was facing a massive deficit in capital stock as a result of the legacy of its predecessors. The government needed to make up that deficit, and has now done so. Our capital stock has grown and will continue to grow. On top of the budget-sector-funded capital stock there is now also significant private sector contribution to capital stock in the state. The argument that the government is not making adequate provision for capital is thus wrong.
I shall draw these strands of argument together. If honourable members want to argue that the government should be spending more in a particular area, or further reducing taxes, they need to point to where they would make the adjustments. The government has been managing the state’s finances as prudently and efficiently as possible. If one wants to spend more on one area, something else has to be adjusted. It is easy to come at a budget from various directions and make a case for doing something different. However, the opposition has failed the crucial test of any party that wants to put itself forward as an alternative government. It has not done the hard work of drawing those strands together and explaining how it would adjust its policy. The opposition’s policy is all give and all promises to every group. It tries to please everybody and ends up pleasing virtually nobody because it destroys its credibility and shows its lack of leadership.

By contrast, the government has delivered on what it said it would in 1992, and it continues to do so. The government has restored its physical capital. It is now increasing resources in social and human capital, in particular to take advantage of the enormous potential of the information revolution which we are living through these days. This is opening up Australia in overcoming the tyranny of distance, and is playing into the core strengths of Australian inventiveness and creativity. However, we can only take advantage of this potential if we invest money into building up education and research. That is what the government is doing. At the same time it is increasingly making provision for those in need, to help the least advantaged in our community.

It is all very well for opposition members to walk around with their hearts on their sleeves. If they sincerely want to help people, they must have the capacity to deliver that assistance. They must be able to bring about a strong economy, balance competing needs, set priorities and focus the available resources. They are certainly not doing that. The government also has in mind that any government can spend money only when it can derive that money from the community through revenue. A strong and growing economy is the best way for the government to obtain the resources necessary to help those in need.

The government has been easing the tax burden in successive budgets, particularly in the field of payroll tax. The Treasury estimates that that will contribute to job growth. Victoria has a strong and growing economy as a result of the restored confidence in the government. The government has put the state’s finances in order; it has reduced not only the tax burden but also, perhaps more significantly, other charges such as Workcover, energy, port and water levies, and it has got the economy moving. I believe the government has struck the right balance between the competing needs of today and the needs of tomorrow. I commend the budget to the house.

Mr Mildenhall (Footscray) — I am proud to join the budget debate. However, it is difficult to follow the Leader of the Opposition who made such a comprehensive and detailed presentation. It was interesting to hear the criticisms the honourable member for Box Hill was hurling at the Leader of the Opposition, particularly that he had gone into too much detail. Accusations are often made that there is too much rhetoric and not enough detail. I commend the Leader of the Opposition on both the structure and the detail of his comprehensive presentation. Contrary to the remarks of the honourable member for Box Hill, I suggest it was a presentation of an alternative. The honourable member for Box Hill asked for the alternative vision. It was laid out today in stark contrast to the rubbery figures in the government’s budget.

There has been no response to the challenge laid down by the opposition and no matching of the opposition’s commitment to have the Auditor-General scrutinise commitments and present a concurrent analysis of the budget documents. The opposition is prepared to undergo a much greater level of scrutiny of its commitments and record than the government. That is particularly apt in the light of this budget which would have to go down as one of the least honest and credible documents presented to the Parliament. Each year there are new wild cards, new adjusting mechanisms, and a new term that suddenly appears in the lexicon of the budget’s authors. This year it is the changing economic parameters. Given the government’s consistent record of underestimating income and overestimating expenditure, one would have thought that those parameters would have given an upward and not a downward adjustment.

The honourable member for Box Hill suggests the opposition was arguing for an increased level of capital by identifying the $1.4 billion consistent underexpenditure in capital. That does not reflect what the Leader of the Opposition said. The opposition just wants a honest document. It wants estimates compared with actuals. It wants actuals compared with previous years. Consistently the opposition gets the estimates on continually revised estimates. The opposition wants an honest document and a fair and honest effort with some integrity in the estimation process.

The government has been in the business long enough to know the period it takes in this day and age to have...
capital on the ground. Techniques for estimating project life cycles and construction schedules are getting more sophisticated and accurate. The ability to bring projects in on time and on budget has never been greater. However, the level of inaccuracy, hopeless forecasting and poor planning by the government must be at an all-time high. How can those figures be so consistently out? How can the government under spend and underestimate to this level year in and year out?

We are asked to accept either an extraordinary level of incompetence or, as the opposition suspects, the consistent approach of the government, which is to fudge the figures so it can put aside the war chest, the election free-for-all that we are expecting within a matter of weeks.

The honourable member for Box Hill challenged the opposition to take a consistent line about levels of expenditure. My view is that the recurrent outlays are too low. The opposition believes the surplus has been grossly underestimated and that far more funds in Treasury are available for expenditure than the government would have us believe.

The extraordinary claim by the Treasurer on radio the other day that we do not need more teachers because the number of students has fallen — obviously he has not read his own budget, which indicates a steady rise in student numbers in schools over a number of years — has caused the Parliamentary Secretary, Education to look far back into history to find years when there were dips in the number of students.

The key issue is whether, in the context of an increased number of students, additional teachers will be employed in the budget period, and the answer is no; the student-teacher ratios will increase. Of the recurrent commitments in the education budget the only teacher-based commitment is around the flow-on of previously agreed salary rises.

The wet-lettuce-leaf assault on the opposition by the honourable member for Box Hill, as it will be regarded, in no way detracts from the strength of the analysis provided by the Leader of the Opposition and opposition members with regard to the details of this budget.

I have particular concerns about the credibility, honesty and consistency of the budget. Clearly it is set up as a pre-election budget, with its high spending on capital, but it fails to address the real issues affecting the community in Victoria. It treats Victorians as a corporation and not as members of a community. It also sets out to create an image of the government that does not reflect the reality.

To give examples of some indicators, I point to the brake put on the privatisation process. The Treasurer’s comments in the budget papers — ‘No, we are not going to privatise Workcover or TAC; we are not going to privatise water’ — resemble the cry at the last election when the Minister for Education said, ‘We are not going to close any more schools; that program has finished’ and then, whacko — straight into it and another 60 schools bite the dust in that year. The government consistently lies through its teeth about privatisation and downsizing programs. I see absolutely no reason to believe the undertakings made in the budget papers about privatisation.

I invite honourable members to pick up the first page of the Treasurer’s speech and look at the third paragraph. These were the lines that were run out through all the media outlets:

> It is a budget which marks the end of Victoria’s era of Labor-induced austerity, and focuses squarely on the opportunities of the future.

Phrases like ‘turning point’, ‘new look’, ‘social dividends’, and ‘social advantage’ are used to describe — the caring, sharing soft-centred government. One would think none of us kept copies of last year’s budget speech, which states on the first page:

> For the first time —

was 1998 —

the government’s objective of helping the quality of people’s lives no longer needs to be subordinated to a financial rescue plan … This is the first of many social advantage budgets.

Again, year after year we hear, ‘We are the kind, friendly government’, and year after year the government fails to tackle the hard recurrent issues of restoring Victoria’s social capital — the service infrastructure and the people infrastructure.

The Dunolly police station would have to be the quintessential example of this government’s approach. Up goes the building; it is renovated, but there is nobody in it! We need people in these buildings to deliver the services. We need a human face. We do not need a new building with a brass plaque.

The reactions from people, some of whom the government might have hoped would give positive responses to the budget, demonstrate that. Gerald Segal, president of the Australian Medical Association, stated, as reported in the Age of 5 May:
The government has yet again failed to acknowledge the desperate situation of public hospitals. While we welcome the increases in capital works spending —

sure, we all want new, up-to-date, modern technology in buildings —

there is not much point building new hospitals when funding is inadequate. This is a classic Yes, Minister move. They are building the hospitals but they won’t provide enough money to treat patients.

That is it in a nutshell.

Mr Leigh Hubbard, secretary, Trades Hall Council, stated:

This is another budget for accountants, not people. The government could have invested another $250 million in health, education and social services. There is an unjustified focus on capital works, even though Victoria spends less on social infrastructure than any other state. The biggest winners are businesses with a payroll tax cut that should have been linked to extra jobs.

The Leader of the Opposition hit on it earlier in his address. Would it not have been a much better idea to link the payroll tax cuts to jobs — provide an up-front incentive for the creation of new jobs? But it takes the opposition and Trades Hall to think of these clever solutions. I am sure it will not be too long, in the avalanche of pork barrelling that has been started in this budget, before we see a large leg of pork that will resemble that initiative as well.

Some other perceptive comments by third parties ought to be recognised by the house, including those by Dimity Fifer, the CEO of the Victorian Council of Social Service.

Certainly VCOSS has produced some excellent analysts and community leaders. During the course of debating the State Trustees (State Owned Company) (Amendment) Bill, I noticed that Cate Redwood is still on the board there. She is obviously valued by the government for her expertise. Dimity Fifer’s response to the budget is as follows:

After seven years’ hardship for disadvantaged Victorians —

so she didn’t believe the Treasurer’s preamble and neither should anybody else —

VCOSS wanted genuine gains for those who have missed out. The budget contains some modest measures such as top-up legal aid funding, youth employment initiatives and some increases in recurrent health and education funding, but there is too much emphasis on capital spending and business tax breaks. This budget misses the mark.

There are a number of comments along those lines, which are similarly perceptive. The overwhelming theme is that the government, with a record surplus and a great capacity, has missed the mark. The opposition admits that the budget is in good shape — better shape than the government would admit — and it missed a great opportunity to do something about restoring the social infrastructure. Although the accounts are in good shape, the document does not have a good shape.

Sometimes I look for very practical benchmarks in assessing the government’s actions. In recent times I have wondered about what assistance can be provided to the young people I see at the rear of my electorate office. Recently Mr Les Twentyman’s group, Open Family Australia, has moved in next door to my office and we now have what you might call an informal injecting facility in the car park of my office. On a light day we would probably have 40 or 50 young people shooting up and on a heavy day it might be around 80 or 90 young people. It is a very depressing sight to see them choose some sort of oblivion over the other options that might be available to them in our community.

I think to myself, ‘What do we do for these young people in an immediate sense?’. I note — although I have not seen the detail — that there is a minor increase in the availability of treatment programs and some other harm minimisation programs such as needle exchange programs. We certainly have the busiest needle exchange in Melbourne another four doors down from my office, so the availability of that service is not a critical issue. But we need to look at the long-term services that provide young people with hope and with a way of hooking into the mainstream and becoming part of the wider community instead of being its marginalised outcasts.

I hope for steady improvements in those opportunities. In this budget I see the government giving up on retention rates. According to the budget many young people, who are regarded as failures at school, will drop out early, despite the federal government attempting to force them back into school with the common youth allowance initiatives. I would have thought that retention rates would cry out as a social objective, that all stops should be pulled out to try to reach that social objective so that more young people do not drop out of school.

I would have hoped for better access to health services, that our hospitals, apart from getting the buildings, would be able to reduce waiting lists and improve acute care. I would have hoped for some moves to ease the housing crisis in my area. I would have hoped — I guess you wouldn’t necessarily see it in a budget — for some law reform changes so that instead of labelling
these young peoples as criminals, we can properly identify them as victims.

Some of the best research I have seen on drug addiction has been prepared by Michael Carr-Gregg and his people at the adolescent health section of the Royal Children’s Hospital. They correlate the findings with background features of failure at school, housing and employment issues, and self-esteem.

When I look at a budget, I look for some improvement in those background conditions — better access to education, health, jobs and housing. The budget is a failed opportunity. I do not see the social dividend for those young people at the rear of my office. I am sure the Minister for Youth and Community Services, who is at the table, has a similar concern for young people in Victoria. I hope he would have wanted a more concerted effort towards some social advantages or dividends for these extremely distressed young people.

I have some other concerns about the budget. Despite being awash with money, the government cannot bring itself to reflate even its police services. Paul Mullet, assistant secretary of the Police Association, says:

Premier Kennett has got it half right and half wrong. Four hundred extra police are not enough. We called for 990 more police, based on a memo which confirmed there are 990 vacancies. The police academy will be chock-a-block for the next two years but should be chock-a-block for the next four. The Premier has missed an opportunity to set the foundations for the future safety of the state.

One of the difficulties we have in Footscray as well is that there has never been sufficient police to subdue the dealing on our streets. I do not like drawing attention to that fact. It does nothing for the identity of the community, but there are chronic shortages of available police, and one would have thought, with the amount of available funding in the state accounts at the moment, that at least the 990 vacancies could have been filled.

I am sure that when the opposition began its campaign to draw attention to the lack of police numbers in Victoria and set 800 as an achievable target, fully costed, the same costings that the Victoria Grants Commission uses — an achievable target — it expected that the government would do the obvious, sensible thing and match that so it would be neutralised and would not become an election issue.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.00 p.m. until 2.03 p.m.
Mr Bracks — On a point of order, Mr Speaker, the Premier is debating the question. The question was not about the existing City Link tolls; it was about the new toll on the Eastern Freeway extension to Tullamarine that the Premier announced today. The Premier is not answering the question; he is debating it.

The SPEAKER — Order! The Premier’s answer is related to road funding and tolls which relate to road funding. I do not uphold the point of order.

Mr KENNETT — That piece of infrastructure is very important. I was then asked whether the government would be applying a toll to the extension of the Eastern Freeway out towards the eastern suburbs and I said no, that we had given an undertaking many years ago to progressively extend that end of the freeway as the money became available, and that is a commitment the government will obviously honour. However, it is true that the government has to recognise as it looks forward — and I understand that the opposition does not look forward — where there are bottlenecks on our roads.

One of the major bottlenecks starting to develop is at the western end of the Eastern Freeway, where cars have to wait for hours to get off the freeway. One of the options for the future that any responsible government would consider is whether it is possible to link the western end of the Eastern Freeway by going underneath the cemetery — I do not think the Leader of the Opposition would want to have an open cut-and-fill job, but he may — and so connect it with the Tullamarine Freeway. Any person with any sense of Melbourne or any sense of responsibility would be prepared to consider that as an option.

Mr Bracks interjected.

Mr KENNETT — Again, any responsible person would look at all the options for providing that new infrastructure, and one of the options is clearly to have that as a new tolling facility, where again —

Mr Bracks — Yes!

Mr KENNETT — ‘Yes!’. Dear, oh dear!

Honourable members interjecting.

Mr KENNETT — Isn’t this wonderful news for the Leader of the Opposition? Goodness gracious! It is true that as we plan for the future — and you will see when we —

Mr Thwaites interjected.

Mr KENNETT — I beg your pardon?

Mr Thwaites — You finally admitted it, after 4 minutes.

The SPEAKER — Order! The Premier will ignore the interjections.

Mr KENNETT — Finally I have admitted it after 4 minutes, the man says. I mentioned it this morning on radio when you were all listening. I do not mind having the Leader of the Opposition as my candidate, but if he is simply going to fire back to me questions that I answered publicly at 9 o’clock this morning, it does not say much for his own investigative work.

The government has no hesitation at all. The Cain and Kirner governments put a lot of money into roads that ran nowhere and that ultimately led to bottlenecks, and the government’s job in the past six and a half years has been to uncork those bottlenecks and give people the opportunity to get from point A to point B with minimum difficulty and minimum interruption.

It is true that it makes a great deal of sense to address the bottleneck at the end of the Eastern Freeway over the next 10 years, and that will be looked at as a project. It may be done by government alone. It may be done by the introduction of a toll. The method by which it will be built is yet to be determined. However, the government has never run away from its responsibility to provide the infrastructure necessary and to provide it in a way that future communities do not have to pay for it — that is, you pay for it as you use it.

Honourable members have seen today another abdication of responsibility by the Leader of the Opposition. He takes the easy way out. Labor is a party without vision and its members will continue to prove themselves to be such to the Victorian community.

Retail industry: growth

Mrs PEULICH (Bentleigh) — My question is also directed to the Premier.

Mr Batchelor interjected.

The SPEAKER — Order! The honourable member for Thomastown might be told by the Speaker in a minute, if he is not quiet.

Mrs PEULICH — Will the Premier indicate to the house the outcome of the latest Australian Bureau of Statistics figures for retail trade in Victoria in the March quarter?
Mr KENNETT (Premier) — One of the indicators of the economic condition of the state of Victoria is the figures the Australian Bureau of Statistics puts out on a regular basis for motor vehicle sales, retail sales, inflation, and so on. The ABS has just released the retail March quarter figures, which show yet again that Victorians are incredibly confident of their personal security and that of their families, and that that is leading to quite dramatic increases in retail sales.

Currently Victoria is again leading the country in growth during the same quarter of the previous year with a rate of 8.7 per cent. That is an extraordinary growth rate. When one considers the trend rate of growth, which is often thought to be more reliable because it takes out the peaks and depressions in any set of figures, one sees the percentage rate for the same quarter in the previous year was 8.3 per cent. That can be compared with a trend rate of 2.7 per cent for New South Wales, which has a larger population than in Victoria — one and a bit million more.

Those figures speak volumes about the way members of the Victorian community feel about society, their security and their future. It also represents the results of the partnership I have talked about so regularly involving the government’s introduction over the past six years of what it calls a major events strategy for not only sport but also for the arts and industry. The many events held here are ensuring that many more people, and young people in particular, are finding employment as month after month Victoria hosts event after event, all of which add to the critical mass of activity in the state.

For all anyone may wish to criticise any policy of the government the reality is that the government’s policies collectively are giving the people of the state an unparalleled level of confidence. The current figures are the best the state has experienced in the period since 1989, which is as far as my records go back. I suspect that if I looked back beyond that I would find they may be the best figures since the late 1960s or early 1970s.

I have said before and I say again today that there is no doubt that, based on the work of the Treasurer and his officers over many years, the government is now delivering to Victorians an environment of opportunity that has not been experienced in Victoria for probably 20 to 25 years. We are clearly on a roll. The real challenge, therefore, is to keep that — —

Mr Batchelor interjected.

Mr KENNETT — Listen to the honourable member for Thomastown. He continually interjects.

Members of the public who observe what happens in this house must wonder and ask themselves, ‘Why do we come here and watch an opposition that is so irresponsible and so totally unfit to govern?’ They have absolutely — —

Honourable members interjecting.

Mr KENNETT — Let those who sit in judgment of this place look at the Leader of the Opposition and the honourable member for Thomastown. They are irresponsible and — —

The SPEAKER — Order! The Premier, on the question.

Mr KENNETT — They have no vision for the future. They have no commitment or passion for the state. What the government has been able to deliver, as is reflected in the figures, is clearly a new Victoria in which more Victorians than ever before are employed and more Victorians than ever before feel confident of their future. The state is on a roll, and the government intends to keep it that way.

Eastern Freeway: tolls

Mr BRACKS (Leader of the Opposition) — I refer the Premier to the election promise he made today to introduce tolls on the Eastern Freeway extension and to tunnel under the Melbourne cemetery. Will the Premier rule out, under his new tolling plan, any road narrowing or other restrictive traffic measures on Hoddle Street or any other city access roads?

Mr KENNETT (Premier) — This will be a good demonstration of the difference between a political party that is locked in the past without any concept of where the state should be going, and a government that knows how it should provide the infrastructure to improve job opportunities and long-term employment.

As it has done in the past, the government will continue to identify need and address it. It will responsibly look at the alternatives available to it to provide better infrastructure to link the existing freeways that end up in bottlenecks so that the community will be better served. That is what government is about; that is what leadership is about. Unfortunately the ALP and the new Leader of the Opposition do not know the definition of either.

Film and television industry: training

Mr ANDRIGHETTO (Narracan) — Will the Minister for Information Technology and Multimedia inform the house of any steps the government has taken
to improve the prospects of Victoria’s film and television industry?

Mr STOCKDALE (Treasurer) — In recent years the Victorian film industry has been going through something of a boom and the television production industry has also been in good shape. However, recently new competition has emerged with the development of studios on the Gold Coast and in Sydney.

The film industry is important to the state. It is a significant employer and contributor of cultural identity; and it is gaining Victoria recognition around the world. For those reasons the government was pleased to be able to take important initiatives to further support the film industry and add to its success by subscribing $12 million over the next four years to two new film investment promotion schemes. They will both be administered by Cinemedia, as are the current schemes. Cinemedia is the successor to Film Victoria. The two new initiatives are the script development fund and the production investment attraction fund.

The recurrent $1 million fund administered by Cinemedia for investment in script development of projects that are primarily designed to obtain production development through the FLIC scheme is an important initiative following recent commonwealth initiatives. The Film Victoria section of Cinemedia will be able to invest in script development for feature films, drama and comedy on television, animation series and documentaries.

The script development fund will encourage the development and production of strong, commercially viable projects in Victoria by Victorians. Film Victoria already invests $570 000 in script development for feature films, television and documentaries. That is the figure from the current year’s budget and the new fund will virtually double the support Victoria provides for script development, which is the kernel of the development of the film industry. The state needs to generate high-quality scripts. I compliment the honourable member for Sunshine, who has recently concluded a major deal to have a film made of his latest work. We wish him well with that production. Members of the opposition will be queuing up in advance, as they do not seem to have any other interests.

Honourable members interjecting.

Mr STOCKDALE — Another example of the social justice values of the Labor Party!

Script development is critically important. Victoria’s ability to attract and retain good productions is immeasurably enhanced if the script and the screenplay are developed in this state. Supporting our scriptwriters is an important initiative going to the heart of the Victorian film and television industry.

The fund will help to develop new work, new skills and new employment opportunities in the Victorian industry. The Production Investment Attraction Fund (PIAF) will provide a recurrent $2 million per annum and is designed to enable Cinemedia to attract footloose productions to shoot and produce programs in Victoria. Productions will be assessed on the basis of the size of the production budget; the proportion of expenditure within Victoria; the number of Victorians employed; the number of Victorian businesses utilised; and the strength of Victorian creative and physical production components in the intended production.

The benefits are important. We expect increased revenue for the state from production spending; training and skills development; new jobs for Victorians with skills in these industries; and a general raising of the awareness of Victoria and its major attractions and locations.

The SPEAKER — Order! The Treasurer has been speaking for more than 4 minutes.

Mr STOCKDALE — The fund will enhance support for Victoria’s script and film production, and comes on top of schemes such as the New Writers Scheme, the Attachment Program and ZOOM — a lecture series targeting emerging film-makers and encouraging them to share industry experiences. These are very important initiatives and I expected bipartisan support for them. It is disappointing to hear the reaction from the opposition to the initiatives.

City Link: e-tags

Mr BATCHELOR (Thomastown) — I refer the Minister for Planning and Local Government to the shambles at the City Link call centre: staff turnover is approaching 20 per cent; there are inordinate delays in processing e-tag applications; false receipt numbers are being issued; and accounts and e-tag credits are being lost. Given this appalling track record, how can motorists have any confidence in the account system being set up for the payment of City Link tolls?

Mr MACLELLAN (Minister for Planning and Local Government) — There are two parts to the question from the honourable member for Thomastown. The first part indicates his confidence in the popularity of the City Link project. The call centre
is being overwhelmed with applications for e-tags. I understood from its recent decisions that the opposition was opposed to e-tags, although the former Labor government announced this project and the tolls. The opposition now wants to rewrite history.

I will draw the honourable member’s critique to the attention of the people at Transurban and ask whether they can solve the problems he has highlighted. I am delighted to have his confirmation of the overwhelming popularity of the project.

**CFA: growth corridor services**

Mr ASHLEY (Bayswater) — Will the Minister for Police and Emergency Services provide the house with an account of initiatives to improve Country Fire Authority services in Melbourne’s growth corridors?

Mr W. D. McGRATH (Minister for Police and Emergency Services) — I thank the honourable member for Bayswater for his interest in initiatives undertaken by the Country Fire Authority in the outer corridors of metropolitan Melbourne. The CFA has responsibility for providing fire prevention and suppression services in those areas.

Through its geographical information system the CFA undertook a data analysis of the population trends and brigade locations in relation to the growth corridors. The CFA is dependent for funding on both the state and the insurance industry.

The government, together with Len Foster, chairman of the CFA, can now announce the establishment of five new CFA stations — at Chirnside Park; Caroline Springs; Point Cook; Craigieburn and South Morang — at a cost of $2.81 million. Eight new fire trucks to the value of $1.63 million will be supplied with the stations.

The Country Fire Authority, the Metropolitan Fire Brigade, the Metropolitan Ambulance Service, the Victoria Police and the State Emergency Service, all provide 24-hour services. There will also be 19 new operational personnel at a cost of $1.3 million, which makes an allocation of new resources of $5.7 million.

Recently 27 community support facilitators began working with local communities on fire prevention strategies, setting up bushfire blitz programs. The government has now extended that program with the announcement of 32 new community support facilitator positions to be incorporated into brigades around the state to maintain a strong volunteer component as well as career men and women to make up a fire authority that is the envy of the nation.

This announcement has been positively received by people in Caroline Springs, South Morang and the other places I mentioned. I often travel past the Caroline Springs development, where about 25 000 people are living. The growth of that housing development over the past few months has been extraordinary.

The approach of the CFA is positive and will ensure that it will continue to provide a good emergency service in the event of fire. In addition, the work of the CFA with the local community on fire prevention programs is as beneficial as the fire suppression work it undertakes.

**City Link: e-tags**

Mr BATCHELOR (Thomastown) — I refer the Minister for Fair Trading to the deliberate issuing of false receipts by the City Link call centre because of an administrative shambles. Given that the Office of Fair Trading has been alerted to this fact, what action will the minister take to stop this mass illegal activity?

Mrs WADE (Minister for Fair Trading) — The honourable member for Thomastown has made serious allegations about the issuing of false documents. If he makes available the evidence he has, I shall take up the matter.

**Tertiary education: rural telecommunications**

Mr PATERSON (South Barwon) — Will the Minister for Tertiary Education and Training inform the house of the steps the government has taken to upgrade communications and information technology in regional TAFE institutions to ensure they meet the needs of rural communities?

Mr HONEYWOOD (Minister for Tertiary Education and Training) — The house is aware of the enormous strides that have been taken in telecommunications technology, be it email, the Internet, microwave communication technology or videoconferencing. Few honourable members may realise that residents of regional Victoria stand to gain far more from advances in telecommunications technology than those in metropolitan Melbourne.

There are two key advantages for regional communities in the initiatives that have been taken in telecommunications technology. The first advantage will benefit, say, 5 students at the Portland campus of South West College of TAFE, 4 students 100 kilometres away at the Hamilton campus and another 7 or 8 students at the Warrnambool campus who want to undertake the same specialised program. Until now those small cohorts have been unable to
obtain the minimum number of students required to get a new course up and running. This initiative will connect the three TAFE campuses via videoconferencing or microwave technology so that 16 or so students from the three campuses can be pooled, thus justifying the establishment of the new TAFE course.

In that context the government will provide an additional $2 million to regional TAFE institutes to ensure we get more of the $94 million I announced yesterday for recurrent programs, in particular apprenticeships, in regional TAFE, and $420 000 will be given to the South West College of TAFE based at Portland, Hamilton and Warrnambool, and another $330 000 will go to the East Gippsland TAFE based in Sale and Bairnsdale.

The honourable member for Morwell will be pleased to hear that a grant of $300 000 will go to the Central Gippsland TAFE to connect the various campuses, and $250 000 will be provided to connect the Echuca campus with the Bendigo campus to ensure that geographically remote students can be linked by technology to kick-start new specialised courses.

The second advantage of the rural TAFE communications initiative amounting to $2 million will provide Internet and email purchasing networks for the same amount charged to metropolitan TAFE students. That will reduce the cost of being connected to the Internet for teachers and students to the Melbourne average. Many of the issues raised with me in regional TAFE campuses concern the cost differential in Internet connections for regional TAFE students.

This government initiative ensures that those geographically isolated students will not be disadvantaged. They will be able to access the 50 000 new apprenticeship places at TAFE and obtain viable job opportunities under the government’s $94 million allocation.

APPROPRIATION (1999/2000) BILL

Second reading

Debate resumed.

Mr MILDENHALL (Footscray) — The theme of my contribution before the interruption of the debate was that the budget is dishonest; it has no heart, no compassion and no sympathy, and it treats Victoria as a corporation and not a community. The activities of the Department of Treasury and Finance and the Treasurer through the financial strategy are characterised by subterfuge and conspiracy and the deception of the people of Victoria.

It is clear from the documents that as the privatisation program proceeds another $40 million of continuing funding has been made available despite what the Treasurer said that the unit would be wound up. The privatisation program continues despite the Treasurer’s announcement in the budget that water would not be privatised and Workcover would not be sold. The opposition takes that assurance with a grain of salt.

As a result of recent revelations another activity that will proceed apace is the extension of the Eastern Freeway, the tolling proposals and the contracting out of the financial arrangements for what should be a taxpayer-funded freeway infrastructure. The department will no doubt proceed with its assault on superannuation benefits of current and former Victorian public sector employees. It is clear from a number of indications that the Department of Treasury and Finance believes it has debt under control and its next target will be superannuation liabilities. Work is under way to construct the pots of cash to dangle before the eyes of public sector employees to have them commute pensions to cash lump sums. No doubt that will be done with a maximum of spin and the minimum use of honest comparative appraisals with no access to independent investment advice and without the proposed recipients — I would say victims — of that strategy being wamed of it.

The fact that the Department of Treasury and Finance is present at a number of industrial relations negotiations that should be carried out by other departments has caused me some concern. I understand that the department is currently involved in enterprise bargaining negotiations at the Melbourne Zoo enforcing stand-down clauses into zookeepers’ enterprise bargaining awards which will create the extraordinary imposition of zookeepers who feed animals being stood down in the event that the zoo cannot operate for whatever period. We might even see zoo animals remaining unfed as a result of the heavy hand of the Department of Treasury and Finance. Explain that to the — —

An honourable member interjected.

Mr MILDENHALL — It is not only the superannuants, it is the children, too!

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member’s time has expired.

Mr I. W. SMITH (Polwarth) — Thank you, Mr Acting Speaker, for the opportunity to address you on the budget. I was one of the few members in the
chamber for the contribution of the honourable member for Footscray. He usually drives most people out of the house. I had hoped to commence my speech with a resounding refutation of the important points he was making. He rather threw me, however, by saying halfway through his speech that the budget was in good shape. If he concedes that why should I bother with the rest of what he said? I think no-one in the house did that in any event.

I congratulate the government and particularly the Treasurer and Treasury officers on a magnificent seven years of sound financial management in the state. Although some people may want to quantify the budget by the items in it that particularly appeal to them, to me the best measure of what sound financial management has achieved in Victoria is the number of people voting with their feet. For the first time this decade Victoria now has a net population gain — that is, 25,000. People are actively choosing Victoria as the spot in which they want to live, do business and rear children. That is an encouraging sign, and it comes after years of decay brought about by the poor financial management of the previous Labor government.

Budgets, while a bit boring for most and difficult to understand for many, are nevertheless the real tool of a government. They fashion policies and enable planning to take society into the future. I will confine my remarks on the budget to two areas: an overview of matters of general importance to the state; and the effects of the budget on country areas, country issues and the electorate I represent.

First I will go back a step or two and remind the house that in 1982, when Labor came to power, the state’s debts were $11 billion and its liabilities were $6 billion. Ten years later the debts had blown out to $32 billion and there was a similar amount in unfunded liabilities, principally $18 billion in unfunded superannuation liabilities. Through prudent management those debts have been brought down to a very manageable $6.1 billion in 1999, and liabilities are down to $13 billion.

Those figures tell the real story of 10 years of gross financial incompetence, of promising more than could possibly be afforded and of living beyond the state’s means. They reveal in sharp contrast the present government’s success in bringing the state to a point where people are living within their collective means and the government is able to afford the promises it makes.

I well remember that in June 1992 the former Premier, Ms Kimer, introduced what was known as the June statement — a subterfuge intended to convince the electorate that the state was not broke. That document claimed that the state’s assets were $90 billion. When the coalition came to power government members wanted to see a list of those assets, and it will come as no surprise to the honourable member for Footscray that no such list existed.

Since October 1992, $25 billion in state assets have been sold, mainly electricity and gas assets, but also some smaller assets such as the grain handling system. The remaining assets on the list — a list the government has gradually obtained over a seven-year period — show that the state has net assets of approximately $31 billion. Allowing for inflation, the best case scenario is that the June statement of 1992 presented by Ms Kimer overexaggerated the assets of the state by a mere 100 per cent in an attempt to convince the electorate that the state’s assets exceeded its liabilities! They did not.

Since coming to government the coalition has pressed on with accrual accounting. That device has made the documentation of budgets more difficult to follow in the short term for some honourable members, but it is the right path to be on. Happily, the government leads all governments around the world in accrual accounting, which is the method for making managers more directly responsible for the day-to-day management of the assets under their control. That should come as no surprise. One wonders why it was not started earlier and why it is not more universal. If my memory serves me correctly, in the United Kingdom the government has started down this track only in the last three or four years, and it will take it 10 years to reach the stage Victoria is at now.

Accrual accounting offers enormous benefits. Traditionally, a state budget has been a cash-management budget. People managing departments and affairs of state were allocated amounts of money, which they spent before the end of the financial year. Often there was a bit of a rush at the end of the financial year, and invariably there were pressures on those people to spend on things of the moment and neglect assets. In many cases they paid little regard to the quantity and condition of the assets for which they often did not feel especially responsible. There can be no greater example of that scenario than the appalling neglect by the previous Labor government of the office buildings right under our noses in Treasury Place. Whenever repairs and maintenance were required on any scale, the previous government simply vacated the buildings, left them vacant or semi-vacant, and rented accommodation downtown, usually at top-of-the-market prices.
One of the very prudent and sensible things the government has done has been to account for all the assets and put in place a management plan that either brings those assets back into economic use or disposes of them, whichever is more appropriate. Under that policy we have seen the refurbishment and redevelopment of Treasury Place. The historic buildings for which the government has an inescapable responsibility have now been refurbished, and the return to taxpayers on the investment in that precinct is approximately 7 to 8 per cent. Honourable members might say that such a rate of return is not a world beater, but for historic buildings that one is stuck with anyway that refurbishment plan dividend is extremely good. I mention that project because it is typical of what is happening around the state. Managers are now forced to take all assets into account and either shed them or look after them.

One of the visions I have always had for the public and for members of Parliament in particular is that somewhere down the track government will embrace an accounting system that enables members of Parliament — and the public — to trace online where expenditure has occurred and what will occur in the following financial year. While that sounds relatively easy, in reality it is a complicated process. However, it should be persevered with because only by such scrutiny and exposure will public sector managers drive the taxpayers' dollar harder to achieve better value for money.

Nothing is more rigorous and energising than challenging why a certain amount of money was spent on a project, how many people were involved and whether it could have been done with fewer people. I see no reason why people in the community should not be able to access through their computers a particular topic of government expenditure and trace that right through to the end result.

Mr Mildenhall interjected.

Mr I. W. SMITH — Taking up the interjection of the honourable member for Footscray about only capital works, it should be for items of recurrent expenditure as well. If the honourable member for Footscray had been more accountable when he was a public servant he probably would have left the service earlier because his inefficiencies would have been exposed!

I now turn to the benefits brought to public sector management through the government's privatisation and contracting-out programs and the purchase of services in a different way from that of the past. A classic example is school cleaners. The contracting-out of school cleaning reduced its cost by half. I admit there were teething problems because some schools did not manage their contracts as well as they do now but those problems were quickly overcome. The government should not fall into the trap of thinking that it must provide all services such as school cleaning because the overheads and on-costs of government far exceed the costs of most private enterprises.

Government management and reporting systems are more odious, time-consuming and stultifying. Only the private sector can provide the sort of efficiencies in the provision of goods and services that the government needs to purchase on behalf of the people. The government's move towards the contracting out and privatisation of services and the more competitive nature of buying the things that must be purchased ensures that taxpayers receive better value for their money.

That scenario is exemplified also by the benefits of electricity privatisation. The average small business is better off by some $920 a year because of lower electricity charges. After full competition comes into effect at the end of 2001 it is estimated that that will improve even more. Similarly, on average, households are some $130 better off than they would have been under the former state-owned electricity enterprise. A similar position exists with gas. Public transport will soon be completely privatised. From a loss to taxpayers of some $6 million the cost of the service that runs between Melbourne and Warrnambool has been cut by approximately one-third since being privatised and run by West Coast Rail. Anyone who uses that line will tell you that the service is infinitely better and more reliable than it was under government ownership.

An enormous amount of money is spent by government in providing services for private prisons, computer services, road construction and the like. The whole government budget is spent on the acquisition of services, many of which are still provided in-house. Most of those services can be more economically and effectively provided by contracting-out or purchasing by contract. I strongly believe that the government's policy to privatise utilities and to contract out services has been the right and beneficial move not only for taxpayers but for the recipients and beneficiaries of those services.

I turn now to some of the budget highlights. Education is a high priority of the government, as it should be. The sum of $107 million is added to the capital works allocation to bring to $1 billion the amount of capital put over four years into education and bringing schools'
The Kennett government inherited a backlog of some $650 million worth of repairs that should have been done by the former Labor government. Those repairs have been caught up with and completed.

Although the common perception is that the government has made many cuts to education, the reality is that the education budget and all other budgets were cut for only the first two years when the government needed to take drastic action to repair the diabolical financial difficulties left to it. Will anyone ever forget the $1.3 billion in short-term borrowings by the former government that was not even declared? Allowing for inflation over the past couple of years the government has spent some 27 per cent more than was spent by the former Labor government on education in 1992.

A similar position exists in health and welfare where 24 per cent is now being spent over and above inflation and more than was spent in 1992, the last year of the Labor government. I am pleased that places for 50,000 new apprentices will be made available. Many service industries, basic practical industries and value-adding industries exist in country areas, and apprenticeships and trade training play an important role in keeping farms and the wheels of industry turning. It has been a problem to find sufficient skilled people to carry out all the tasks needed to be undertaken in country areas.

In my remaining remarks I will concentrate on the sort of deal country people might expect from a budget and the sort of deal they get in this budget. Most country people have a perception that they are getting a raw deal and that everything is happening in Melbourne. Melbourne seems to be all the go; peak hour at each end of the day is now 2 hours; new facilities are being built and many events have taken place. Because country people are excited about those things they have formed the view that they are missing out.

Country people should not feel like that. Although they constitute only 28 per cent of the state’s population, they have received and continue to receive from this government 34 per cent of its recurrent budget. They also receive 36 per cent of its capital budget, yet country people pay only about 15 per cent of the state’s tax revenue. That situation is not hard to understand because obviously less payroll tax — a large item of the state’s income — is paid in country areas where businesses are generally smaller. Also, less stamp duty is paid in country areas because a house in a country town is worth less than its equivalent standard house in the city; therefore, less stamp duty is paid when the country house is sold. I suggest to country people that those figures should prove they get a particularly good deal.

Country people should also remember the sorts of services that have been brought to them, and their cost. I have already mentioned the benefits of electricity privatisation. Municipal restructuring has brought significant benefits to country people. Having returned to elected councillors, most country municipalities have increased their rates, but at least country people have the benefit of inflation. Their rates are between 15 and 20 per cent lower than their rates prior to the amalgamation of municipalities. That is an important fixed-cost ingredient for rural people.

In my electorate the news for most people is good. Because of the amalgamation of water authorities the water charge for a Colac resident will have dropped by 26 per cent; in Apollo Bay by 36 per cent; and in Lorne by 41 per cent. Those reductions in fixed costs to households and individuals have been of profound benefit.

This budget has infused $118 million into the upgrade of the Melbourne-Geelong Road. I have no doubt that that infusion of funds will be of enormous benefit in servicing my electorate. Nobody would dispute how dangerous and crowded the Melbourne-Geelong Road has become. The road badly needs a third lane in each direction and the subsequent treatment of bottlenecks at either end to enable goods and services to be transported to and from their source of supply and consumption.

I shall detail a few of the benefits that have flowed to the Polwarth electorate. My electorate has nine one-man police stations, which are all staffed and open for business. A new police station is being built at Lismore, another is being completed at Birregurra, and a new station to be built at Lorne is part of a $1.6 million emergency services complex there, the construction of which will start soon. A new fire station has been built at Barabool, another at Inverleigh, and on Saturday the first sod will be turned for a new fire station to be built at Colac. Also, a number of smaller fire stations have been built in more remote areas of my electorate.

Health services are important for country people. A new, major and extremely good community health care facility is now located at Apollo Bay. This budget funds a new hospital, aged care services and a community health service centre at Lorne. The planning for a promised new hospital at Colac is continuing, and new health and community service facilities that are proving to be enormously beneficial, particularly in the
Another small but significant example of a grant initiative in my electorate was the $6000 provided to the Pomborneit Cricket Club, which fields three teams. That grant has allowed the club to complete construction of its clubrooms and to afford the watering of its cricket pitch. The club was most grateful for that grant.

Finally, I turn to the growing importance of tourism to my electorate. My electorate has the largest number of tourists per annum of any region — 2.8 million visitor days and 2.6 million visitor nights. It is an important source of employment for young people and an important and growing industry in the Polwarth electorate. The infrastructure along the Great Ocean Road is being systematically upgraded and that has spawned a large number of small business operators who are providing bed-and-breakfast accommodation to cater for the growing demands in the tourist industry.

This is a most responsible budget. It delivers on all the promises the government made when it came to power. I hope the government continues with its good work, and I commend the budget to the house.

Ms KOSKY (Altona) — The Treasurer said this was a turning-point budget. Last year he said exactly the same thing, so it may mean Victoria has turned 360 degrees. If this is the budget that was to return a social dividend, the one that we have long awaited and suffered for greatly, the wait and suffering have been for very little return. The budget provides little, particularly on jobs. There are no additional teachers or nurses. Although the opposition welcomes the Treasurer's commitment of 400 extra police, everyone knows that more are needed — as was originally promised.

Employment should be the cornerstone of any government's social fairness policy, because it is absolutely critical to the quality of life of individuals and their families. The government's approach suggests that jobs will trickle down and that with the right basics and climate more jobs will miraculously appear. Sadly that does not happen to the extent that is needed in order to deal with Victoria's unemployment situation, particularly the situation of uneven employment.

The job of a government is to both create and sustain jobs. Many jobs have been lost from Victoria this year alone with the loss of companies such as Yakka, Dorf, Colonial and the cement works in Geelong, and the list goes on. However, in some cases the companies have moved to other states. The government is not good at sustaining employment opportunities in Victoria. There is a recycling of jobs: when jobs are lost a few
short-term or part-time jobs are created. However, sustainable employment situations are needed so that people can manage their lives well and share in the prosperity. Some Victorians are doing well and there are others who are struggling. That needs to be changed; the benefits need to be shared between all Victorians, not enjoyed by only a few.

Most honourable members would understand that maintaining skill levels and investing in reskilling is important for Victoria's future. High skill levels are necessary to meet the changing needs of technology and new industries, and to ensure that existing businesses can continue to grow. Education and training is one of the best investments a community can make, and by reskilling the future health of not just the economy but, through a flow-on of social benefits, the health of the community can be assured.

Honourable members heard the Minister for Tertiary Education and Training trumpet the $94 million that is being provided for training. I welcome that. However, I have major concerns about the figures provided. The minister said that those positions will create 50,000 extra TAFE apprenticeships over 4 years. If that is the case his promise is massively underfunded, because based on the government's figures it provides an average funding of only $1876 per place, which is not sufficient to provide meaningful training. It will provide short-term placements but will not address the shortages that exist in trade areas where people need to train for between two and four years. The promised funding is not enough to provide even lunch money for one year for those apprentices, let alone provide quality training. It is not good enough to tick off the training box and say that another person has gone through. It is important that training occurs in those areas where jobs and additional skills are required.

Some of the figures that come directly from the government point to a 7 per cent drop in traditional apprenticeships, not traineeships, since 1993–94. That is the most recent data on which the government can be judged. The figure represents areas such as the metal industries, the electrical industry, the vehicle trades, food, agriculture, hairdressing and horticulture. The skill shortages in those traditional areas match up with the areas in which there has been a reduction in the number of apprenticeships. The government is not responding to the skill shortages and is not taking any action to properly fund the problem areas. The provision of less than $1900 per place is not sufficient to ensure that skill shortages are addressed and trade apprenticeship areas are properly funded.

It might be hoped that the government would lead the way in public sector apprenticeships, but the records indicate otherwise. The government is providing an appalling example to Victorian employers. The September 1998 figures from the National Centre for Vocational and Education Research show that the total number of state-government employed people in training in various states in that year were as follows: Victoria 40, New South Wales 1040, Queensland 2500, Western Australia 580, and Northern Territory 170. Victoria could manage only 40 new public sector apprenticeships!

Part of the reason for the low Victorian figure is the fact that the state no longer has a public sector electricity industry and that the Victorian government puts some public sector apprentices through group training programs. However, the figure of 40 cannot be explained away on that basis. It is an appalling example for the government to set Victorian industry. It is no wonder industry is not taking up all the funding opportunities that are available. Unfortunately Victoria is slipping behind in the training and skilling of its workforce.

What is happening with TAFE institutes goes some way to explaining why Victoria is dropping further behind. I will talk about the benchmarks that the government brags about setting. Funding per student contact hour in Victoria is $4.74 — less than $5! — compared with the Australian average of $7.04. That means the government places a lower value than the national average on the cost of student hours and that has an impact on the type of training students get.

Spending on TAFE in Victoria is 78 per cent of the Australian average per head of population. Average expenditure on TAFE across Australia increased by 17.2 per cent from 1992–93 to 1996–97, and at the same time it dropped in Victoria by 0.2 per cent. So whilst the rest of Australia has been improving, Victoria has been decreasing the amount of money it spends on the provision of TAFE. TAFE in Victoria has the lowest percentage of state-government sourced revenue of any state — 45.4 per cent compared with the national average of 56 per cent. Under this government the TAFE situation is at crisis point.

I noted that during question time the Minister for Tertiary Education and Training referred to additional money that will go via technology training to a number of campuses. It is interesting that two of those campuses have really struggled financially because of the reduction in funding provided by the government. While it is expecting TAFE institutes to put through more students, the government is providing less...
money — that is, the government is expecting TAFE colleges to do more with less money. That is what the government describes as benchmarking. I call it ripping the heart out of the training system in Victoria, and that is what people at TAFE colleges will tell you.

If members of this house visited TAFE colleges they would know that the TAFE colleges are struggling to make ends meet because the government is cutting more and more into the money provided for training. The initiative of $96 million for 50,000 places that was announced is further evidence of that. It is peanuts! But the government is still expecting TAFE colleges to do a lot with a very small amount of money.

The government announced in its budget an amount of $23 million for capital investment in TAFE colleges. That will be welcomed by the TAFE colleges because many of them need major upgrading. I hope that it is not used a pork-barrelling exercise, with the money going only into TAFE colleges in marginal seats but that it will be an opportunity to improve facilities in areas where they are most needed.

The minister referred to higher employer customer satisfaction. I suggest to the minister that the questionnaires provided are a bit of a joke. Employers will respond positively because if they do not the government will not give them additional money; they will be punished for giving realistic feedback. It is in their best interests to respond positively so that they get a positive response in future. Let us not fool ourselves about that. The minister can say that there has been a great improvement but when one looks at the reduction in numbers at TAFE institutes, higher employer customer satisfaction does not mean a lot.

In 1999 TAFE institutes face a real cut of 7 per cent, made up of a 1.5 per cent government productivity provision, the Victorian share of the commonwealth $20 million benchmarking efficiency requirement, and the transfer of $8 million from profile course funding to 1999 PETP tender. Funding is being moved away from the TAFE institutes and most of it will go to private TAFE providers. The 7 per cent cut to TAFE institutes is made up also of the requirement for institutes to deliver growth in the number of new apprenticeships without a corresponding increase in funding. The approach is all about delivering more for less.

An increasing amount of TAFE is being put out to tender which is driving the TAFE dollar down. The government may say that is fantastic but when one travels around the state and talks with different training providers they say that they have had to put in tenders at a low cost because if they did not do so they would not get any funding. They are very concerned about being able to provide services at ridiculously low prices. In the current incredibly competitive environment, companies, private providers, TAFE institutes, and adult and community education organisations are basically outbidding each other and so destroying the soul of the training system because at a certain point it will break. The result will be either very low quality service or — as I suspect — a lot of organisations will go under. A number of TAFE institutes are struggling at the moment just to keep their doors open because TAFE providers are required to do more with less money.

Regional institutes are also facing an additional burden under the removal of the regional funding differential. There used to be acknowledgment that it cost more to deliver TAFE training services in rural areas, with smaller institutes and smaller class sizes because of smaller population numbers as well as the additional travel and communication costs. It was acknowledged also that a regional funding differential was needed.

Anyone listening to the honourable member for Polwarth will realise that the government does not have a major commitment to country Victoria. The current view is that country Victorians should not get additional money in recognition of the need for equity across the state but should only get back what they put in. I was disappointed with his presentation because he did not acknowledge that rural Victoria actually needs additional funds in order to get access to the same range of services enjoyed by people in metropolitan areas.

The government has withdrawn the regional funding differential for regional institutes and without it they are finding it extremely hard to cope and to provide the sorts of services they are expected to provide on very limited funding. Some institutes train many people who are on unemployment benefits or who are health care card holders. They do not get the same amount of money from those individuals as they would from people who are working and can pay the full fees, so the institutes are seriously disadvantaged by the removal of the regional funding differential.

Regional Victoria in general is seriously disadvantaged by the removal of the regional funding differential. The government is doing nothing to ensure that people in country Victoria have access to the same sorts of training and skills as people in metropolitan areas. A particular issue in country Victoria is that there has been a significant drop in traditional apprenticeships. It is very noticeable in country areas because it has always been a bit more difficult to get trade people to do particular work, just because there are fewer people.
in country areas. The substantial drop in the number of people undertaking traditional apprenticeships is having a real impact on the people of Victoria.

Before mentioning what Labor would do differently in that area, I will talk about a local initiative. I put on record my pleasure on hearing about the amount allocated in the budget for the Princes Freeway. I hope the federal government will match that money because Victoria does not want a half-baked response to the difficulties of the Princes Freeway. There should be a solid response to improving traffic flow on the freeway.

Mrs Henderson interjected.

Ms KOSKY — I have acknowledged that I am pleased with the allocation. I have also previously mentioned in the house a particular concern in my electorate. Twelve properties are located so close to the Princes Freeway that they share side fences with it. When the freeway was originally built, proximity to it was probably not such an important issue, but with increased traffic volume, the opening of the Western Ring Road, and B-doubles and B-triples frequently travelling the freeway, people living in those properties are experiencing major problems. They cannot stand in their backyards and have a conversation. They cannot open their windows because the noise level is so high. They have to keep their windows shut year round, which is intolerable in summer.

I put on record my hope that the situation of the people living in those 12 properties can be alleviated. There are a number of ways that could be done. At the moment there is only a wooden noise attenuation fence which also acts as a side fence for the properties. The size of the fence has been increased, but it blocks out light. A concrete sound barrier along that section of the Princes Freeway is required: freeways on the other side of the city have such concrete barriers.

Perhaps the government could consider purchasing some of the properties so the owners can have a significantly improved life. It is difficult for them to sell their properties: no-one wants to buy them because of the noise level. These property owners have lived in the area for a long time — probably since the freeway went through — but they now find their position intolerable. Residents can wake up in the morning to find a blown tyre from a truck on the roof. That has happened on a number of occasions and can be dangerous. Such proximity to the freeway is certainly bad for the health of those people. I put on record my hope that part of the $100 million allocated in the budget to the upgrading of the Princes Freeway could be used to assist those people.

What would Labor do about training and jobs? This morning the Leader of the Opposition spoke about what Labor would do about jobs and training. Labor would target infrastructure allocation to drive job growth and over time rebuild Victoria’s declining social infrastructure base. As mentioned, Labor would make a commitment to providing additional resourcing in education and reducing class sizes in particular, additional resourcing in health and additional police. That would have an immediate impact on the jobs situation.

Labor will set growth targets using a whole-of-government approach. Labor will establish a system in cabinet whereby all project initiatives will be assessed against growth target criteria. That is designed to stimulate private sector employment opportunities.

Labor will commit to new employment targets, ensuring in our first term of office that Victoria’s adult and youth unemployment rates will be consistently below the national average, and a JobsNow package will be implemented and funded by the number of senior public servant executives being cut back to match the 1992 ratio. A significant part of the JobsNow package will relate to traineeships and apprenticeships, particularly in trade areas, where there are significant skill shortages.

Labor wants to focus on young Victorians. Young Victorians now without experience in the work force remain without experience in the work force. That is evident in long-term unemployment statistics. Once young people are out of work for a period, they find it difficult to get back into the system. If they cannot get back in, we lose them. The consequences of losing young people from the work force are evident in the high suicide, drug and crime rates not only in Victoria but across Australia. It is extremely important that we link with young people and ensure they have a future via the job market.

Another initiative already announced will see the linking of secondary schools and TAFE colleges to provide more vocational options in school curricula for young people who do not want to go on to university at that stage. That initiative will link young people with some of both traditional and newer skills areas as developed through traineeships in an effort to keep them in education, acknowledging that the VCE does not cater for all young people and ensuring they do not drop out early and go on to the dole queues. If young people are kept in the system they are linked with opportunities for apprenticeships and traineeships.
I have spoken with a number of people in trade areas. They tell me that many young people do not necessarily want to go into those areas because the VCE does not encourage them to do so. They say young people have a view that the work in some of the traditional apprenticeship areas is dirty and not what they want to do. Many of the resources in secondary schools also are not appropriate for young people if they want to further their education and improve their skills in more vocational areas.

Labor plans to link secondary schools and TAFE colleges at the upper end of the school system to provide additional opportunity and ensure skill shortages are addressed. TAFE will be used to give older retrenched workers the opportunity to retrain and learn new skills to enable them to start new careers. That is a major problem for people who have been in the work force for some time but find themselves unemployed and are not sure how to get back into the work force. Under Labor TAFE institutes will provide aptitude testing and retraining for all Victorians who have lost their jobs and want to undertake retraining.

Labor will end the closure of regional TAFE colleges and give them a more secure funding base. Labor has announced $4.2 million will be invested in regional colleges by increasing per capita regional funding differentials to take into account the additional on-costs faced by regional TAFE colleges. That is a major issue in rural Victoria, as it simply costs more per student to provide quality education and training in rural areas.

In summing up, I am disappointed the budget does not address the issue of jobs in a significant way and relies on the private sector to come to the party in jobs creation without setting the example.

I hope there will be more emphasis on social equity throughout Victoria rather than relying on the trickle-down effect. Unfortunately, social equity will come about only through the return of a Labor government which will ensure sound financial management and the equal spread of services and resources throughout Victoria, rather than just allocating them to the Melbourne central business district.

Mr SPRY (Bellarine) — I have pleasure in contributing to this debate and, like other honourable members, I will take the opportunity to make specific remarks about certain issues. The debate on this landmark budget allows honourable members to reflect on the directions Victorians face in the next millennium.

The government has put behind it the austerity it faced in framing budgets during the past seven years following the period of Labor mismanagement of the state in the 1980s and early 1990s. It looks forward to a time of prosperity and optimism and to the things it can do for Victoria instead of having to continue to maintain recovery policies.

No-one would disagree that to date the response by the opposition to the budget has been predicably disappointing. It was apparent to honourable members on this side of the chamber that the shadow Minister for Finance lacked an understanding of the objectives of public accounting reform, despite the fact that he attended a breakfast this morning organised by the Public Accounts and Estimates Committee during which the secretary of the Department of Treasury and Finance, Ian Little, reiterated the objectives of public accounting reform. Mr Little said that those objectives were to introduce elements of transparency, accountability and, above all, better mechanisms for budget management.

That policy contrasts with the former Labor administration. The then Treasurer insisted on a cash accounting procedure which, from time to time, merely gave a snapshot of the cash position of the state and allowed opportunities to manipulate the figures. During the dying days of the former Labor administration the figures were manipulated.

The honourable member for Polwarth drew attention to one aspect of that in his contribution when he said that the then Premier, the Honourable Joan Kirner, announced that the state’s assets amounted to some $90 billion. The honourable member for Polwarth contrasted that response to that of the Public Accounts and Estimates Committee report that indicated an asset figure of $32 billion. It is difficult to imagine from whence the former Premier got the figure of $90 billion. I suggest it further indicates the lack of credibility the Labor government had during its dying days.

It is obvious from the response of the Leader of the Opposition to the budget speech that he is grasping at straws when criticising what is essentially a responsible budget. The Leader of the Opposition acknowledged that there were some good things in the budget — and I was pleased to hear that — and he referred to the allocation for the Geelong Road improvement works. The honourable member for Geelong North is smiling.

I have no doubt that he will refer to that allocation in his contribution to the debate.
The Leader of the Opposition made the extraordinary comment that the government was neglecting services. I do not know whether he was comatose when making those remarks, but a glance of budget paper no 1 would indicate to the Leader of the Opposition the government’s commitment to delivering services. Under the heading, ‘Delivering government services’, pages 6 and 7 of budget paper no. 1 set out the service delivery improvements of recent years in health, education and law and order.

The government now spends substantially more — in real terms, not nominal terms — than was spent by the Labor government in 1991–92. Spending on education in this budget will increase by a further 6 per cent. The government is now spending 12 per cent more on education, allowing for inflation, than was spent in 1991–92. Spending on health and welfare will increase by another 4 per cent. The government is now spending 24 per cent more on health and welfare, again allowing for inflation, than was spent in 1991–92. Police funding will rise by a further 4 per cent. The government is spending approximately 21 per cent more on police than was spent in 1991–92. One wonders about the fuss the Police Association made about police numbers and how much the campaign was driven by a desire to get more funding for the force.

I have given a brief snapshot of the government’s commitment to deliver services in this budget. I remind honourable members that the ability to deliver services is made possible by good, sound, responsible, accountable, transparent financial management, the thing that Victorians have come to expect of the Kennett government. That has not happened by chance. It reflects the determination of the government to effect the recovery so urgently needed following the years of Labor government administration. Victoria is now the fastest growing economy in Australia and employment is now at record levels. At page 3 of budget paper no 1 the Treasurer said in effect that even in the darkest days of late 1992 the Kennett government still envisaged an economy that had a potential to be the strongest in Australia. After six and a half years of the coalition government’s commitment to allocate $118.5 million to upgrade the Geelong Road. I refer to a speech I made during the grievance debate on 30 April 1997 when the issue was in its infancy. Even in those days my Liberal Party colleagues in Geelong and I recognised the need to address it as a matter of urgency. That recognition came on the heels of the findings of the National Institute of Economic and Industry Research (NIEIR) in its review of the Princes Highway and its economic impact study of October 1995. I refer to one of the points I made in 1997 because it is worth recycling:

Mr SPRY — The minister’s interjection is exactly what I was about to say — it has allowed the government to allocate that hitherto profligate amount of money on funding additional services for Victorians who badly need them. The Labor Party could not object to that.

Earlier in the debate much was said about the government’s commitment to improving infrastructure. Obviously, no modern economy can flourish without sufficient infrastructure — I refer to physical infrastructure as opposed to what I describe as social infrastructure, such as health, education and welfare. A sufficient physical infrastructure encourages the establishment of businesses in Victoria and the government is proud of its record in ensuring that industry is attracted to Victoria.

One of the matters mentioned earlier by some members, including the shadow Minister for Employment, Tertiary Education and Training, and which is applauded on both sides of the house, is the government’s commitment to allocate $118.5 million to upgrade the Geelong Road. I refer to a speech I made during the grievance debate on 30 April 1997 when the issue was in its infancy. Even in those days my Liberal Party colleagues in Geelong and I recognised the need to address it as a matter of urgency. That recognition came on the heels of the findings of the National Institute of Economic and Industry Research (NIEIR) in its review of the Princes Highway and its economic impact study of October 1995. I refer to one of the points I made in 1997 because it is worth recycling:

Mr SPRY — The honourable member for Bendigo West says, by interjection, that it should be zero. That would be the ideal situation. A Labor government could never achieve that. If the former Labor administration had continued managing the state in the same way as it had done so up until 1992 it would be difficult to find the numbers to describe Victoria’s net debt. The government has re-established Victoria’s AAA credit rating with Moody’s Investors Service. The government has reduced the interest on that amount in net terms by more than $800 million every year. That has given the government the opportunity — —

Mrs Henderson interjected.

Mr SPRY — The minister’s interjection is exactly what I was about to say — it has allowed the government to allocate that hitherto profligate amount of money on funding additional services for Victorians who badly need them. The Labor Party could not object to that.

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The Port Phillip zone is becoming increasingly important in both national and world terms, and its place on the Asia-Pacific rim is of vital significance to the world’s economy.

That view is shared by my colleagues in Geelong, senior councillors at the City of Greater Geelong and Mr Ross Mellor, the chairman and coordinator of the Habitat Trust. That organisation also shares that vision for the south-west sector of the metropolitan region of the Greater Port Phillip Bay region. One of the most significant pieces of infrastructure that needed to be addressed was the upgrade of the Geelong Road. Even in April 1997 the traffic flow along the
Geelong-Melbourne road was in the vicinity of 30,000 vehicles a day at the southern end of the highway and rising to some 70,000 between the Werribee-Hoppers Crossing area and Melbourne. The honourable member for Geelong North has also made that point. The NIEIR study revealed that Princes Highway West between Werribee and Geelong has one of the worst crash records in Victoria — it is 10 times the state average. In addition, every year the highway carries about 6 million tonnes of interregional freight in transport vehicles that are constantly increasing in size and capacity.

Drawing from the remarks I made in 1997, it is clear that the government’s commitment to allocate $118.5 million to upgrade the Princes Highway in the ensuing financial year is well and truly justified, and some might say overdue. The government hopes the federal government will recognise its responsibility to Victoria, acknowledge that the road is of national importance and see fit to follow Victoria’s lead by matching the funding to enable the completion of the upgrade.

In drawing attention to the fact that the Geelong Road provides direct access to the Geelong region, I also draw to the attention of the house the fact that after transport enters Geelong other problems arise because Latrobe Terrace, which runs through the city, is only a dual carriageway. Some imaginative thought must be given to how in the future vast commuter, tourism and freight links will be made with the western regions of Victoria. The question of whether a bypass should extend around the west or east of Geelong is contentious. It will take some imaginative planning by authorities to determine exactly where the bypass should be constructed.

In my 1992 maiden speech I drew attention to the fact that if in due course the authorities selected an eastern bypass around Geelong — and I am not suggesting for a moment that it should be on the agenda right now but perhaps it may be in some 20 to 50 years — it would be able to link up with five or six major roads, including the Portarlington Road to the northern section of the Bellarine Peninsula; the Bellarine Highway, which leads to Queenscliff and links with the passenger ferry across Port Phillip Bay; the Barwon Heads Road; the Torquay Road; the Anglesea Road; and the Princes Highway. Clearly some tremendous advantages would be gained if an eastern bypass were constructed in the future. If that is the plan for linking the western districts and the surf coast on the Bellarine Peninsula to the Melbourne–Geelong artery, serious consideration should be given to putting some reservation on the area to indicate that intention to planners, developers and others who wish to move into the area.

On the point of road infrastructure, on Tuesday the Minister for Planning and Local Government mentioned a recent review entitled *Towns in Time*, which states that the fastest-growing town in the Barwon region is a town in my electorate, Clifton Springs.

The *Towns in Time* report indicated that the annual population increase in Clifton Springs over the past 15 years was 7.6 per cent per annum, which is a total increase of 4420 people. The report also mentioned that a large proportion of that increase in Clifton Springs was in the younger age group. It is that younger age group that the government had the vision to address in the pre-election run-up in 1996. At that time the government authorised a review into the needs of young people on the Bellarine Peninsula. I had the pleasure of chairing that youth services review shortly after the government was re-elected in 1996.

Towns such as Clifton Springs, Drysdale, and perhaps to a lesser extent towns on the other side of the peninsula such as Ocean Grove and Collendinsta, lacked the infrastructure enjoyed in metropolitan areas of Melbourne and to a lesser extent Geelong. One of the recommendations of the committee was that some infrastructure be developed around the emerging education facilities in what we call the central Bellarine area, or the subregional centre near Drysdale. The youth services review committee recommended to government that a Bellarine arts and recreation facility be constructed to complement the needs of the two schools in that area, Catholic Regional College and the Bellarine Secondary College, and also to provide particularly for the needs of the increasing number of young people populating the eastern end of the Bellarine Peninsula. I was pleased to hear the announcement made last year by the Premier that an application to the Community Support Fund was successful. A facility in that area costing about $1.5 million is about to be commenced as a result of those initiatives.

I turn to the specifics of the budget as they affect the Bellarine Peninsula. There are two major new initiatives to which I draw attention, both in the social infrastructure area of the budget. The first is funding for second-stage extensions to the Ocean Grove Primary School and the second concerns funding for the much-needed community health centre extensions in Newcomb. Newcomb is at the suburban end of the Bellarine Peninsula, which is described as the western end of my electorate. The funding is for extensions to the dental service clinic for the people of Newcomb, Whittington and Moolap. The people of that area are
awaiting the completion of the facility with keen anticipation.

Over the past seven years there has been a dramatic improvement in the physical nature of the 13 government schools on the eastern end of the Bellarine Peninsula to the extent that most people who enjoy those facilities, certainly the school councils that help to run them, regard them as some of the best education facilities in Victoria.

Earlier I mentioned the critical mass in educational facilities that is now taking place in the so-called Bellarine sub-regional centre near Drysdale. Not only are the new secondary school and the Catholic regional college now located there but an additional major private school, the Christian College, has made its local headquarters in that area, adding to the number of schools that now cater for the unique needs of the young people on the Bellarine Peninsula.

These are just a couple of social infrastructure initiatives that build on what has undeniably been a great record of achievement on the Bellarine Peninsula over the past seven years. Others include the construction of the Surfside Primary School at Ocean Grove, which commenced in 1994; the aforementioned Bellarine Secondary College at Drysdale at a cost of $12 million, which commenced in 1997, and the Ocean Grove Primary School, the second stage of which I mentioned previously.

In the health services area, the $3.3 million community health centre project at Newcomb is also worth mentioning. Although it is not specifically in the Bellarine electorate, because it is the major acute health service in Geelong I also mention the $20 million redevelopment of the well respected Geelong Hospital that has just taken place.

In dealing with physical infrastructure that residents on the Bellarine Peninsula have enjoyed over the past six or seven years I direct attention to the improvements and upgrades that have been made to the Bellarine highways. These included a duplication of the highway from the Wallington Road turn-off to Grubb Road.

Currently under discussion also and the subject of community consultation is the proposed $3 million upgrade to the Queenscliff harbour. It is interesting to note that $2 million of that upgrade money has been included in this year’s state budget. The draft proposal is attracting a lot of attention and is of particular interest to the people of Queenscliff who have been invited to comment on it. I hope significant comment will be made on the proposal in the near future and that it will lead to a greatly improved harbour facility in Queenscliff.

Improvements to the Bellarine Peninsula road system are being carried out in conjunction with the improvements to the public transport system.

In a broader sense, it is also worth mentioning improvements to technology in schools. In the future private sector investment will provide more opportunities for the people of the Bellarine Peninsula. One in particular that I have mentioned in the press in the past couple of days is aquaculture. My electorate is largely surrounded by water. Therefore, I am conscious of the opportunities that its 70 or 80 kilometres of coastline could provide in the area, not only for tourism but also for industry — opportunities that in turn might provide employment. Aquaculture has exercised my mind for some time. Last week I attended the World Aquaculture society conference in Darling Harbour, Sydney, and while there I reflected on the enormous number of future opportunities for aquaculture to contribute to Victoria’s drive to produce something in the order of $12 billion of rural export products by 2010.

Aquaculture in and around the Bellarine Peninsula is an opportunity that should not be missed. It is an industry in which many people are seeking to invest.

Debate adjourned on motion of Mr CAMERON (Bendigo West).

Debate adjourned until next day.

SHRINE OF REMEMBRANCE (AMENDMENT) BILL

Committed.

Committee

Clauses 1 to 7 agreed to.

Clause 8

Mr COOPER (Minister for Transport) — On behalf of the Minister for Conservation and Land Management, I move:

1. Clause 8, lines 23 and 24, omit paragraph (a) and insert —

   "(a) a person nominated by the Minister, who has been engaged in service or duty as an officer or a member of the naval, military or air forces, who shall be chairperson; and".

SHRINE OF REMEMBRANCE (AMENDMENT) BILL

Committed.
RAIL CORPORATIONS AND TRANSPORT ACTS (AMENDMENT) BILL

ASSEMBLY Thursday, 6 May 1999

2. Clause 8, page 6, lines 10 to 18, omit paragraph (e) and insert:

“(e) 4 persons nominated by the Minister who have between them experience and knowledge of administration, business, finance, marketing or public relations.”.

Amendments agreed to; amended clause agreed to; clauses 9 to 14 agreed to.

Reported to house with amendments.

Remaining stages

Passed remaining stages.

RAIL CORPORATIONS AND TRANSPORT ACTS (AMENDMENT) BILL

Second reading

Mr COOPER (Minister for Transport) — I move:

That this bill be now read a second time.

This bill supports and facilitates the government’s program of public transport reform. One of the bill’s principal purposes is to create a new statutory rail corporation called the Spencer Street Station Authority. The authority will be responsible for management of the Spencer Street Station precinct, which presently forms the west-end precinct of the Docklands area.

The bill generally provides for finetuning of the provisions relating to the franchise arrangements and the operating arrangements for private operators of tram and train services, as well as clarifying the provisions for enforcement of transport-related offences. The bill also amends the provisions relating to the administrative arrangements for private bus contracts and extends the enforcement provisions to private bus operators. Finally, the bill provides for two technical amendments to the toll provisions of the Melbourne City Link Act.

More particularly, the cross-ownership provisions relating to franchises are modified to account for a situation where there are two or more legal entities signing the different agreements which comprise the arrangements in respect of a single franchise business. The cross-ownership rules will encourage competition and ensure that the operators of two tram and two metropolitan train businesses are separately owned, but will allow for different corporate structures within each business.

Similar amendments are made in respect to the provisions in the Rail Corporations Act which validate certain clauses in agreements and the statutory transfer mechanism in that act. The amendments extend those provisions to private-operator ownership structures when the entity which purchases rolling stock from the state is a separate legal entity from the franchisee while still being part of the same business structure.

To ensure that activities essential to the running of the public transport network — for example, powering up trains and running trains in and out of depots — are able to continue, the bill proposes that noise emitted by trains, trams and light rail vehicles travelling on rail or tram tracks, or when entering or leaving sidings, yards, depots or workshops or powering up or shutting down inside sidings, yards, depots or workshops is deemed not to constitute a nuisance and is exempt from the Environment Protection Act 1970 and the Local Government Act 1989 and regulations.

These provisions preserve the existing situation with respect to noise emissions from the public transport system. The ongoing performance of operators in this respect will be closely monitored by the Director of Public Transport. The director will have power under the franchise agreement to require franchise operators to comply with his reasonable requests to minimise noise emissions in sidings, yards, depots or workshops. Noise emitted from such facilities will also be governed by the Environment Protection Authority in line with its current guidelines. The Environment Protection Authority was consulted on the issue of noise from public transport operations and is satisfied with the arrangements being put in place.

There have been a number of changes made to the enforcement arrangements relating to ticket offences. To ensure that enforcement powers are not misused, bus operators wishing to use statutory enforcement powers will, like franchisees, be required to have accredited management systems for authorised officers. In the event of a misuse of authority, penalties will apply and the Secretary of the Department of Infrastructure will, among other powers, have the power to revoke an authorisation.

The expansion of enforcement provisions to cover bus operators will provide uniformity of enforcement powers across all forms of public transport. The enforcement and collection of fines will be retained by the state.

Under the amended provisions the secretary will have greater powers to grant authorisations and to impose
conditions on authorisations. Provision is made for heavy penalties for the breach of such conditions.

To ensure continuity of enforcement of ticket offences, the bill inserts transitional provisions which will last for 12 months so that authorised officers with enforcement authority who are currently employed by the Public Transport Corporation will continue to be authorised when they transfer to a private operator. Persons given temporary authority by the secretary will be required to meet at least the current standards and requirements, and will carry identity cards. The system of temporary authorities will only last for 12 months.

Franchisees will be given powers to deal with lost property, based on the powers which the PTC had in relation to lost property under the transport (Public Transport Corporation) Regulations 1994. These powers are necessary because the large volume of lost property in the public transport system makes it impracticable for the police to deal with it. The proceeds of the sale of lost property, after deduction of costs, will be dealt with in accordance with the Unclaimed Moneys Act.

The power of the secretary to enter into service contracts with bus operators under part 3 of the Public Transport Competition Act 1995 is extended to the Director of Public Transport.

A consequential amendment is the statement contained in clause 37 of the bill, that it is the intention of section 36(1A) of the Public Transport Competition Act, proposed to be inserted by clause 36 of the bill, to alter or vary section 85 of the Constitution Act 1975. In the same way as the Public Transport Competition Act already limits the liability of the secretary with respect to the private bus contract arrangements under the act, this amendment extends the limitation of the Supreme Court jurisdiction to the Director of Public Transport when he exercises those contracting powers instead of the secretary. The limitation of jurisdiction provision covers the director if he makes a decision to enter or not to enter or renew a bus contract or decides to vary, suspend or cancel a bus contract.

I wish to make a statement under section 85(5) of the Constitution Act of the reasons for altering or varying that section. Proposed new section 36(1A) of the Public Transport Competition Act is intended to alter or vary section 85 of the Constitution Act 1975 to the extent necessary to prevent the Supreme Court from awarding compensation in relation to an act described in that section.

The proposed new section relates to actions taken by the Director of Public Transport in relation to bus contracts. It prevents claims for compensation when the director is acting in the course of his duties under the Public Transport Competition Act relating to bus contracts. The usual duration of bus contracts is 10 years, and the legislative protection in the act requiring lengthy notice to operators to vary, suspend or cancel contracts together with the process of contract negotiation, are more than adequate to protect the interests of bus companies and provide a fair mechanism for implementing necessary contractual change. Further, the provisions of new section 36(1A) as proposed to be inserted by clause 36 of the bill will ensure finality in the bus contract process so that continued service to the public can be assured.

The proposed legislation will establish the Spencer Street Station Authority. The authority will be a rail corporation with similar powers to the other rail corporations established under the act. Its main functions will be to act as landlord and to oversee the management and development — including redevelopment — of the Spencer Street station precinct for transport purposes. The precinct area is defined in the bill.

The authority will be responsible for the current and future transport requirements in the precinct. It is anticipated that the authority will enter into arrangements with other public sector bodies, in particular the Docklands Authority, in relation to the development of the Spencer Street station precinct. The authority will manage the interface between Docklands and the precinct to ensure the compatibility of the precinct development with the development at Docklands, and will take into account the commercial commitments at Docklands. The bill provides for land to be allocated to the authority, and it is anticipated that ownership of the Victorian rail track land within the precinct will be allocated to the authority.

Machinery amendments are proposed to the rail access provisions in the Rail Corporations Act 1996 to extend the definition of a person who operates rail or tram infrastructure to an agent or contractor of the operator. The access regime is also amended to allow either the operator or the person seeking access to apply for a determination from the Regulator-General.

In addition, the bill makes two machinery amendments to the Melbourne City Link Act 1995 dealing with enforcement action against toll evaders. These changes will clarify provisions already in place.
The first amendment clarifies that the limit of one infringement notice per vehicle per day will not prevent the redirection of infringement notices from a vehicle owner to the actual driver in the same way as for other traffic camera offences. The second amendment ensures that persons authorised by Transurban can report toll evaders to the Police Traffic Camera Office on behalf of Transurban.

Overall, the amendments proposed by this bill further demonstrate the government's commitment to improving public transport in Victoria, and will ensure that the privately franchised public transport system will operate effectively and efficiently.

In particular, these provisions will ensure that the private operators are able to take steps to minimise fare evasion, which constitutes an unacceptable burden on the community. The provisions will facilitate the opportunities for the government to minimise the subsidy paid for public transport and to obtain the best possible result from privately run operations. In addition, the creation of the Spencer Street Station Authority will ensure that the interests of public transport users will be given a high priority in the Spencer Street station precinct, which will be developed as a major transport hub for the city of Melbourne.

I commend the bill to the house.

Debate adjourned on motion of Mr BATCHELOR (Thomastown)

Debate adjourned until Thursday, 20 May.

AUSTRALIA ACTS (REQUEST) BILL

Second reading

Mrs HENDERSON (Minister for Housing) — I move:

That this bill be now read a second time.

If the proposed Constitution Alteration (Establishment of Republic) Bill 1999 of the commonwealth is passed by the electors at the referendum due to be held in November, each state will need to give consideration to whether it should sever its links with the Crown.

Unlike some other states, Victoria will not need to hold a state referendum to sever its links with the Crown. However, in order for the states to adopt republican constitutional arrangements, it is widely held by constitutional commentators that section 7 of the Australia Acts needs to be amended.

Section 7 provides that “Her Majesty’s representative in each state shall be the Governor”. It is generally thought that section 7 requires the continuance of monarchical arrangements for the states, although this point is disputed by some commentators.

The interests of both the states and the commonwealth will be best served by ensuring that, if the republican referendum is passed, there will be no unnecessary legal barrier to any state severing its links with the Crown. Consequently, it is desirable to amend section 7.

Under section 15 of the Australia Acts, those acts and the Statute of Westminster 1931 of the United Kingdom can be amended by the commonwealth Parliament if it is authorised to do so by a request of each state Parliament, under subsection 15(1).

The commonwealth and some commentators take the view that subsection 15(3), which preserves the efficacy of powers conferred on the commonwealth Parliament at a referendum, provides an alternative method of amending the Australia Acts. However, there is significant legal doubt about this.

Moreover, all the states are agreed that it is constitutionally inappropriate to use subsection 15(3) to amend section 7. The Australia Acts primarily deal with state constitutional arrangements. To preserve the constitutional independence of the states an alteration to the commonwealth constitution should not be used to change state constitutional arrangements.

This bill therefore requests the commonwealth Parliament, under subsection 15(1) of the Australia Acts, to amend section 7 so that section 7 will not prevent a state from severing its links with the Crown.

The bill is based on a model endorsed by the Solicitor-General of each state and territory and the commonwealth. The bill envisages two additional subsections in section 7. The proposed subsection 7(6) will allow the Parliament of a state to make a law providing that the first five subsections of section 7 do not apply to the state. Subsection 7(7) will provide that, when such a law comes into effect, those subsections will cease to apply to the state.

Timing

The commonwealth wishes to ensure that arrangements are in place prior to the referendum for the amendment of section 7. To ensure that no one state can prevent another state from severing its links with the Crown, the commonwealth has included in the exposure draft of its republican bill a provision authorising amendment of
section 7. The commonwealth considers that because of the practical difficulty of procuring passage of legislation in each state under subsection 15(1) before August — when the Senate is expected to pass the republic bill — it is necessary to include a subsection 15(3) provision in the republic bill.

To overcome timing problems created by the necessity to pass the bill prior to the holding of the referendum, clause 2 of the bill provides that the act will only come into force if the commonwealth republic bill is passed by the electors in the form in which it is approved by the commonwealth Parliament. If the referendum fails, the act will have no operation.

I commend the bill to the house.

Debate adjourned on motion of Mr HULLS (Niddrie).

Debate adjourned until Thursday, 20 May.

FOOD (AMENDMENT) BILL

Second reading

Dr NAPTHINE (Minister for Youth and Community Services) — I move:

That this bill be now read a second time.

In 1997, the government introduced a package of reforms to the Food Act 1984. These reforms were designed to establish a single, integrated framework involving all levels of government and which applies to all stages of the preparation and processing of food from the farm through to the consumer enhancing the safety of food for all Victorians. Victoria’s safe food strategy and the legislation that underpins it is at the forefront of national and international food regulatory reform. It ensures food regulation and management arrangements focus on the prevention of food hazards and recognise that the production of safe food lies in the practices and processes of the food business.

The amendment to the Food Act 1984 that I am introducing today will clarify this goal by removing a clause in the act which has been interpreted to place a greater burden on local government than was intended to occur.

Clause 19C(3), in its current form, requires the council to be satisfied as to the adequacy of the food safety program prior to its registering the food business. It has been more broadly interpreted to place on local government an obligation to also validate the adequacy of a plan to, in its practice, deliver safe food. In effect, this transfers responsibility for the performance of the food safety program from business to local government.

The proposed amendment to the Food Act will provide necessary clarity in operational arrangements without compromising the aim of the safe food strategy. Through this amendment, the responsibility for safe food production will clearly belong solely to the food business and the preventative practices it has in place. It will improve the administrative processes within local government by removing an implied legal responsibility which impedes their role as independent regulator. It will not, however, remove or diminish their important public health role in remaining vigilant to threats to community health posed by unsafe business practices.

The repeal of section 19C(3) will not have an impact on the requirement for proprietors of food premises to have an adequate food safety program in place or the registration procedures required under the act as those requirements can be found in other parts of the act.

Section 38A will continue to require lodgment of a food safety program with the registration authority at the time of registration. Section 39 requires local government to ensure that the food safety program complies with the relevant requirements of a food safety program.

I commend the bill to the house.

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

Dr NAPTHINE (Minister for Youth and Community Services) — I move:

That the debate be adjourned for two weeks.

Mr THWAITES (Albert Park) — I move:

That the word ‘two’ be omitted with the view of inserting in place thereof the word ‘six’.

The bill may not be very large but it will have a very significant effect. The food industry must have adequate time to consult with the government and the department over the changes proposed in the bill. The government also needs time to get its food legislation right, for a change!

The bill is an admission of defeat. Adequate consultation is needed because many businesses will now be faced with another major change in food regulations, and once again without any consultation. The Restaurant and Catering Association of Victoria has not been properly consulted, nor have restaurants
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all over Melbourne and restaurants and food businesses in country Victoria — unless they were lucky enough to be at the meeting attended by the honourable member for Swan Hill recently where he let the cat out of the bag, much to the consternation, disbelief and discomfort of the representative of the department who was there at the time.

Food businesses have had to cope with change every year as a result of the government’s bungling of food regulation in Victoria. In 1994 it completely deregulated food. Following a major problem with food safety and poisoning the government introduced a bureaucratic system involving too much red tape and imposing on the system private food auditors as well as council auditors, all of whom were doing the same thing.

The bill purports to be a minor piece of legislation. The second-reading speech states that the bill is being introduced because the original act was being interpreted in a way that placed a greater burden on local government than was intended. That is quite false. When the previous bill was introduced the department and the then minister clearly stated that councils would need to approve the food safety plan. As a result of that requirement councils had to put on extra staff and many councils advised that they needed to increase their food registration fees by up to 300 per cent. Small businesses around Victoria now have to pay increased food registration fees of up to $600, whereas last year they were paying only about $120.

The ACTING SPEAKER (Mr Jasper) — Order! The Deputy Leader of the Opposition will deal directly with the question of time.

Mr THWAITES — A small business needs time, Mr Acting Speaker, to approach the government and speak to the department to ensure that this ridiculous bill is amended and brought back in a form that the food industry can live with. The food industry has not been consulted about the legislation.

An honourable member interjected.

Mr THWAITES — That is what they are telling me. For the past two weeks I have been on the phone with people all over the state who say they have been ignored by the government on food. They are sick and tired of having to cope with changes in food regulations and of having to pay extra fees. If fees are now going up again as a result of the bill, surely six weeks can be allowed to get it right.

As early as 1994, when the original changes were made, the opposition said that it was necessary to consult with the people in the field: the food operators and councils, the people who know what they are doing with food legislation; and the Australia New Zealand Food Authority, the body responsible at the national level for food regulation. Instead the government repeated its tendency to introduce legislation that does not work, which is why it now has to do a backflip and introduce amending legislation.

The bill is an embarrassing admission of defeat for the government. It admits that the system brought in only 18 months ago is not working. As things stands at present food legislation is being honoured in the breach because only about 30 per cent of class A food premises, which were required to have their food plans approved by 30 March, have had those plans approved. The majority of organisations have been unable to comply. In the same way class B, C and D premises, which will have to comply with the proposed legislation as well as with the original act, deserve time to allow the government to get the legislation right.

However, it is not only a question of getting the legislation right. It is also a question of putting in place an appropriate timetable for implementation of the legislation. To date the government has failed dismally in that area. It has failed not only in the drafting of legislation, but also in the implementation of that legislation. That is what the people in the food industry are saying. The people who will have to cope with the legislation say they have had no consultation about it. That has been implemented.

The measure that has been second read today has been dreamed up by the Minister for Health — —

An honourable member interjected.

Mr THWAITES — Over a hamburger! Instead of discussing it with the Institute of Environmental Health, which is responsible for food inspection, the Municipal Association of Victoria or the Restaurant and Caterers Association the legislation has been dreamed up, drafted, and will now be rammed through.

The fact that the second-reading speech is inconsistent is a good reason to defer debate on the bill for six weeks. The second-reading speech states that the current legislation has been interpreted incorrectly:

... to place a greater burden on local government than was intended to occur.

Mr Stockdale — On a point of order, Mr Acting Speaker, nothing could more clearly illustrate the fact that the motion is being abused. The honourable member for Albert Park is putting a substantive
argument about the bill by comparing the terms of the current act with the bill. The house will sit until breakfast time if he is allowed to canvass the merits of the bill rather than confine himself to the narrow issue of time. It is clearly an abuse of his motion.

The ACTING SPEAKER (Mr Jasper) — Order! I uphold the point of order. I ask that the honourable member for Albert Park return to the narrow question of time.

Mr THWAITES — There are four clear reasons why the debate should be adjourned for six weeks. Firstly, unrealistic time lines were established by the current act and the new legislation will not improve that. Secondly, class A businesses were required to lodge and comply with food safety plans by 31 March 1999, yet less than half have complied. Thirdly, the minister has failed to set appropriate qualifications for private food safety auditors.

Dr Napthine — That has nothing to do with the bill.

Mr THWAITES — It has everything to do with the bill. If it is desired to get rid of the council approval process, the private auditor qualification becomes most important. Fourthly, the minister has failed to set the frequency of private food audits. So there is no way the bill should be listed for debate only two weeks from now. The house should not be required to debate yet another change to the bungled principal act until the minister sets the number of times per year private food audits are to be carried out.

Dr NAPTHINE (Minister for Youth and Community Services) — On the question of time, Mr Acting Speaker, the bill is simple. It consists of one significant clause that repeals section 19C(3) of the Food Act. The subsection consists of only six lines, yet the Deputy Leader of the Opposition says he needs six weeks to examine the proposal for its removal. That shows his inefficiency and incompetence. He says he needs more than two weeks to examine a simple bill that removes six lines from an act, particularly when their removal is to clarify issues rather than to make any substantive change to the fundamental implementation of the act.

Mr BRUMBY (Broadmeadows) — On the question of time, Mr Acting Speaker, I support the amendment moved by the Deputy Leader of the Opposition. As the shadow minister responsible for primary industry I know that the largest industry in Victoria is the food industry. It is worth billions of dollars to the Victorian economy. It is our largest single export industry, particularly for processed dairy produce. The quality and safety of food during the production, manufacturing and sale processes is vital to the reputation of those primary industries.

The Minister for Youth and Community Services has said the bill is not important and does not warrant consideration for six weeks by business and agricultural interests and the general public. That is nonsense. His comments were an insult to primary producers, small business and the food industry in general.

The change is more than just a one-line amendment to the act. It removes the role of local councils in approving food plans. The regulatory impact on small and medium businesses and on charitable and voluntary organisations will be enormous. Everything said by the Deputy Leader of the Opposition was spot on.

I have contributed to debates on the food industry in this place on four occasions since 1994. I remember when the government first amended the Food Act in 1994. I remember warning the government of what that would mean for the food industry. A reading of Hansard will show that I said there should have been more time for consideration of that legislation. As usual, I was right. Two years later, we came back — —

The ACTING SPEAKER (Mr Jasper) — Order! I draw the honourable member for Broadmeadows back to the question of time.

Mr BRUMBY — I have just used the word ‘time’ three times, Mr Acting Speaker, and I am drawing the analogy that if there had been more time in 1994 when the legislation was first amended we would not need more time now. More time is needed now because it was mucked up in 1994, in 1996 and in 1997 — and it is back here now because the legislation still is not right.

It is not the opposition that needs more time. It understands the impact of the bill and what it will do to small business and local government. People out in the real world of the manufacturing environment and small
businesses that deal in the food industry would not have a clue about the proposed changes to the legislation. They want time. They do not want just a week or two weeks; they want six weeks of consultation so they can understand both the effect of the changes on their cost structures and whether the legislation will work. If that amount of time were granted those people would have the opportunity of putting a view on the legislation to the government through the minister.

This debate is not about the detail. It is about time, and getting the legislation right — about fixing it up. It is about listening to the people who know about the food industry instead of just ramming the legislation through Parliament. If only two weeks are allowed I have absolutely no doubt that within a year the new Labor government will be forced to introduce amending legislation to fix up the mess that has been created by the rabble opposite.

The problem can be overcome if the minister is prepared to take time and listen. The legislation can still be passed this year. I urge the minister to put the bill out for consultation for six weeks, to listen to people in the food industry, associated organisations and local government bodies, and to make sure that this time the legislation will work and guarantee food safety without the requirement for a huge regulatory burden on small business and food producers.

I can only appeal to the government in my normal reasoned, balanced and bipartisan way to listen to the opposition’s comments. It is too important to muck up.

Mr E. R. Smith (Glen Waverley) — The bill on which the opposition wants more time for consultation contains 13 words, or 50 letters. On that basis they will be able to consider two words a week. The opposition is stalling for time. There is no way in the world that it could not do in two weeks what it says it can do in six. No great benefit will accrue to the food industry through an extension of time. The bill deals with the role of local government. It is a simple and easy bill to understand.

The opposition is playing for time. If the honourable member for Broadmeadows put the deputy leader up to this nonsense, no wonder he is no longer the Leader of the Opposition. The nonsense Labor members go on with will ensure they will stay in opposition forever.

Mr Baker (Sunshine) — It has been standard custom and practice in the Westminster system since its beginnings for adequate time to be given to members of Parliament to consult with representatives of the community who will be affected by bills.

It has been said the bill contains just 50 little words. However, as the honourable member for Broadmeadows said, those 50 little words carry great weight and import for the industry in Victoria with the biggest flow-on to second and third-round consequences — multiplier effects on a scale that are barely matched by any other industry. Time is needed for consultation with all the second and third-round industries that are affected.

I am amazed that the Minister for Youth and Community Services can be so flippant as to suggest that the bill is just 50 little words and therefore just a minor change to an act of this consequence. Honourable members need time to consider the full ramifications of those 50 little words, because what is at stake here, as the Deputy Leader of the Opposition pointed out, is the policing and the entire reputation of the Victorian food industry, from A to Z — from farm to table. There could not be a better argument for providing a reasonable amount of time for consideration of those words.

I can see no reason to rush the legislation through. It could wait, even beyond getting the upcoming Liberal Party preselections out of the way. That would give honourable members the intervening period to talk to and get the reaction of people in the food industry in the broad and the restaurant industry in particular. Surely it is not too much to ask for a little bit of time to consider those matters, especially when one thinks about the recent outbreaks of salmonella food poisoning to which our community has been subjected and the consequences of the lack of policing that has had a ripple effect that has spread through the whole community? The reputation of Victoria’s and Melbourne’s high-class restaurant industry is at stake. Time is needed to consider the ramifications of the proposals and to talk to the people involved in the industry.

Surely the Minister for Youth and Community Services and the Treasurer would be aware that in recent times the ramifications of the lack of inspection in some areas of Melbourne of prepared food that has been found to have directly caused food poisoning outbreaks are really serious and have resulted in significant legal action. To suggest that honourable members should have only two weeks, which amounts to a few working days — and for some honourable members opposite very few working days —

Honourable members interjecting.

Mr Baker — Well, it’s on time and time is precious.
An honourable member interjected.

Mr BAKER — You won’t get to go around the troughs tonight if you give any more cheek!

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member for Sunshine will address the Chair on the narrow question of time.

Mr BAKER — That is exactly my point, Mr Acting Speaker. Thank you for your guidance. It is imperative that such a serious matter that changes the whole nature of the policing of health standards in as few as 50 words — you could make a song out of that — —

Mr Jenkins — You could make a film out of that!

Mr BAKER — Would you like me to? Honourable members need time. We need to follow the traditions, customs and practice of the house that have been trampled and trodden on by the government in the most abominable and despicable way. This is another straw on the camel’s back; it is another example of the diminution of the responsibilities of the house. Surely the government can find the time and should be prepared to provide the time for discussion of changes to a major area of law.

I join previous opposition speakers in urging that the government recant on its position and make further time available for due and proper process and decent and serious consideration of this gravely important matter.

Mr KILGOUR (Shepparton) — I move:

That the question be now put.

The ACTING SPEAKER (Mr Jasper) — Order! I have listened with a great deal of interest to the comments made on the question of time, and I accept the motion moved by the honourable member for Shepparton that the question be now put.

House divided on omission (members in favour vote no):

Ayes, 49

Noes, 27

Amendment negatived.

Motion agreed to and debate adjourned until Thursday, 20 May.

COMMONWEALTH PLACES (MIRROR TAXES ADMINISTRATION) BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.

The purpose of the bill is to implement arrangements agreed between Victoria and the commonwealth to ensure the continuation of appropriate taxation arrangements in respect of commonwealth places in Victoria. These include airports and office buildings acquired by the commonwealth for a public purpose. The federal Treasurer announced details of this scheme in a press release on 6 October 1997.

The need for the scheme arose from the 1996 decision of the High Court in *Allders International v. Commissioner of State Revenue (Vic)* that stamp duty on a shop lease at Tullamarine airport was invalid, due to the commonwealth’s exclusive power under section 52(i) of the constitution to make laws with respect to commonwealth places. Section 52(i) provides that the commonwealth has exclusive power to legislate with respect to all places acquired by the
commonwealth for public purposes — that is, commonwealth places. The court determined that the effect of section 52(i) is that any state law, including a taxation law, that can be characterised as a law with respect to a commonwealth place is, to that extent, inapplicable in commonwealth places in the state.

The decision has important ramifications for state revenue as, in addition to stamp duty on leases of the type considered in the Allders case, it is possible that other taxes imposed by states might similarly be placed at risk to the extent that the taxes affect persons, property or things done at commonwealth places. The court's decision also opens up the possibility of potential tax havens being created at commonwealth places.

At the request of the states, the commonwealth in April 1998 enacted a package of legislation to give effect to a scheme to protect the state's revenue. The package includes the Commonwealth Places (Mirror Taxes) Act 1998 — from here on referred to as the commonwealth act — which applies state laws concerning stamp duties, payroll tax, financial institutions duty and debits tax to commonwealth places in the state, to the extent to which the state taxing laws might be placed at risk because of section 52(i).

The effect of the commonwealth act is that the state taxing laws are applied and operate in commonwealth places as laws of the commonwealth. The state taxing laws as so applied are referred to as the applied laws. Victoria will obtain the benefit of the commonwealth act only after an arrangement is entered into, as referred to in the commonwealth act, between the Governor-General and the Governor. The arrangement, in turn, cannot be entered into until this bill is enacted.

When such an arrangement has been entered into, the applied laws are deemed, by section 6 of the commonwealth act, to have always applied in commonwealth places in Victoria, but not so as to require payment of any amount due for payment prior to 6 October 1997. Where the operation of the state taxing law is likely to be excluded because of section 52(i), the corresponding applied laws will apply. The commonwealth has also enacted the windfall gains legislation, which attempts to protect states against refund claims for periods prior to 6 October 1997 by imposing a 100 per cent tax on such claims.

It is intended that from a taxpayer's perspective the operation of these new arrangements is to be as seamless as possible. That is, the combined liability of a taxpayer under both the state taxing law and the corresponding applied law relating to commonwealth places is intended to be as close as possible to the taxpayer's liability under the state law if the state law applied to all places in Victoria, including commonwealth places. In particular, there is intended to be no double taxation and taxpayers should not be able to obtain two exemption thresholds, concessions or exemptions. To avoid taxpayers having to apportion their payments between Victoria and the commonwealth, appropriate arrangements will be made for estimates to occur. Further, administrative requirements will not be replicated for the state jurisdiction and the commonwealth place. In these ways, taxpayer compliance costs under the new legislation will be minimised.

The commonwealth act enables the making of Treasurer's notices by the relevant state Treasurer to modify the applied laws to provide for any adjustments that may be required where a taxpayer has a liability under both a state taxing law and the corresponding applied law. The State Revenue Office will collect the commonwealth taxes imposed under the applied laws and credit the taxes collected to the commonwealth, which will then return an equivalent amount to the state in the form of a statutory payment provided for under the commonwealth act.

This bill complements the provisions of the commonwealth act and seeks to put in place the necessary legislative support for the proposed administrative arrangements to ensure that the applied laws imposed by the commonwealth in respect of commonwealth places in Victoria can be administered in the seamless manner intended.

At a broad level, the bill provides for:

an arrangement to be entered into by the state Governor with the Governor-General to provide for the administration of the commonwealth applied laws by state authorities;

empowerment of state authorities to exercise or perform all necessary powers and functions for the commonwealth when administering the commonwealth applied laws;

the situation where a place becomes a commonwealth place or ceases to be a commonwealth place;

other validation and saving provisions; and

amendments to particular state taxing laws to enable them to operate seamlessly in conjunction with the applied laws.
I emphasise that this bill imposes no additional tax burden on the people of Victoria. It merely protects the level of revenue that the state received prior to the High Court’s Allders decision. Similar legislation in relation to this scheme has already been enacted by New South Wales and passed by the Tasmanian Parliament, and has been introduced into the Western Australian Parliament. It is expected that all other states will shortly do likewise and that all states will have their legislation in place by 1 July 1999.

I commend the bill to the house.

Debate adjourned on motion of Mr MILDENHALL (Footscray).

Debate adjourned until Thursday, 20 May.

STATE TAXATION ACTS (AMENDMENT) BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.


This bill contains a number of measures that fit into the following broad categories of giving effect to a budget initiative: providing exemptions; protecting state revenue; and increasing the efficiency of tax administration.

I will now address specific amendments in detail. The bill makes amendments to the Debits Tax Act 1990 to ensure that all financial institutions which issue cheques will pay debits tax. Recent amendments to commonwealth legislation have expanded the range of financial institutions which can issue cheques, a right previously exercised only by banks. Without the amendments, banks would be placed at a competitive disadvantage to other financial institutions.

The bill makes an amendment to the Financial Institutions Duty Act 1982 and a similar amendment to the Pay-roll Tax Act 1971. At present, tertiary educational institutions are excluded in these acts from the exemptions provided to charitable bodies. Amendments are required to maintain the integrity of this position and as a revenue protection measure. Specifically, the amendments will deny the exemption to a company which is wholly owned or controlled by a tertiary educational institution and provides, promotes or supports the tertiary educational activities of the institution.

A further amendment to the Pay-roll Tax Act 1971 lowers the rate of tax to 5.75 per cent from 1 July 1999. Honourable members will recall the initiative contained in the budget speech to the house which provides payroll tax relief for Victorian businesses in 1999-2000 of $97 million in a full year. From 1 July 1999, Victoria’s payroll tax rate will be reduced from 6 per cent to 5.75 per cent. This follows the 1997-98 rate reduction from 7 per cent to 6.25 per cent and the 1998-99 reduction from 6.25 per cent to 6 per cent. The full year savings to Victorian businesses of these three cuts in payroll tax amount to over $300 million.

Victoria is the first state to provide three successive reductions in the payroll tax rate. The reduction announced in this budget means that the rate of payroll tax in Victoria will be lower than at any time since July 1984. Over an 18-month to two-year period, the lower payroll tax rate is expected to yield a sustained increase in GSP of about $100 million per annum in 1999-2000 prices and an accompanying increase of almost 2000 jobs. Over the longer term — five years or more — this estimated gain to GSP rises to $385 million per annum in 1999-2000 prices, generating more than 5400 jobs for Victorians. The long-term employment effect in Victoria from the three consecutive payroll tax reductions is estimated to be an additional 18 000 jobs. Prior to July 1997, Victoria’s payroll tax rate was among the highest in Australia. From 1 July this year, its basic payroll tax rate will be the lowest of any state or territory, with the exception of Queensland and Western Australia.

The final amendment to the Pay-roll Tax Act 1971 ensures that tax paid to an authorised employment agent by its client can be recovered. The employment agency provisions recently introduced into the act provide that an employment agent may be authorised as an approved agent for the purposes of collecting payroll tax from its clients. The provisions protect the client of an employment agency from further liability under the act if the client pays its payroll tax to an employment agent who is an approved agent.

An unintended consequence of the provisions occurs where the client pays the tax to a group member who operates as an employment agent providing workers to the group. If the employment agent fails to pay the tax, it is arguable that the commissioner is unable to recover
the tax from the client unless the contract between the client and the employment agent can be shown to have the effect of reducing or avoiding liability. Accordingly, it is proposed to amend the provisions to ensure that the commissioner may recover the tax from the approved agent, the client or any group members in these circumstances.

The bill contains a number of amendments to the Stamps Act 1958. It introduces exemptions from stamp duty for those documents and asset transfers required as a result of recent changes to the Corporations Law by the Managed Investment Act 1998 of the commonwealth. These amendments have been made following industry consultation and in conjunction with similar changes in other states. They were previously announced publicly and apply from 1 July 1998.

The bill also introduces new provisions imposing duty on the transfer of assets arising from the voluntary merger of financial institutions. These changes are necessary as a result of the transfer of supervisory responsibilities from the states to the commonwealth under the Financial Sector Reform (Victoria) Bill 1999. These measures will ensure that voluntary transfers of assets as a result of the merger of financial institutions attract duty, unless the merger meets criteria established in guidelines approved by the Treasurer of Victoria.

The act currently has provisions to bring to duty the transfer of a beneficial interest in real property and marketable securities through the use of trusts. A recent court judgment has shown that these provisions require strengthening. These amendments will ensure that ad valorem stamp duty will apply whenever a beneficial interest in real property or a marketable security is transferred and the parties do not execute a registrable transfer.

Where there is a dispute about the value of real property the commissioner currently obtains a valuation of the property from the Valuer-General at no cost to the taxpayer. New provisions will enable the commissioner to recover the cost of valuations where the valuation by the Valuer-General exceeds the value provided by the taxpayer by a margin of at least 15 per cent. These measures will provide administrative efficiency by ensuring that realistic valuations are provided in the first instance and counter unsupported objections.

Amendments to the penalty and assessment sections of the motor vehicle duty provisions are also required to maintain the current regime. The act provides an exemption from duty for transfers of marketable securities that represent a buyback by the issuing company, except those that are part of certain schemes to minimise stamp duty. A recent court judgment has restricted the commissioner's ability to apply duty in such circumstances and an amendment is required to restore the original intention of the exemption and ensure that the exclusion is not utilised to minimise stamp duty. The bill also contains a number of technical amendments to the Stamps Act 1958.

The bill also amends the Taxation Administration Act 1997 and the Taxation (Interest on Overpayments) Act 1986 to alter the methods for establishing the rates of interest payable on all refunds of state taxes and the interest charged on underpayments of payroll tax, financial institutions duty and debits tax. For both acts, new base rates for interest paid and interest charged will be set at the commencement of each financial year by reference to recent yields for commonwealth Treasury notes. These amendments are efficiency measures to ensure that interest rates applied in tax administration are current, readily available to taxpayers, and consistent across state taxes.

Finally, the bill amends the Gaming Machine Control Act 1991 and the Tattersall Consultations Act 1958. These acts govern the operation of gaming machines and conduct of lotteries by Tattersalls in Victoria. The amendments to the acts simplify the collection of revenue from these two activities. The two-tiered system of an activity-based tax rate, coupled with a profit tax for lotteries and a licence fee for gaming machines, is replaced with single activity-based tax rates for both products.

The changes will simplify the taxation arrangements pertaining to Tattersalls, while ensuring the state continues to receive the same amount of revenue as before. The amendments, to take effect on 1 July 1999, will provide government with greater certainty in estimating the revenue due to it from the activities of Tattersalls. In addition, the state derives an extra benefit through the earlier timing of payment of this revenue.

I commend the bill to the house.

Debate adjourned on motion of Mr MILDENHALL (Footscray).

Debate adjourned until Thursday, 20 May.

ELECTRICITY INDUSTRY ACTS (FURTHER AMENDMENT) BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.

Electricity Industry Act 1993

The bill contains a number of amendments to the Electricity Industry Act 1993 designed to enhance the effective operation of powers to protect the security of the electricity system and ensure electricity safety.

The Electricity Industry Act 1993 presently contains comprehensive provision for the response to and management of emergencies. Similar provisions are contained in the Gas Industry Act 1994. They enabled the successful response to the recent gas emergency caused by the explosion and fire at the Longford gas processing plant.

However, the government has examined the legislation governing the electricity industry in the light of that emergency. It has established that a number of amendments to the Electricity Industry Act 1993 are desirable to enhance the effective operation of powers to protect the security of the electricity system and ensure electricity safety.

To that end the bill includes the following:

1. amendment of part 3A of the Electricity Industry Act. Part 3A contains the electricity supply emergency provisions. The amendments update to whom directions may be given by the minister under part 3A, clarify the directions he may give, provide for amendment and revocation of directions, amend the offence and immunity provisions contained in the part and provide for enforcement powers;

2. introduction of a new part 3AA which provides for infringement notices in any case where a direction under part 3A has been contravened.

Additionally, penalties for misuse of electricity in emergency situations are to be substantially increased by this bill. Fines for individuals will increase to $10,000 and for corporations they will increase to $1 million. The government believes that misuse of electricity in emergencies is something which cannot be too strongly condemned. The severity and duration of emergency situations can easily be exacerbated if directions given to cease or curtail use of electricity are ignored. People and corporations who, in an emergency, put their own self-interest ahead of the good of the greater community must expect a substantial penalty.

Electricity Safety Act 1998

The bill amends the Electricity Safety Act 1998 to extend the powers of enforcement officers of the Office of the Chief Electrical Inspector to include acting under the declared emergency provisions of the Electricity Industry Act 1993, to clarify the directions powers of the Chief Electrical Inspector, and to provide for the reporting of the exercise of those directions powers.

The Office of the Chief Electrical Inspector and its enforcement officers have a central role in ensuring the security of the electrical system and electrical safety. This includes a significant enforcement role. The government believes the office, as an independent authority already active in the oversight of electricity industry operations, is well placed to exercise this important role where supply emergencies are declared.

Gas Industry (Amendment) Act 1998

The bill amends the Gas Industry (Amendment) Act 1998 to provide that Vencorp, as successor to Victorian Power Exchange, must comply with the terms and conditions of any licence issued to it.

Section 85 Constitution Act statement

I wish to make a statement pursuant to section 85 of the Constitution Act 1975 of the reasons why that section should be altered or varied by clause 12 of the bill.

Clause 12 inserts a new section 91C into the Electricity Industry Act 1993 stating that it is the intention of section 47G of that act to alter or vary section 85 of the Constitution Act 1975.

Section 47G replaces the existing section 47G which presently provides for immunity from suit for certain persons or bodies exercising a power under part 3A of the Electricity Industry Act 1993. Part 3A contains the electricity supply emergency provisions. The replacement section 47G provides an immunity from suit for any person acting in good faith in the execution of part 3A or any proclamation or direction under that part.

The reason for altering or varying section 85 of the Constitution Act 1975 is to ensure that persons acting under part 3A of the Electricity Industry Act in a declared emergency are immune from suit. These people are acting in the public interest. It is vital that those charged with responsibility for preserving system
security and safety have the confidence to respond to any emergency free from the risk of personal or corporate liability. This immunity provision is founded directly in the public interest and in the need to ensure that the relevant person or corporation and third parties involved have confidence to protect the public interest.

I commend the bill to the house.

Debate adjourned on motion of Mr LONEY (Geelong North).

Debate adjourned until Thursday, 20 May.

GAS INDUSTRY ACTS (FURTHER AMENDMENT) BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.


Gas Industry Act 1994

The bill makes two classes of amendment. First, there are amendments designed to enhance the effective operation of powers to protect the security of the gas system and ensure gas safety. Second, there are amendments to the regulatory regime designed to create a competitive market in gas for the benefit of all Victorians.

The Gas Industry Act 1994 presently contains comprehensive provision for the response to and management of gas emergencies. These provisions enabled the successful response to and management of the recent Longford emergency arising from the explosion and fire at the Longford gas processing plant.

However, the government has examined the legislation governing the gas industry in the light of that emergency. It has established that a number of amendments are desirable to enhance the effective operation of powers to protect the security of the gas system and ensure gas safety.

To that end the bill includes the following:

1. an increase in the penalties for failure to comply with directions given by Vencorp;

2. provisions for the appointment of inspectors by Vencorp who will be able to investigate breaches of section 16H of the Gas Industry Act 1994. Section 16H empowers Vencorp to give directions in relation to reliability, security of supply and safety of gas;

3. amendment of part 6A of the Gas Industry Act 1994. Part 6A contains the gas supply emergency provisions. The amendments clarify the directions the minister may give under part 6A, amend the offence provisions under that part and provide for enforcement powers using the Office of Gas Safety and its inspectors;

4. introduction of a new part 6AA which provides for infringement notices in any case where a direction under part 6A has been contravened.

Both Vencorp and the Office of Gas Safety are independent authorities which played a central role in the successful response to and management of the recent Longford emergency. The government believes both these authorities are well placed to continue to exercise this important role where gas emergencies are declared.

Penalties for misuse of gas in emergency situations are to be substantially increased by this bill. Fines for individuals will increase up to $10 000 and for corporations they will increase up to $1 million. The government believes that misuse of gas in emergencies is something which cannot be too strongly condemned. The severity and duration of emergency situations can easily be exacerbated if directions given to cease or curtail use of gas are ignored. People and corporations who, in an emergency, put their own self-interest ahead of the good of the greater community must expect a substantial penalty.

As I mentioned before, the bill also contains amendments to the regulatory regime applying to gas. Those amendments include:

1. amendment of the significant producer provisions to make further provision for the procedure of the appeal tribunal and for access to information;

2. amendment to the definitions of gas transmission system and gas distribution system to provide for the connection and disconnection of equipment and pipelines;

3. amendment to the statutory authorisation of the Victorian gas industry market and system
operations rules to clarify which rules are authorised and the extent of the authorisation.

In addition there are a number of other miscellaneous amendments for the most part consequential on the sale of gas businesses.

**Gas Pipelines Access (Victoria) Act**

The bill amends the Gas Pipelines Access (Victoria) Act to clarify the meaning of 'first review' as used in section 24A of that act. Section 24A provides for the transition between the Victorian and national third-party access codes for natural gas pipeline systems.

**Gas Safety Act 1997**

The bill amends the Gas Safety Act 1997 to extend the powers of Office of Gas Safety inspectors to include acting under the Gas Industry Act 1994, to clarify the directions powers of the Office of Gas Safety and the liability which arises from complying with those directions as well as to provide for reporting of the exercise of directions powers.

In addition the bill contains a number of miscellaneous provisions of a technical or statute-law-revision nature in respect of all three of the above acts and also the Office of the Regulator-General Act 1994.

**Section 85 Constitution Act statement**

I wish to make a statement pursuant to section 85 of the Constitution Act 1975 of the reasons why that section should be altered or varied by clause 26 of the bill.

Clause 26 inserts a new section 101B(3) into the Gas Industry Act 1994 stating that it is the intention of section 62L of that act, as amended by the Gas Industry Acts (Further Amendment) Act 1999, to alter or vary section 85 of the Constitution Act 1975.

Clause 18 of the bill amends the section 62L of the Gas Industry Act which presently provides for immunity from suit for certain persons or bodies exercising a power under part 6A of the Gas Industry Act 1994. Part 6A contains the gas supply emergency provisions. Section 62L as amended provides an immunity from suit for any person acting in good faith in the execution of part 6A or of any proclamation, direction, prohibition or requisition under that part.

The reason for altering or varying section 85 of the Constitution Act 1975 is to ensure that persons acting under part 6A of the Gas Industry Act in a declared emergency are immune from suit. These people are acting in the public interest. It is vital that those charged with responsibility for preserving system security and safety have the confidence to respond to any emergency free from the risk of personal or corporate liability. This immunity provision is founded directly in the public interest and in the need to ensure that the relevant person or corporation and third parties involved have confidence to protect the public interest.

I commend the bill to the house.

Debate adjourned on motion of Mr LONEY (Geelong North).

Debate adjourned until Thursday, 20 May.

**INTERACTIVE GAMING (PLAYER PROTECTION) BILL**

**Second reading**

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.

The 1990s have seen some revolutionary advances in global telecommunications technology, especially in relation to the enormous growth of the Internet and its importance in our daily lives. We can now purchase via the Internet a huge range of goods and services offered from anywhere in the world, including gambling services.

It is now a fact of life that any Victorian with a personal computer, a modem and a telephone line can access gambling products offered by virtual casinos provided by interstate and overseas operators; and there is very little that any government can do about it.

It is important to emphasise that this bill is not the key to enabling or facilitating interactive gaming. The bill recognises that interactive gaming is already occurring and will continue to occur via the Internet, and that prohibiting the playing of interactive games in the home is not a realistic or practical option.

Instead, this bill aims to protect the interests and entitlements of players of interactive games by giving them the opportunity to deal with well-regulated and licensed firms, as a more secure alternative to dealing with unregulated firms overseas. The legislation does not create any offences for players as these would be totally unenforceable. Instead it employs a carrot rather than a stick approach by giving players an opportunity, if they so desire, to deal with providers who have been subject to probity assessment and who offer games that have been tested to ensure they are fair and not offered
in a misleading manner. The bill also provides players with the assurance that there is a regulator with whom they can lodge complaints in the event they feel aggrieved by anything done by a licensed provider.

The regulation and licensing of interactive gaming service providers will be within a national cooperative scheme, in accordance with the principles of a draft national regulatory model released for public comment in May 1997 after a meeting of state and territory gaming ministers.

Interactive games may be broadly defined as those involving gambling for money or prizes via the Internet or some other telecommunications device, but excluding pre-existing gambling products already regulated under other legislation.

The bill prohibits operating a business or computer server physically located in Victoria enabling the playing of interactive games, and offering or advertising in Victoria the playing of interactive games, unless such activities are either licensed or recognised under the act.

Victoria’s strict probity requirements and regulatory standards for the gaming industry will be carried through into this legislation, thus ensuring that:

- licensed interactive gaming is conducted honestly;
- the management of licensed interactive gaming is free from criminal influence or exploitation; and
- licensed interactive games are fair and not misleading.

The bill simplifies and streamlines the licence approval process by providing for a single umbrella licence for each interactive gaming business instead of requiring multiple licences for each business as in other jurisdictions. All other approvals and licensing requirements will become a condition of the umbrella licence.

The bill facilitates the cooperative national scheme by providing for a system of mutual recognition of licensed interactive gaming service providers, products and players together with intergovernmental agreements for cooperative tax-sharing arrangements between the participating jurisdictions.

Under the legislation, each player will be required to be registered by the licensed interactive gaming provider before the player is allowed to bet. The registration process will identify the player and the jurisdiction in which the player is located and will exclude the registration of minors. Interactive gaming providers will be prohibited from permitting betting on credit. Taxation remittance between jurisdictions will be based on the location of the player.

Most importantly, the process of player registration and the level of technology involved with providing interactive gaming allows for a level of player protection not available in other forms of gaming. Licensed providers are required to enable players to exclude themselves and to set limits on the amount the player can bet. A seven-day cooling-off period applies if the player wishes to revoke a self-exclusion or increase his or her betting limit.

Following discussions between the Treasury departments of the possible participating state and territory jurisdictions, the bill provides for a taxation rate of 50 per cent of gaming revenue and a minimum player payout rate of 85 per cent, which will ensure uniformity amongst all participating jurisdictions.

This bill embodies a realistic, responsible and practical approach to the regulation of interactive gaming, and continues the government’s work in maintaining the rigorous standards applying to the gaming industry in Victoria.

I commend the bill to the house.

Debate adjourned on motion of Mr HULLS (Niddrie).

Debate adjourned until Thursday, 20 May.

PROSTITUTION CONTROL (AMENDMENT) BILL

Second reading

Mrs WADE (Attorney-General) — I move:

That this bill be now read a second time.

The government has recognised that total prohibition of prostitution is ineffective and that there are significant social costs associated with a criminal prostitution industry. It has therefore laid down conditions under which prostitution will be tolerated under the law. The Prostitution Control Act 1994 allows for prostitution services to be legally provided by licensed or exempt brothels or escort agencies, provided that a range of strict licensing and planning conditions are met.

One of the primary functions of the act is to prosecute illegal operators. Unless the provision of commercial sexual services is properly regulated, it can pose significant health risks and risks of violence and
exploitation. Illegal brothels can also serve as a conduit for money laundering and drug trafficking, posing a significant risk of large scale criminal involvement.

Investigations by Victoria Police indicate that there has been a significant increase in the number of unlicensed brothels operating in Victoria over the last twelve months. Conservative estimates put the number of such brothels currently in operation at between 40 and 50, although the actual numbers may be much higher.

Police have been hampered in their efforts to prosecute illegal operators. The principal reason for the lack of successful prosecutions lies in the difficulty of proving intention on the part of the offender. The bill addresses this problem by creating a new reverse onus regulatory offence. Once the physical elements of the offence have been proven, the burden of proof will lie on the accused to show that he or she had an honest and reasonable belief that such services were not being provided. The bill also ensures that police can seek a declaration from the Magistrates Court that premises are an illegal brothel on the same basis as other relevant authorities such as municipal councils.

There continues to be widespread community concern about the proliferation of live sexually explicit entertainment in Melbourne. As a result of this concern, the Prostitution Control Act Advisory Committee, a committee established under the act, was asked to determine whether there was any evidence that performances at tabletop dancing venues can or do lead to acts of prostitution, and to recommend controls. Evidence obtained by the committee suggests that the distinction between tabletop dancing and prostitution is unclear. Establishing a clear separation between live sexually explicit entertainment and the provision of sexual services within the meaning of the Prostitution Control Act 1994 is necessary to achieve the objectives of the Act.

In addition, live sexually explicit entertainment service providers who are providing prostitution-type services but are not required to comply with the act gain an unfair competitive advantage over licensed providers of sexual services.

The bill addresses the concerns raised by the committee by clarifying the definition of sexual services in the act. This ensures that venues which provide entertainment involving actual sexual intercourse between performers, lap dancing and other prostitution-type services are regulated under the act. Performances that involve simulated sexual activities will not be affected.

Operators of tabletop dancing venues who wish to continue to provide lap dancing or similar types of sexually explicit entertainment will be forced to choose between surrendering their liquor licence in favour of a licence under the Prostitution Control Act 1994 or providing entertainment that falls outside the refined definition of sexual services.

The bill contains a number of provisions to address this concern. The matters able to be considered by the Magistrates Court that premises are an illegal brothel on the same basis as other relevant authorities such as municipal councils.
to respond, inhibits the involvement of large-scale
criminal involvement in the industry and encourages
small owner-operators.

In order to ensure that all relevant law is easily
accessible by applicants, licensees and prostitutes, the
bill inserts standardised inspectors’ powers and
safeguard provisions into the act.

I commend the bill to the house.

Debate adjourned on motion of Mr HULLS (Niddrie).

Debate adjourned until Thursday, 20 May.

CRIMES (CRIMINAL TRIALS) BILL

Second reading

Mrs WADE (Attorney-General) — I move:

That this bill be now read a second time.

This bill provides the legislative framework for a
package of reforms designed to improve criminal trial
processes in response to community pressure for a more
accountable criminal justice system, while at the same
time preserving an accused person’s fundamental right
to a fair trial. The government has been concerned for
some time about unreasonable delays in the
presentation of cases and the inefficient conduct of
trials. Delays and inefficiencies in criminal trials restrict
access to justice and cause hardship to victims, the
accused, witnesses, jurors and the general community.

In 1993, the government introduced the Crimes
(Criminal Trials) Act containing reforms that are still
considered to be the most comprehensive procedural
provisions in Australia intended to facilitate criminal
trials. Unfortunately, it seems that the legal profession
has been reluctant to take advantage of the provisions in
the legislation designed to isolate the issues and assist
in controlling the trial.

In 1998, after substantial research and consultation
about how the trial process could be improved, I
established the Criminal Trials Consultative Committee
to review criminal trial proceedings in Victoria. The
committee was chaired by Justice Murray Kellam and
included members of the judiciary and magistracy,
senior criminal law practitioners — representing the
prosecution and defence perspectives — and
representatives of other key stakeholders such as
Victoria Legal Aid and Victoria Police.

In addition to the vexed problem of delays in bringing
cases to trial, there is evidence that trials themselves are
taking longer than necessary. The committee
considered several factors contributing to unnecessarily
lengthy trials including:

- calling witnesses merely to prove formal matters;
- calling witnesses to establish issues which are not
  substantially contested;
- unnecessary and prolonged cross-examination of
  witnesses because the advocate does not know what
  issues are in dispute;
- traditional approaches to the presentation of
evidence; and
- lengthy voir dire hearings.

I would like to thank the committee members for
generously devoting their time and expertise to
considering the issues at stake, which in turn greatly
assisted the government in forming these proposals. It
is acknowledged that there are many competing
interests in criminal trials, and many competing views
about how those interests should be served, reflected in
the lively debate among committee members. The
government is confident, however, that the proposals in
this bill respond to the current system’s problems in a
way that balances the competing concerns of those
involved in the criminal justice process.

These amendments build upon the best features of the
former act and are designed to improve trial procedures
by empowering the judiciary to effectively manage
cases, enable the issues in dispute to be defined prior to
the trial commencing and also to facilitate productive
discussions between the parties. The success of the
measures will depend on strong judicial leadership. To
this end it is proposed to appoint a listing judge to
oversee and supervise the case management of criminal
trials in the County Court. Among other important
roles, the listing judge will actively supervise pretrial
disclosure to ensure that it is meaningful and timely.

The bill establishes a substantial pretrial disclosure
regime. Under the current system, the defence is not
required to reveal anything to the prosecution prior to
the trial about the manner in which it will be defending
its case and as a consequence the prosecution must be
prepared to address every possible issue. Similarly, the
judge and jury frequently only become aware of the
issues at stake during the course of the trial, increasing
the complexity of the task faced by the jury in
particular.
Such a system makes it impossible:

- to accurately advise the courts how long a trial will take;
- to advise various witnesses whether or not they will be required;
- to provide the witnesses with certainty as to when, and for how long, they will be required;
- to accurately inform those responsible for arranging juries when and if a jury will be needed; and
- for the police informant to advise his or her superiors how long he or she will be required in court.

The bill establishes three methods of regulating disclosure, one or other of which will be applied depending whether the case is simple or complex, to address these types of difficulties. The mechanisms may be broadly described as:

- use of an optional post-committal conference;
- use of a standard exchange of information; and
- individual case management.

Each and every criminal trial will be regulated by one or other of these processes. When an accused is committed for trial, the magistrate will advise the parties that they may request a conference to define the issues in dispute in the trial. This procedure capitalises on the parties’ knowledge about the issues in the case at the committal stage. If the parties agree to be bound by the issues disclosed at the conference, this will be recorded in writing and signed by both parties. It is anticipated that the parties will utilise post-committal conferences in simple cases where the issues are understood at this early stage. If the parties opt for a post-committal conference, they will be exempted from further pretrial disclosure — unless further issues arise — and the accused person’s cooperation can be taken into account in their favour in sentencing.

Where the parties have not utilised the post-committal conference, information will be exchanged between the parties and the court prior to the trial commencing. The prosecution will provide the defence with a summary of its opening speech outlining how the prosecution will put its case and the facts, matters and circumstances being relied on to support the accused’s guilt, 28 days before the listed trial date. The defence will respond by identifying the matters in the prosecution summary with which it takes issue, and the basis on which issue is taken, 14 days before the trial date.

At the same time as forwarding its opening to the court and the defence, the prosecution will serve a notice of pretrial admissions on the defence dealing with evidence that the prosecution considers uncontentious. If the defence agrees, the prosecution will not be required to call witnesses to establish that evidence. This will save valuable court time, prevent inconveniencing witnesses and greatly simplify matters for the jury.

Additionally, the parties will identify whether or not legal issues need to be resolved prior to trial. The legal issues may be explored either by an exchange of written arguments within certain time frames, or orally before the court, depending on the circumstances of the case.

As the court will be kept informed of the parties’ disclosure, the court will be able to intervene where necessary to clarify the disclosure made, seek additional information and ensure that the parties properly disclose their case.

The bill makes special provision for those cases which would be better suited to individual case management, rather than the standard case management procedure just described. Cases that are likely to warrant individual attention include those that are lengthy, particularly complex or those in which the parties will not cooperate. The bill enables the court to intervene at any stage prior to trial to improve the management of cases. The judge dealing with a matter prior to trial will have very broad discretion to make directions for individual case management.

These reforms will only work if those involved in the system comply with the requirements and the spirit of the new regime. The supervisory role of the courts will be crucial in ensuring that the parties adhere to their obligations. The bill also provides a range of sanctions that the judge might apply in cases where there has been a failure to adhere to these obligations. The judge will be able to make an award of costs, comment to the jury on a party’s failure to comply with the provisions of the act or determine that the accused’s failure to comply indicates a lack of remorse and take this into account in sentencing.

I note that sanctions may be applied not only when a party simply does not disclose matters in accordance with his or her obligations but also where he or she inappropriately derogates from that disclosure. Under the bill, the judge is able to take into account a party’s conduct at each stage of the proceedings. Where the
parties comply with the requirements of the bill, they will benefit from improved trial date certainty. The accused’s cooperation will also be taken into account in sentencing.

To ensure that this bill is effective and continues to meet the needs of all those involved in the criminal justice system, I am establishing a monitoring committee to review and, where necessary, adjust the requirements prescribed by this legislation. The committee will comprise representatives of the principal criminal justice stakeholders and will play an important role in ensuring the success of the new regime.

The bill also contains miscellaneous amendments to the Magistrates’ Court Act 1989 and the Evidence Act 1958 to improve the criminal process.

In summary, this bill recognises the public’s right to expect efficient, timely and fair court processes. The amendments will improve public confidence in the criminal justice system and will also enable the legal profession to plan their work with greater certainty. Witnesses will benefit from more accurate information about when they will be required to testify and on what issues and proceedings will be shortened and simplified for jurors. Such improvements benefit the whole community and should be enthusiastically embraced.

I commend the bill to the house.

Debate adjourned on motion of Mr Hulls (Niddrie).

Debate adjourned until Thursday, 20 May.

ESTATE AGENTS (AMENDMENT) BILL

Second reading

Mrs Wade (Minister for Fair Trading) — I move:

That this bill be now read a second time.

The Estate Agents (Amendment) Bill is a response to developments in estate agency since the last significant amendment of the act in 1994. The bill introduces initiatives to remove unnecessary restrictions, improve the effectiveness of the act, encourage good estate agency practice and provide for appropriate expenditure of public moneys.

The bill removes unnecessary limitations on activities in regard to real estate undertaken by persons who are not licensed estate agents. It will allow any person to compile and present information on dealings with real estate or businesses. As the activity need not require the exercise of estate agency skill, knowledge or professional judgment, clients are not advantaged by the licensing of a person undertaking this activity. The bill removes the unnecessary restriction and brings clients the benefits of greater competition.

The bill also frees retail shopping centre office managers in certain circumstances from the requirement to hold an estate agent’s licence. Licensing limits the numbers of potential centre office managers, thus increasing management costs. Further, estate agency expertise is not essential to retail tenancy management.

The bill provides that, where the centre office manager’s duties are limited to letting or negotiating the letting of and collecting rents in relation to premises in the retail shopping centre for the owner of the centre, the manager may be either a licensed estate agent or an agent’s representative. As the prerequisites for status as an agent’s representative are not as onerous as those of becoming a licensed estate agent, this will widen the field of eligible managers, thus reducing management costs, and will allow more people with appropriate skills and experience to manage centre offices. In so doing the amendment benefits both centre owners and tenants.

The bill also streamlines the process by which agents transfer money intended for third parties by allowing an estate agent to pay such money as directed by the person for whom the money is received without first depositing it in the agent’s trust account. This eliminates double handling of trust moneys and avoids unrecoverable fees and duties on trust account transactions.

The bill improves the effectiveness of the act by allowing infringement notices to be issued for offences of strict liability under the Estate Agents (General, Accounts and Audit) Regulations. The ability to issue infringement notices will allow the Office of Fair Trading and Business Affairs to implement a cost-effective enforcement program that will ultimately encourage agents to abide by prescribed procedures. Improved compliance will reduce the risk of trust account defalcations and the concomitant demand upon the Estate Agents Guarantee Fund.

The bill aims to encourage good estate agency practice by preventing the retention of benefits relating to outgoings properly belonging to estate agents’ clients. A new prohibition in the act will make it clear that an estate agent must not retain for himself or herself the difference between the amount paid by a client for outgoings and the amount paid by the agent for the
outgoings, but rather must pass the difference to the client. The amount paid by the agent is determined after taking into account any rebate, discount or commission in respect of the outgoings. Retention of the benefit will be an offence and render the agent liable to a penalty.

The prohibition is particularly directed at those estate agents involved in volume rebate schemes offered by publishers for advertising who do not pass on the rebates to their vendor clients. Together with the application of the Crimes Act 1958 to prohibit secret commissions or gifts to estate agents, this initiative will encourage greater accountability and transparency in the relationship between estate agents and their clients.

The bill ensures the appropriate expenditure of public moneys by allowing drawings on the Estate Agents Guarantee Fund for three new causes. Costs of the Victorian Civil and Administrative Tribunal’s residential tenancies list will be able to be met by the Estate Agents Guarantee Fund, lessening current drawings on the Residential Tenancies Fund and facilitating its future use to pay interest on tenants’ bonds.

Money from the Estate Agents Guarantee Fund will also be able to be applied for advice, assistance and information in respect of domestic building services, and for advice, assistance and information in respect of credit contracts under the Consumer Credit (Victoria) Code that relate to the purchase of real estate or of domestic building services.

The powers of inspectors appointed under the Fair Trading Act 1999 to investigate estate agencies are also provided for in the bill. The inspectors’ powers are consistent with those applicable to other industries regulated by the Office of Fair Trading and Business Affairs. The initiatives of this bill usher in improvements in estate agency regulation and practice with resultant benefit for both agents and their clients.

I commend the bill to the house.

Debate adjourned on motion of Mr HULLS (Niddrie).

Debate adjourned until Thursday, 20 May.

FREEDOM OF INFORMATION (AMENDMENT) BILL

Second reading

Mrs WADE (Attorney-General) — I move:

That this bill be now read a second time.
invasion of privacy and threat of harm. Accordingly, it has decided to amend the act so that:

- the act makes it clear that a third party’s name, address or other identifying information is personal information;
- if an agency or minister determines that the document contains personal information, it must delete it from the document prior to releasing it under the act;
- an FOI applicant may apply to VCAT to have the document released in full. VCAT will determine whether the release of the personal information would be reasonable in all the circumstances. The third party will be given an opportunity to intervene in the proceedings;
- the act will include a safeguard so that a document containing personal information may not be released if to do so would be contrary to the public interest or would endanger the life or physical safety of any person;
- the bill seeks to prevent VCAT from holding a hearing where neither the agency or minister nor the third party has any objection to the release of the personal information. The bill will require VCAT to release the document in full where the tribunal:
  - has received notice from the agency or minister that they do not object to the release of the document in full; and
  - has not received any notice from the third party that the third party will intervene in the proceedings.

In these circumstances, there will be no need for VCAT to hold a hearing and the applicant will be refunded any application fee paid to VCAT.

These amendments seek to ensure that governmental officers and employees have, in suitable circumstances, their identities protected from disclosure. Such disclosure will only be made if:

- it is reasonable in the circumstances;
- their life or physical safety is not put at risk; or
- neither they nor the agency or minister for whom they work objects to that disclosure.

This amendment will allow for suitable involvement of the third party in the decision as to whether the release would be reasonable or not and thus give them an opportunity to put forward their case against the release.

I commend the bill to the house.

Debate adjourned on motion of Mr HULLS (Niddrie).

Mrs WADE (Attorney-General) — I move:

That the debate be adjourned for two weeks.

Mr HULLS (Niddrie) — I move, as an amendment to the motion:

That the word ‘weeks’ be omitted with the view of inserting in place thereof the word ‘months’.

This is a very important piece of legislation that goes to the heart of freedom of information in Victoria. Although it is a fairly small bill of only nine pages it will have enormous ramifications for freedom of information and requires much consultation.

Victorians showed their grave concern about attacks on democracy in the state at the Mitcham by-election, which was held some time ago. One has to remember that the object of the Freedom of Information Act is to extend as far as possible the right of the community to access information in the possession of government.

Mr McArthur — On a point of order, Mr Acting Speaker, over recent years the honourable member for Niddrie had debated the matter of time regularly and repetitively. He knows full well that the debate is extraordinarily narrow and does not entitle him to go into the background of freedom of information generally or the contents of the bill, but simply to discuss why the debate should be adjourned for a particular time. The honourable member is going way beyond the parameters of the debate and I ask you, Sir, to bring him back to the debate.

Mr HULLS — On a point of order, Mr Acting Speaker, I do not know why the honourable member for Monbulk is so sensitive. It may well be that Lesley Wood — the wife of the actor, John Wood, who plays a main character in the television police drama Blue Heelers — is breathing down his neck. In any event, I had only just started. I understand the narrowness of the debate — and I would have thought that freedom of information in this state and disclosure of material in the hands of government is important — and I ask that I be allowed to continue on the question of time.

The ACTING SPEAKER (Mr Jasper) — Order! Whilst I do not uphold the point of order raised by the honourable member for Monbulk, I remind the
honourable member for Niddrie that it is a very narrow
debate on time.

Mr HULLS — The opposition needs sufficient time
to consult with Victorians about the major changes
proposed to be made to the Freedom of Information Act
in this state.

An honourable member interjected.

Mr HULLS — I take up the interjection from a
person who abused the freedom of information system
when he was in opposition and is now sitting smirking
like a silly old gorilla and asking whether I have read
the legislation. Victorians are entitled to be consulted
about proposed major changes. I would have thought
the honourable member for Monbulk, who is a member
of the Public Accounts and Estimates Committee,
would bear in mind that that committee has conducted
an inquiry into commercial confidentiality and freedom
of information and be aware that no legislation should
be passed until that committee has tabled its findings
and made its recommendations to the house.

It is outrageous that prior to an election — which is just
about to take place — and prior to the Public Accounts
and Estimates Committee tabling its report in this place
and the house having the opportunity of considering its
recommendations, the government is attempting to
introduce legislation that will alter the Freedom of
Information Act to affect a person’s right to access
information in the hands of government. The
committee’s recommendations deal specifically with
freedom of information, commercial confidentiality and
other matters. It is inappropriate for this place to
consider the bill before the house considers the
committee’s report.

Mr Perton — On a point of relevance, Mr Acting
Speaker, it is clear that the honourable member for
Niddrie has not even glanced at the bill which is about
personal privacy, not commercial confidentiality. Even
given the extent to which you, Sir, would permit him to
talk about general issues, it is clear that his remarks
about commercial confidentiality are beyond the scope
of the bill.

Mr HULLS — On the point of order, Mr Acting
Speaker, I sometimes wonder whether the honourable
member for Doncaster has a hearing problem. If he had
been listening to what I said he would have heard me
referring to the Public Accounts and Estimates
Committee which has conducted an inquiry into both
freedom of information and commercial confidentiality
matters.

Honourable members interjecting.

Mr HULLS — There are some Noddies around —
fair dinkum!

On the point of order, Sir, the honourable member is
saying commercial confidentiality is not relevant to the
legislation. The legislation deals with freedom of
information. Freedom of information concerns personal
privacy and commercial confidentiality. Freedom of
information legislation is currently the subject of review
by the Public Accounts and Estimates Committee, and
that raises the question of time. The legislation should
not be debated until the Public Accounts and Estimates
Committee has handed down its report.

The ACTING SPEAKER (Mr Jasper) — Order! I
do not uphold the point of order of the honourable
member for Doncaster, but I remind the honourable
member for Niddrie that a narrow question is before the
house — that is, the question of time.

Mr HULLS — The opposition needs time not just
to consult ordinary Victorians but also to consider the
report of the Public Accounts and Estimates
Committee. Honourable members need to see what the
committee recommends regarding freedom of
information and whether it recommends these changes
ought to take place. I am a member of that committee,
as is the honourable member for Monbulk. I have not
seen the recommendations.

Mr Perton interjected.

Mr HULLS — Both the honourable member for
Doncaster and I agree on one thing: you cannot always
believe what you read in the Spy column.

On the question of time, it is absolutely crucial that
honourable members be able to consult with Victorians;
it is absolutely crucial that we be given time to look at
the Public Accounts and Estimates Committee report
on freedom of information.

The Attorney-General is attempting to white-ant
freedom of information in the state. A conversation
regarding freedom of information took place some time
ago between the Attorney-General and the Deputy
Leader of the Opposition. The Attorney-General
admitted that, by rushing legislation into this place, she
had mucked up the legislation and was imposing an
unintended fee on Victorians. That occurred because
she did not consult properly. She came into the house
and rushed through the legislation.

Honourable members need time to protect the
Attorney-General. She needs as much time as possible.
We need to ensure she does not again come into the
house and introduce legislation that has unintended
consequences, as has happened before. The Attorney-General admitted that to the Deputy Leader of the Opposition. However, having admitted her mistake and pleaded guilty to the Deputy Leader of the Opposition, she refused to return the bill to the house for amendment; she refused to amend her stuff-up in imposing on Victorians an unintended fee of $170. The opposition is concerned that, unless two months are allowed for consultation on the legislation, the same stuff-up will occur again, with the same unintended consequences.

In conclusion, I emphasise that freedom of information goes to the heart of democracy. It is crucial that legislation that fundamentally changes the Freedom of Information Act not be rammed through the house without appropriate consultation. At least two months are needed to ensure the Attorney-General does not stuff up again. At least two months are needed to ensure the Attorney-General does not again white-ant the legislation, undermining freedom of information through the back door and using the legislation as an excuse to close FOI in this state.

Mrs WADE (Attorney-General) — On the question of time, Mr Acting Speaker, the honourable member for Niddrie has become excited about the legislation. He says it has enormous ramifications. I tend to agree with the honourable member for Doncaster, who said that the honourable member for Niddrie had probably not even read the bill. The bill is, in fact, a minor measure.

Mr Hulls interjected.

The ACTING SPEAKER (Mr Jasper) — Order! I do not uphold the point of order, but I again remind the Attorney-General that this is a narrow debate.

Mrs WADE — I again make the point that this bill makes minor amendments to the principal act and is not related to any future investigation of freedom of information by the Public Accounts and Estimates Committee. It is extremely important that the bill be dealt with expeditiously so that those employed in the public sector, including nurses, teachers and a number of public servants, who can be subject to harassment and who find themselves in danger or in circumstances where their names are inappropriately released, are protected.

Honourable members know through their electorate offices that sometimes people who ask for information do not always ask for it with the best possible motives. It is important that the bill be dealt with expeditiously so that the people I mentioned are protected.

Mr BRUMBY (Broadmeadows) — On the question of time, Mr Acting Speaker, I support the amendment moved by the honourable member for Niddrie. I do so because contrary to what is claimed by the Attorney-General, this bill is not a minor or insignificant piece of legislation. It is another major change to freedom of information legislation and it follows a series of changes made since 1992 to water down, dismantle and remove people’s rights under FOI.

This package of changes continues that pattern and trend of government behaviour, which is why this significant legislation needs to be discussed in the community. It should be the subject of wide-ranging, open and honest debate. If the government rushes this legislation through the house in two weeks, as the Attorney-General proposes, interested members of the
community who have a right to know about the provisions and their implications will not be able to give it proper consideration.

Organisations such as the Law Council of Australia and the Public Accounts and Estimates Committee have expressed their concerns about the legislation. As the honourable member for Niddrie said, those organisations need to look at the bill. Lawyers have written letters to newspapers and civil libertarians and politicians have also expressed their concerns about the bill. However, the bill has been introduced late in the day at the end of the week and it will be rushed through in two weeks time.

The argument put by the opposition is implicitly supported by none other than the honourable member for Doncaster. An article that appeared in the *Age* — —

The ACTING SPEAKER (Mr Jasper) — Order! On the question of time.

Mr BRUMBY — The point is on the question of time. In an article that appeared in the *Age* earlier this year the honourable member for Doncaster is reported as having said that:

… the time is overdue for a full debate about FOI ...

He said he wants a full debate. You can — —

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member for Broadmeadows will address the Chair and deal strictly with the issue of time. I also think it would be better if he refrained from bringing other members into the debate.

Mr BRUMBY — The opposition has moved that the debate on the bill be adjourned for two months to allow more time for proper consideration and a detailed review of the proposals. That motion is supported by the honourable member for Doncaster, who is an expert on freedom of information. As an opposition member he used freedom of information processes 1800 times. He supports the current opposition’s argument that there should be wide-ranging consultations, after which the opposition may be in a position to support the proposed amendments. However, I suspect that if the bill is made available for wide-ranging consultation the response from organisations such as the Law Council, the Press Council, barristers, the media, and members of Parliament will be that the bill continues the trend of shutting up or closing down the media, and members of Parliament will be that the bill

Mr BRUMBY — The point I wish to make, Mr Acting Speaker, is that many people, including Professor Neave and Bernard Bongiorno, want time to consider and be properly consulted on the bill. In a recent article in the *Australian* the chairman of the Australian Press Council is reported as having said:

… Jeff Kennett’s plan to review — or scrap — freedom of information laws was dangerous and short-sighted …

The Press Council does not want the bill rushed through because it wants time to analyse it. It does not want the bill pushed through at the end of this sessional period without proper scrutiny and debate.

A principle of the Westminster system is that there should be honest, open and accountable government. The freedom of information legislation, which was first introduced in Victoria in the 1980s by the Cain government with full bipartisan support, is an essential element in the guarantee of honest, open and accountable government. The amendments proposed by the Attorney-General will diminish the right of the general public, members of Parliament, the media and others to properly scrutinise the activities of government. They are relevant to a fundamental and threshold aspect of the checks and balances that keep government honest and accountable.

As suggested by none other than the honourable member for Doncaster, this should not be a partisan but a bipartisan debate. The bill should lie on the table and be made available to the community to consider for two months. There should be wide-ranging consultations, after which the opposition may be in a position to support the proposed amendments. However, I suspect that if the bill is made available for wide-ranging consultation the response from organisations such as the Law Council, the Press Council, barristers, the media, and members of Parliament will be that the bill

All the opposition wants is a proper and open debate and full consultation with the community. In that way there can be a proper bipartisan consideration of FOI laws in the state. FOI laws have been used in Victoria to uncover information about credit card abuse, child abuse, Intergraph contracts, and a whole range of matters on which information would not have become publicly available if it were not for those laws. This is a big issue to consider. Governments change. One day again in the future you will be in opposition and will want to use freedom of information laws.
Mr PERTON — The people the opposition will speak to are Joan Kirner and John Cain. All the opposition has to do is make the phone calls. The opposition’s consultation will take a few hours in the Labor caucus room!

The government is serious about the bill. People have been talking about data protection and the rights of the individual. The rights of the individual will be protected by the proposed legislation. If the opposition looks at the mechanisms contained in the bill, it will see that nothing is shut down. The bill will give citizens the right to have their personal data protected and it provides very efficient mechanisms for doing so. As I indicated, the opposition’s arguments will not change whether the bill is debated in two weeks or six months. The amendment proposed by the honourable member for Niddrie should be disposed of by the house.

House divided on omission (members in favour vote no):

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Amendment negatived.
Motion agreed to and debate adjourned until Thursday, 20 May.

Remaining business postponed on motion of Mr W. D. McGrath (Minister for Police and Emergency Services).

ADJOURNMENT

Mr W. D. McGrath (Minister for Police and Emergency Services) — I move:

That the house do now adjourn.

Human Services: child-care officer

Ms Campbell (Pascoe Vale) — I raise for the attention of the Minister for Youth and Community Services a matter involving the children’s services officers in his department. I ask the minister to investigate how many of those officers have a pecuniary interest in one or more child-care services and, having ascertained the facts, I ask him to prohibit any children’s services officer with a pecuniary interest from carrying out compliance checks on the Children’s Services Act and regulations.

I have been contacted by the Five Star Child Care Centre’s parent committee president, Fiona Hussain, and the proprietor, Georgette Brown, about compliance visits by the children’s services officer Michelle Arthur. I am advised that she, a children’s services officer with the southern metropolitan region, has a clear conflict of interest as she is an office-holder in a company called Child Care Australia, which operates another child-care centre in Stud Road, Dandenong, approximately five blocks from Five Star. I have obtained statutory declarations and an Australian Securities and Investments Commission search, which provide alarming facts.

When Ms Arthur arrived for a centre inspection on 27 November 1998, Georgette Brown, the proprietor, collapsed and was taken to hospital where lifesaving surgery was performed. As she had collapsed in view of the children, they were hysterical. Staff, although extremely worried, tried to normalise the environment.

Statutory declarations state that even before the ambulance had left, Ms Arthur continued with her inspection. She was asking staff questions about their qualifications, time of commencement, staff numbers, time of lunch, and type of food to be served. Parents and staff at the Five Star Child Care Centre have no objections to inspections, but they cannot accept that a Department of Human Services (DHS) staff member who has a personal interest in a child-care centre a few blocks away should be inspecting a competitor’s business.

The Five Star Child Care Centre must never be inspected by Ms Arthur again. Obviously such inspections decide the future of child-care centres, and any centre that is or perceived to be victimised will never trust DHS to objectively assess the conditions in which children are cared for in child-care centres.

Seven letters sent by parents and staff about the issue were fobbed off by the department. A reply was sent without one of those people having been contacted. As I said, I have asked for statutory declarations and an Australian Securities and Investments Commission search. Serious accusations against DHS staff should be thoroughly investigated, and it is a breach of duty for the minister to do otherwise.

Public transport: graffiti

Ms Burke (Prahran) — I ask the Minister for Housing to refer to the Minister for Transport the matter of graffiti. A number of constituents in my area have complained to my office about graffiti. Graffiti is fairly common on ministry of housing property, but the Minister for Housing seems to have that well and truly under control. It is also fairly common on private and commercial properties, which has been a matter of concern for a number of people, but that is very much a matter for private and commercial property owners to attend to.

I direct the attention of the minister to what happened to a Mrs McCrae of South Yarra when travelling on public transport. Her new dress was soiled and damaged by wet graffiti paint when she sat on a seat in a train. She came to my office to ask what was being done about the graffiti on public transport. While I recognise that the problem with graffiti is almost 100 per cent better than it was in the late 1980s and the first few years of the 1990s, it is still of major concern to this woman.

The Public Transport Corporation has a 24-hour service for graffiti removal, and it certainly does its best. I understand that because of the copycat mentality it is difficult to inform the community about the clean-up service because it may interfere with the management of that process. However, I will give the minister the name and address of Mrs McCrae from South Yarra and ask him to write to her and explain the graffiti clean-up process so that she can tell other members in her community. I also ask the minister to inform Mrs McCrae, if possible, of any assistance the PTC
might be able to offer, even if it is just paying for the dry-cleaning of her dress.

I acknowledge that private and commercial properties are very much affected by graffiti artists, but I would appreciate it if the minister could inform Mrs McCrae of the 24-hour graffiti removal service and any other measures the PTC is taking to ensure that our public transport system is as good as it can be for the community and as clean and easy to use as possible.

City Link: project delays

Mr BATCHELOR (Thomastown) — I ask the Minister for Housing to refer to the Minister for Planning and Local Government in his capacity as the minister in charge of the City Link project the delays in the opening of that project. The western link, which is the first part of the City Link project to be opened, was due to open on 26 April, but it was rescheduled for 29 May.

However, there is no certainty about the May opening date and it looks as though that deadline might not be met. That has been admitted by the Premier and by the chief executive officer of Transurban. The media and industry circles have identified various problems as being to blame for the delays, including the blistering on the Bolte bridge, the chaos down at the City Link call centre and technological glitches with the transponder computer network.

I ask the minister to investigate why the delay has occurred and advise Parliament and the people of Victoria what steps the government intends to take to ensure that the opening of the City Link project does not turn into another fiasco like the Onelink automatic ticketing fiasco. The opposition would like an assurance that the government will do something about the delays, including the blistering on the Bolte bridge, the chaos down at the City Link call centre and technological glitches with the transponder computer network.

I ask the minister to investigate why the delay has occurred and advise Parliament and the people of Victoria what steps the government intends to take to ensure that the opening of the City Link project does not turn into another fiasco like the Onelink automatic ticketing fiasco. The opposition would like an assurance that the government will do something about the City Link project delays. All through the automatic ticketing process Onelink got away with blue murder. What will the government do about the delays with City Link? Will it let City Link get away with it?

As the minister knows, there are powers available to him through the courts to require an order for specific performance of the state’s requirements. The requirements are laid down in the contract; contractual obligations have been written and signed off. Will the government enforce the contractual obligations or will it let City Link get away with it? Will the government fail in its duty to serve the people of Victoria and allow the delays to go on and on? Delays have already occurred with the Onelink contract worth $365 million; now the $2 billion City Link project has been delayed on successive occasions. The opposition wants to know what is going on.

Sunbury Community Health Centre

Mr FINN (Tullamarine) — I ask the Minister for Housing to refer to the Minister for Youth and Community Services concerns raised with me by the chief executive officer of the Sunbury Community Health Centre, Ros Stevens, about its early intervention program. In doing so I recognise the importance the minister has placed on early intervention programs and thank him on behalf of parents of children with disabilities for the added support he has offered, particularly to the Broad Insight agency in my area, an agency that has done and continues to do a magnificent job for children with disabilities and their families.

I am sure honourable members would be aware that the Sunbury Community Health Centre is the best community health centre in Australia. I do not think anybody would argue with that. The centre currently provides a program for 22 children that includes physiotherapy, speech pathology and occupational therapy for children, and counselling and support for both the children and their parents, when required. The program operates with a group format, which has proven to be extremely effective.

The centre currently receives $37 000 from the Department of Human Services and approximately $1000 per child from the commonwealth special education fund. That level of funding allows it to provide therapy sessions weekly for the older children — the group from three to six years of age — but unfortunately only on a fortnightly basis for the younger children — from birth to two years of age — rather than the weekly basis that is essential for continuous improvement. Any additional funding provided to the Sunbury Community Health Centre for its early intervention program would allow the younger children to receive therapy on a weekly basis.

It is extremely important that the centre receive the funding required. It would make a huge difference to not just the immediate lifestyles of the children and their families but also to the long-term lifestyles of the children. It is well known that the earlier children with disabilities are treated for their disabilities the better they will be later in life.

I ask the minister to give urgent and serious consideration to providing more funding for the program at the Sunbury Community Health Centre. It would be a big boost, not just for the centre but also for
the children with disabilities and their families that it helps so effectively.

Planning: Epping quarry

Mr HAERMeyer (Yan Yean) — I ask the Minister for Agriculture and Resources to investigate the application for an extractive industries permit by Mr Tom Love, of 410 Cooper Street, Epping. Mr Love is seeking an extractive industries permit which, if granted, would allow a quarry in Cooper Street to straddle the existing Wallert–Wandon gas pipeline with a buffer zone of only 40 metres in each direction. The pipeline receives gas from the New South Wales–Victoria connection and is the main access point for gas supplies to the northern suburbs from Longford. There will be serious consequences if the gas supply is interrupted.

A 40-metre buffer zone is not appropriate for this type of quarry, particularly in view of the type of blasting required. Mr Love’s quarry routinely exceeds the blasting limits, to the extent that many of the blasts have caused shock waves at the nearby Northern Hospital and have been recorded by the seismology department at La Trobe University. There is a danger of interruption to the gas supplies of the northern suburbs and a danger to public safety in the area if this matter goes wrong.

The Minister for Planning and Local Government is holding this application over until after the election because Mr Love is a prominent member of the Liberal Party and a bagman for the Liberal Party in the area. He has pulled some strings. It is an attempt to provide a favour which is going to make Mr Love a rich man.

Mr Finn — On a point of order, Mr Acting Speaker, the standing orders forbid what the honourable member for Yan Yean is attempting to do. He is casting a shadow on the character of the Minister for Planning and Local Government. I ask the honourable member to withdraw and desist.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member cannot ask for a withdrawal on behalf of another member, so the point of order is not upheld.

Mr HAERMeyer — There is a danger that a favour is being done for Mr Love, a significant donor to the Liberal Party. I ask the Minister for Planning and Local Government to investigate the suitability of this application.

The application is not justifiable on planning grounds. It is against the Cooper Street precinct strategy and is nothing but a ploy to enable Mr Love to get compensation for the government’s decision on the F2 freeway alignment. It will reap a major windfall for Mr Tom Love. There will be a danger to the community and to gas supplies in the northern suburbs if this application is allowed to go ahead. It will be a travesty of decency if the minister approves this application.

Mrs Peulich — Mr Acting Speaker, I direct your attention to the clock — it was a long minute.

The ACTING SPEAKER (Mr Jasper) — Order! The Clerks have corrected the time.

Disability services: transport allowances

Mr MAUGHAN (Rodney) — The matter I raise with the Minister for Youth and Community Services concerns Stephanie Coldwell, a severely disabled student confined to a wheelchair who lives at Merrigum and is enrolled in year 8 at the Mooroopna Secondary College.

Department of Education transport guidelines provide for students with disabilities and impairments to attend special settings. However, Stephanie does not fit that category. Although she is physically disabled, she is mentally alert and a special setting would be quite inappropriate. In fact, she receives special funding but attends Mooroopna Secondary College.

As Stephanie attends a regular school she is unable to use the bus that travels to the special setting. She has been expressly refused permission to do that by the regional manager because of departmental guidelines. The bus that travels to the Mooroopna Secondary College is not fitted with a lifting device and Stephanie is unable to access it.

In March 1998 the honourable member for Shepparton raised the matter with the Minister for Education who responded by saying that departmental policy relating to student transport prevented access to special setting transport by students attending mainstream schools, and a $700 taxi allowance was available for severely disabled students attending mainstream schools.

Stephanie’s parents have been paying for a taxi to transport her to and from the school which is costing them $6000 a year for which they receive a $700 allowance, the net cost to the parents being $5300 a year. The student is not eligible to travel on the special school bus and cannot access the regular school bus. Her needs are being met at the school at which she is a student but there is the problem of cost. I am not
advocating fitting a lifting device to the regular bus, but it is obvious that the government must find a solution.

Stephanie is entitled to an education and a transport allowance. The education and transport ministers say that it is not their responsibility. On that basis I direct the matter to the Minister for Youth and Community Services and appeal to him to convene a meeting between the three ministers to resolve this intractable problem.

**Australian Heritage Society**

Mr ROBINSON (Mitcham) — I raise with the Attorney-General what I regard as a disgraceful use of important symbols close to the hearts of all Victorians. The inappropriate use of symbolism appeared in a recent brochure published by the Australian Heritage Society. I ask the Attorney-General to investigate the inappropriate use of symbols to ascertain whether any Victorian laws have been breached, and, if not, to refer the matter to the federal government for investigation.

The brochure breaches all existing rules about good taste and respect. I came across the brochure a few days after Anzac Day when it was doing the rounds in Mitcham. It highlights a number of issues on the front page, and on the next few pages divulges material that is typical of the loony fringe groups pushing anti-Asian causes and pro-international conspiracies. Honourable members would be familiar with the rubbish that does the rounds from time to time, but I am concerned that the front page of the brochure has an inappropriate use of the Australian Commonwealth Military Forces badge alongside the heading ‘Keep the Faith’. That is a disgraceful use of the ACMF badge. Similarly, there is a disgraceful use of the word ‘Anzacs’ at the top of the brochure.

I contend that no-one, but no-one, has the right to appropriate such an important symbol for base political ends, and I trust that every member of this house agrees with me. The Australian Heritage Society has every right to act vigorously in any campaign on the future of the monarchy or the country, but it has no right to conduct itself in a way that allows it to masquerade as the defender of the Anzac tradition.

In the debate this morning on Shrine of Remembrance legislation honourable members reflected on the enormous sacrifice of thousands of Victorians who fought and died in the military forces. Those Victorians all served under the same badge. They were of all political views, creeds, cultures and colours. In this day and age it is not permissible for any group, mainstream or fringe, to seek to appropriate that badge and use it for its own narrow and misguided political ends.

I urge the Attorney-General to examine whether misappropriation of a national symbol such as that badge is a breach of Victorian law. If it is not a breach of Victorian law I urge her to refer the matter to the federal government because I feel certain it must breach a law somewhere in Australia.

**ALP: Bentleigh candidate**

Mrs PEULICH (Bentleigh) — I direct to the attention of the Minister for Police and Emergency Services some irresponsible, even scurrilous, comments reported in the ‘In Brief’ column of the Southern Cross of 5 May. The comments are attributed to the Labor Party candidate for the seat of Bentleigh.

Mr Leigh interjected.

Mrs PEULICH — It may be unparliamentary, but — —

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member will address the Chair.

Mrs PEULICH — I welcome the honourable member’s interjection because the published comments are irresponsible. Under the heading ‘Labor’s crime warning’ the item states:

... serious crimes, including assault, home invasion and armed robberies, are rising. Police morale is at an all-time low. In East Bentleigh, crimes have increased by 28.77 per cent, he said.

The item goes on to quote the candidate. It states:

Labor will employ an extra 800 police if it is returned to government later this year.

Mr Leigh interjected.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member for Mordialloc will get his opportunity in a few minutes.

Mrs PEULICH — I have a proud history of raising issues on wilful damage and graffiti, and also of taking up matters with the Minister for Police and Emergency Services and his predecessor on behalf of my constituents on numerous occasions. I strongly support law and order issues. In particular, I have taken a lively interest in some high-profile crimes that have occurred, including the killing of two policemen in the Bentleigh electorate, the widely reported Good Friday shooting, and the hanging suicide of a person following a violent domestic incident.
I believe the ALP candidate for Bentleigh has distorted reality. Bentleigh is a safe suburb and has the third-highest proportion of people aged over 65 in the state. The candidate is creating unnecessary panic. His action can be seen only as scurrilous and irresponsible. I ask the minister to comment on the accuracy of the comments and reassure the elderly community of their safety. I also ask the minister to indicate what further action the government will take to improve outcomes, which it is always seeking to do.

Together with other government members I welcome the government’s introduction of performance indicators for all portfolios across the board.

Melbourne–Geelong road: upgrade

Ms GILLETT (Werribee) — I refer the Premier to planning amendment RL 112 dated 11 September 1997 and direct his attention to his commitment as outlined on 29 October 1998 on radio 3AW that any development on the Princes Freeway should meet national safety guidelines. I refer also to the unanimous resolution of the 128th state council of the Victorian Liberal Party — resolution no. 28 — which required the state government to adopt national safety guidelines for the Princes Freeway, particularly on the distance between service centres and the nearest interchange. I ask the Premier to ensure that the Minister for Planning and Local Government is required to act within those parameters.

The amendment to which I refer seeks approval for the establishment of two service stations, one on either side of the freeway near Avalon Airport. The Premier would be aware that national safety guidelines require that such developments be located at least 2 kilometres from the nearest interchange, as opposed to the requirements that apply to rural highways which require the separation to be only 1 kilometre.

Unless the Premier is able to reaffirm his government’s earlier commitment and its acceptance of the resolution of the Liberal Party state conference that the Princes Freeway will be developed in line with national safety guidelines, how can the community believe that he is genuinely seeking the federal government’s commitment to declaring the freeway a road of national significance and providing the additional federal funds that are vital for the proper reworking of the Princes Freeway? What is to stop my community and others in Victoria from regarding this government’s rhetoric about the freeway as utterly hypocritical?

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member’s time has expired.

Responses

Mr W. D. McGrath (Minister for Police and Emergency Services) — The honourable member for Bentleigh raised concerns about the exaggerated use of figures and careless use of the truth in a message portrayed in the media. The honourable member for Bentleigh is — —

Mr Batchelor — Nagging.

Mr W. D. McGrath — The honourable member for Bentleigh constantly brings to my attention her concerns about crime in the Bentleigh electorate. On several occasions she has raised the graffiti problem and this evening she asked whether there has been an increase in crime.

I advise the honourable member that the Bentleigh area is covered by either the Moorabbin or Brighton police station. The Moorabbin police station figures for the period July to March 1997–98 reveal that 3247 incidents of crime were reported. For the same period this year — that is, July to March 1998–99 — 2765 incidents of crime were reported, which is a decrease of some 14 per cent. Without conducting a specific analysis, the figures for the Brighton police station showed a decrease of some 2 per cent in the level of crime reported in Brighton.

Given those figures the police force is obviously providing a safe environment for Bentleigh residents.

Mr Batchelor interjected.

The ACTING SPEAKER (Mr Jasper) — Order! The minister does not require the assistance of the honourable member for Thomastown.
Mr W. D. McGrath — The honourable member for Bentleigh can assure her elderly constituents that they live in a safe environment. The government is getting a little tired of the scaremongering by the Labor Party in recent months. It has been trying to create a sense of fear in the community. Victoria still has a 20 per cent lower crime rate than the national average. The community should have every confidence in the police, who use sense in patrolling the streets and investigating crime. Victoria Police has the highest crime-solving rate in Australia.

Another plus for the police will be local priority policing under the new regionalisation strategy. The police will continue to work with the community in an even more consultative manner to ensure pockets of crime and certain types of crime will be addressed effectively and efficiently.

The police will continue to enforce Victoria's safe living environment and provide confidence, particularly for the elderly as they go about their lives. I thank the honourable member for Bentleigh for directing her concerns to me. I hope the statistics I have provided will satisfy her that the issues she raised are receiving proper and due attention.

Mrs Henderson (Minister for Housing) — The honourable member for Pascoe Vale raised for the attention of the Minister for Youth and Community Services issues about children’s services officers. The honourable member made some serious allegations about staff of the Department of Human Services. As all honourable members would be aware, one needs to be wary when one makes such serious allegations. The honourable member should be particularly wary given her responsibility as shadow minister for community services. I hope the honourable member has not overstepped the mark again. I will bring the issue to the attention of the minister.

The honourable member for Prahran asked me to bring to the attention of the Minister for Transport the problem of graffiti in her electorate, particularly in relation to the concerns of a constituent, Mrs McCrae, who says her clothes were damaged by graffiti in a public place. As the honourable member said, in the past couple of years we have seen the most extraordinary improvement in our public railway stations because of the work of the people employed on a 24-hour basis to tackle the graffiti, about which most Victorians have been appalled.

The honourable member asks that the minister write to Mrs McCrae to outline what he is doing to tackle graffiti on Victorian trams and trains. I will certainly direct that matter to the attention of the minister. I thank the honourable member for Prahran for raising such a sensitive issue on behalf of her constituent.

The honourable member for Thomastown directed a matter to the attention of the Minister for Planning and Local Government about City Link and the opening of its western link. I will pass that matter on to the minister.

The honourable member for Tullamarine directed an issue to the attention of the Minister for Youth and Community Services about the Sunbury Community Health Centre and its good early intervention program for children with disabilities. As the honourable member said when he so sensitively raised the issue here, the program has some 22 children who receive a range of services. The centre receives state funds to the tune of $37,000 and $1,000 per child from the commonwealth government. The honourable member for Tullamarine, in his usual way of raising such issues that are important to the families of children with disabilities, asked the minister to consider allocating additional funds to allow children now receiving services from the program to have an increased range of services available to them. I will raise the issue with the minister.

The honourable member for Yan Yean raised for the Minister for Agriculture and Resources an issue about a quarry application. Although I am reluctant to do so when responding on the adjournment debate, I feel I must say that once again in the way that is typical of the Labor Party the honourable member for Yan Yean has made appalling and personal comments about a member of the house. It is the norm for the honourable member for Yan Yean to belittle and malign individuals — —

Mr Haermeyer — On a point of order, Mr Acting Speaker, both former Speaker Delzoppo and Deputy Speaker McGrath have previously ruled that it is appropriate for a minister who is representing another minister to respond to an issue raised in the adjournment debate to the extent necessary to show that he or she has understood the matter raised by the member concerned but not to reply on behalf of the minister where the matter raised is outside the portfolio of the minister making the response. I suggest that that approach be continued in respect of the response of the Minister for Housing.

Mrs Henderson — On the point of order, Mr Acting Speaker, that is exactly what I am doing. I am responding to the honourable member for Yan Yean on an issue he raised for the Minister for Agriculture
and Resources, and I intend passing it on to the minister rapidly. I am outlining very clearly the issues that were raised by the honourable member for Yan Yean. He spent a good part of his 3 minutes making very personal attacks on an individual. This is part of my response.

The ACTING SPEAKER (Mr Jasper) — Order! Although I recognise the thrust of the comments of the honourable member for Yan Yean on previous rulings, I do not uphold the point of order. The comments of the Minister for Housing related to a particular person who was referred by the honourable member for Yan Yean in his contribution.

Mrs HENDERSON — The issue I will direct to the attention of the Minister for Agriculture and Resources concerns a quarry application, but most of the presentation of the honourable member for Yan Yean was an appalling and questionable attack on an individual, and that causes me a great deal of concern.

The honourable member for Rodney raised for the attention of the Minister for Youth and Community Services an issue concerning a young student in his electorate, Stephanie Coldwell, who has a disability and is confined to a wheelchair. The issue is the transport Stephanie requires to enable her to attend a regular school, Mooroopna High School. She is unable to use the regular bus because it is not fitted with a lifting device. The honourable member for Rodney, in his normal sensitive way, pointed out that although the bus that goes to the special setting school has a lifting device, for a range of reasons Stephanie has not been able to use it. Her family is currently paying taxi fares, and I expect Stephanie would receive a transport allowance. However, the honourable member for Rodney has asked whether the Minister for Youth and Community Services can find a solution to the dilemma Stephanie’s family faces in transporting her to school. He has asked that the minister convene a meeting to address this issue. I will pass that on to the minister.

The honourable member for Mitcham raised for the attention of the Attorney-General a brochure that he said is published by the Australian Heritage Society. The honourable member raised some issues about the symbols in that publication that in his view are in poor taste. I will pass that on to the Attorney-General.

The honourable member for Werribee raised for the attention of the Premier planning amendment RL 112, which affects the Princes Freeway, commonly known to us locals as the Geelong–Melbourne road. The issue is about the national safety standards. I am sure that the issue has been brought to the attention of the honourable member for Werribee by correspondence that was circulated to all members of Parliament, and was certainly sent to me on a number of occasions in my capacity as the member for Geelong.

I am aware that the Minister for Roads and Ports in another place has on many occasions written to a number of people on the issue, but I will direct it to the attention of the Premier. Although it is not appropriate to take up the time of the house tonight, I am sure the honourable member for Werribee would join with me and many others in celebrating in a bipartisan way an allocation of $118 million by the state government to upgrade the Geelong–Melbourne road, which is also known as the Princes Freeway.

The honourable member for Ivanhoe raised a matter for the Minister for Roads and Ports in another place but had only a very short time in which to do so — 30 seconds, I believe. It concerned a road safety report for Bundoora. I ask the honourable member to pass the relevant information on to the minister because I was not able from his short address to understand clearly what he required.

Motion agreed to.

House adjourned 7.27 p.m. until Tuesday, 11 May.
Tuesday, 11 May 1999

The SPEAKER (Hon. S. J. Plowman) took the chair at 2.07 p.m. and read the prayer.

APPOINTMENT OF ASSISTANT CLERK

The SPEAKER — Order! Pursuant to the provisions of the Parliamentary Officers Act 1975, I have appointed Mr Geoffrey Herbert Westcott, the Serjeant-at-Arms, to be Assistant Clerk and Clerk of Committees, following the appointment of Mr Marcus Leonard Bromley as Deputy Clerk.

QUESTIONS WITHOUT NOTICE

Gas: ethane supply

Mr BRACKS (Leader of the Opposition) — I refer the Premier to the fact that the Longford gas disaster destroyed the supply of ethane to Victorian businesses and to the fact that in separate submissions to the Longford royal commission Kemcor Australia Pty Ltd and Huntsman Chemical Co. Australia Pty Ltd have stated that adequate ethane supplies are still not available and that if Victorian supplies are not restored both companies will be forced to shut down operations, costing thousands of Victorian jobs. What action has the government taken to ensure that ethane production resumes in the state of Victoria?

Mr KENNETH (Premier) — I thank the Leader of the Opposition for his question. As he would appreciate, the first priority of Esso BHP and the government was to get the gas flowing again. That is now proceeding and we hope that by the end of June we will have adequate supplies of gas for both commercial and domestic requirements.

Ethane gas was a by-product of gas plant 1, which was severely damaged during the incident. It has always been known that there would be a shortage of ethane once the incident happened. We agreed with Esso that there was no other way of securing the gas supply than working through increasing the capacity of gas plants 2 and 3, introducing a booster through the connector between New South Wales and Victoria and bringing gas from the south-west. That has all been done. The volume of available ethane has increased: in the short term ethane supply has been secured by being trucked in from interstate. We are hopeful that supplies will return to normal very quickly.

Obviously we remained in regular contact with Esso. The Leader of the Opposition would be aware that the first priority had to be the return of gas. The ethane could not have been supplied until that was secured.

Eastern—Tullamarine freeway link

Mr PERTON (Doncaster) — Will the Premier inform the house of the benefits of linking the Eastern and Tullamarine freeways via a proposed tunnel?

Mr KENNETH (Premier) — The Eastern Freeway carries up to 140 000 vehicles a day with a large proportion of the traffic connecting with the Tullamarine Freeway en route to both the Melbourne Airport and the northern and western suburbs. Traffic continues to build up with the passage of every year and is adding substantially to the burdens of those who live in Fitzroy, Carlton and Parkville. It is particularly so in the heavy congestion periods during early morning and late evening. At times the bank-up at the Hoddle Street exit can cause delays as long as 45 minutes with a tail of traffic about 3 kilometres long.

It is the responsibility of any government but particularly this one to look at the needs of motorists and residents in the longer term and to be able to take into account the rising population levels in Melbourne. One suggested medium to long-term solution may be to link the Eastern Freeway with the Tullamarine Freeway via an underground road link funded and operated by the private sector.

Mr Bracks — Tolls!

Mr KENNETH — You are bright! I have always known that.

An underground link would have the benefit of unclogging many of the congested roads in the inner northern suburbs while obviously providing a faster, direct link between the two major freeways. The government’s objective is to undertake in the not-too-distant future a feasibility study into the potential of improving traffic links between the Tullamarine and Eastern freeways.

It looks as though my government alone will continue to look at providing long-term solutions for the state’s infrastructure and display the vision and the commitment that is clearly sadly lacking from those on the other side.

Gas: winter supply

Mr LONEY (Geelong North) — I refer the Treasurer to the recent sale of Victoria’s gas companies. Will he confirm that the prospective buyers of the state’s gas companies were informed of a
probability of interruptions to gas supplies this winter and that the sale agreements contained specific provisions acknowledging the likelihood of interruption and indemnifying the government from any losses caused by another gas crisis?

Mr STOCKDALE (Treasurer) — As is usually the case, the sale arrangements for the gas companies involve the establishment of data rooms in which all the information available to the government was made available to the bidders. The honourable member has not accurately characterised that information. The government has made available reports into the gas outlook situation, reports from Esso and BHP to the government and the reports of Stone and Webster, the world's leading energy engineering firm that was retained by the government to monitor the progress of the restoration of the plant.

Nobody can guarantee that circumstances will not arise that create tight supply or difficulties with supply during the coming winter. Nonetheless, Esso and BHP remain confident that they will be able to meet demands. Stone and Webster have confirmed the bases of that.

Mr Thwaites interjected.

Mr STOCKDALE — You want to answer the question, too, do you?

The parties remain confident that supply will be met during the coming winter season, but the government has a well-founded reputation for managing the state well. As a result it has put in place a number of contingency arrangements to ensure that gas will be available from other sources if there is any shortfall of supply from Bass Strait. They include bringing forward the upgrade of the interconnect to New South Wales, which makes gas available from the Moomba gas field. They include accelerating the construction of the underground gas storage project and the associated treatment facilities. Only the treatment facilities will contribute to the enhanced security arrangements this winter.

The government has also commenced bringing forward the construction of the south-west pipeline, which will ensure that a firm contact for gas is available from South Australia and south-west Victoria. Bidders have been advised of all those matters. In the first of its energy sales the government provided certain warranties and indemnities in virtually every subsequent gas sale the government has capped the warranties and indemnities so that the total liability of the state under those warrants and indemnities is capped at $1.

Better Roads Victoria

Mr PERRIN (Bulleen) — Will the Premier advise how money allocated from the Better Roads fund will benefit Victorian road users?

Mr KENNETH (Premier) — The Better Roads fund has been one of the undoubted successes of the government over the past six years. Since 1993, through the 3-cent-a-litre fuel levy, the fund has allocated more than $1.2 billion for 660 road projects across the state. That includes $400 million for the road and bridge improvements program for rural Victoria. Today I have pleasure in informing the house that in the next financial year the Better Roads program will fund works to the value of $193 million in Victoria, with $64 million being allocated to roadworks in rural Victoria.

Some of the major new projects to be funded by the program have been announced in recent weeks. They include the state's contribution to the much-needed upgrade of the Geelong Road, the extension of the Eastern Freeway to Ringwood, the Hallam bypass, and the Cooper Street works in Epping.

The full program of the Better Roads fund and its projects across metropolitan and rural Victoria for the next financial year will be outlined in coming weeks. As honourable members know, the fund is dedicated to road improvements across the state and ensures that all motorists benefit from the vital works provided by this important form of infrastructure financing.

Gas: winter supply

Ms DELAHUNTY (Northcote) — I refer the Minister for Education to the warnings being given to major industry groups concerning Victoria's imminent gas shortage this winter and to the fact that the minister has been forcefully encouraging schools to convert to gas for heating. I ask what contingency plans the government has in place —

Government members interjecting.

The SPEAKER — Order! Some honourable members might find the question amusing but the honourable member has every right to ask it in reasonable silence. Members of the government will remain silent.
Ms DELAHUNTY — What contingency plans has the government in place to ensure that Victorian students are not freezing in cold classrooms this winter?

Mr GUDE (Minister for Education) — When the government came to office in 1992 one of its first actions was to examine the condition of state school buildings throughout Victoria. To the government’s disgust it found that there had been a decade of neglect. I would have thought it would give comfort to students, teachers and parents to know that school roofs no longer leak, that windows can be opened and closed and that carpets have been replaced. Having spent considerable time visiting about 700 schools throughout Victoria during the past few years I know many school communities have been rightly expressing concern at both the cost and the inefficiency of oil heating. As most people have done, schools have moved away from oil to other forms of heating.

I know the honourable member for Northcote has been acting as the shadow Minister for Education for a relatively short period, but if she had been paying any attention she would know that as part of a trial schools in the southern part of the state are installing reverse-cycle airconditioning. The government is converting as many old, unwanted, troublesome and dangerous oil-heating systems to the more efficient gas-heating systems as it can. I assure the students, teachers and parents involved in government schools that the government is doing everything possible to achieve a comfortable and warm environment in schools this year and in succeeding years.

Mr SAVAGE (Mildura) — I direct the Deputy Premier to an issue involving Mr Patrick Kempton, the financial administration manager of Glenelg Water Authority, who was sacked on 2 February this year for making a submission critical of the government to the Productivity Commission. On 1 February the Deputy Premier met with Sandra Adams, the chairman, and Kevin Porter, the deputy chairman, of the Glenelg Water Authority —

The SPEAKER — Order! The honourable member may not make a statement when asking a question without notice.

Mr SAVAGE — Mr Deputy Premier, you directed the chairman and deputy chairman to sack Mr Kempton, otherwise you would dissolve the board. Will the Deputy Premier now apologise to both Mr Kempton and the Glenelg Water Authority for his unethical behaviour, which has resulted in a successful unfair dismissal action?

Mr McNAMARA (Minister for Agriculture and Resources) — I certainly will not be apologising to anyone. The honourable member for Mildura is raising an administrative matter that has been dealt with by the local water authority. I deal with the broader range of issues involving general government policy. It would have been more appropriate for the honourable member to have asked me what the government is doing to improve rural water services. I will answer that question. The government is spending approximately $1 million across country Victoria involving upgrading 370 country towns —

The SPEAKER — Order! The Deputy Premier cannot answer his own question.

Mr McNAMARA — I was trying to assist the honourable member by answering a more appropriate question concerning the welfare of country people rather than replying to a nitpicking minor issue such as that raised by the honourable member. It is time the honourable member for Mildura and members opposite focused on big picture issues that are the future of regional Victoria and not on the small, nitpicking issues that achieve nothing.

City Link: project delays

Mr BATCHELOR (Thomastown) — I refer the Minister for Planning and Local Government, who is responsible for the City Link project, to the Premier’s acknowledgment that the opening of the project will be delayed, perhaps until August, because of computer glitches with the tolling technology. What is the nature of the computer glitches and what impact are they having on the setting of a new opening date?

Mr MACLELLAN (Minister for Planning and Local Government) — I understand the opposition is opposed to the City Link toll system and I suppose the honourable member bases his question on the belief that the longer the system is delayed the better. The honourable member seems to be complaining that the project may be delayed. He fails to realise that if the first stage is delayed for a week or two it will simply mean that the whole system can open on the same date, which seems to be a good outcome.

Better Roads Victoria

Mr LUPTON (Knox) — Will the Premier advise the house whether the government will use the moneys available in the Better Roads fund to pay for the
construction of a tunnel link between the Eastern and Tullamarine freeways?

Mr KENNETT (Premier) — The construction of an underground tunnel link between the Eastern and Tullamarine freeways would involve expenditure of upwards of $700 million. Last week the Leader of the Opposition identified the Better Roads fund as a revenue source to construct the tunnel link. The proposal is sheer lunacy and is perhaps the greatest insult to Victorians, especially those living in rural and outer suburban areas.

I put on the record as succinctly as I can that the government will not use the Better Roads fund to pay for the tunnel link. Using that fund as identified by the Leader of the Opposition on 6 May would result in virtually all other road construction, maintenance and upgrading works grinding to a halt for up to four years. The Leader of the Opposition's harebrained idea would spell doom for the Geelong Road upgrade. The honourable member for Geelong North would not agree to that. It would spell doom for the Hallam bypass and for the Eastern Freeway extension out to Ringwood. It would also spell doom for the upgrade of Cooper Street, Epping, which is in the electorate of the honourable member for Yan Yean.

Government members interjecting.

The SPEAKER — Order! The Premier does not need a cheer squad when answering his question. He is perfectly able to answer it by himself. I ask government members to remain silent.

Mr KENNETT — A cheer squad always helps. All the projects announced in the budget are now at risk because of the Leader of the Opposition's harebrained scheme. All those projects will be funded through the Better Roads fund, including those in country Victoria. As I said earlier, the scheme suggested by the Leader of the Opposition is sheer lunacy.

City Link: project delays

Mr BATCHelor (Thomastown) — I refer the Premier to the fact that the City Link project was due to open on 26 April. When will the City Link project open and what steps will the government take, using the powers and remedies under the contract, to ensure the opening of the project is not further delayed?

Mr KENNETT (Premier) — It has often been said that opposition members are slow learners. There is no question that the honourable member for Thomastown is one of the leading members of the slow-learner brigade. However, even he should recognise that one of the magnificent benefits of the private sector project is that it is up to the private sector to decide when it is appropriate to open up the infrastructure.

Initially the private sector said it hoped to have the western link open in April or May. There has been a lot of discussion about the delays that have come about because of the difficulties associated with the implementation of new technology and the issuing of e-tags. That is of no concern to the government at all. It is typical of opposition members to want major projects or anything of value to fail. They continually oppose schemes of this nature, which have employed thousands of Victorians during their construction. Once it is open the link will have a major effect on improving the movement of goods and people in a much safer and more environmentally friendly atmosphere.

I was asked by the media today about the opening date of the western link. I told them, and I repeat it now, that the government is not concerned about the opening date. The government would prefer the link to be opened when the technology is in place rather than at a time when there might be confusion. With the introduction of any new technology — —

Honourable members interjecting.

Mr KENNETT — Honourable members opposite offer themselves as the next government, but one would think they almost hate Victoria and they almost hate Victorians. All they worry about is how they can continue to exist day by day within their own ranks!

The project will open when it is ready. As the Minister for Planning and Local Government has said, the government will not be concerned if Transurban puts back the date by a matter of weeks or a matter of months. Suffice it to say, the government hopes the opening will proceed with as few glitches as possible.

Like everything else the government has been associated with, it is not where you start that is important, it is where you finish. The Victorian community has been the recipient of not only a substantial amount of new infrastructure but also more employment than it has ever experienced, and the debt left to the state by the former Labor government has been reduced from $33 billion to $6 billion. There is no doubt that until the Labor Party starts to embrace some of the government’s schemes or thinks about some of their own that Victorians may look forward to, it will remain condemned to the opposition benches.
Eastern–Tullamarine freeway link

Mr KILGOUR (Shepparton) — I ask the Premier to inform the house whether the government will use untied Commonwealth road funds to pay for the construction of the tunnel link between the Eastern and Tullamarine freeways, and what impact that would have on general roadworks throughout Victoria.

Mr KENNETT (Premier) — Each year the federal government releases some $80 million in untied funds for road projects around Victoria. The government has always applied those funds to what it calls improved road safety projects, including the specific road maintenance and black spot safety program. They are vital state programs that would be at risk under a Labor government, because the Leader of the Opposition said last week that a Labor government would use that money to fund major roadworks. That is totally at odds with the concept of the good management of road issues in the state. The Labor Party has identified what can only be described as dubious funding sources in considering that very important link, which is desperately needed and which will increasingly be needed with the passage of time.

Mr Bracks interjected.

Mr KENNETT — The Leader of the Opposition has said I am the only one committed to the project. Does that mean that the Labor Party is not committed to the link?

Mr Bracks interjected.

Mr KENNETT — The Labor Party is now saying it is not committed to the link! That is interesting.

The SPEAKER — Order! Question time cannot continue with the Leader of the Opposition, the Deputy Leader of the Opposition and the honourable member for Thomastown interjecting continually across the table. I ask them to behave themselves in the way they know they should, if they possibly can.

Mr KENNETT — The government will continue to do its assessment of that important link. The Leader of the Opposition continues his comments, clearly demonstrating that he has no understanding of how federal untied grants are allocated or how he would pay for that very important link.

Central Gippsland Institute of TAFE

Ms KOSKY (Altona) — I refer the Minister for Tertiary Education and Training to the fact that the annual report of the Central Gippsland Institute of TAFE indicates that it is on the brink of financial collapse and to the fact that it has not been paying its sessional teachers. Will the minister concede that the government’s serious underfunding of TAFE is designed to cause the closure of small regional campuses and that it is propping up the institute only until after the state election?

Mr HONEYWOOD (Minister for Tertiary Education and Training) — I welcome this second question from the opposition on TAFE in three and a half years. As I said in my answer to the first question on this key portfolio area, the lack of questions means either that what the government has been doing for the past seven years has been driven by good policy or that the opposition has been sleeping for seven years and regards the area as one that needs no attention at all.

The Central Gippsland Institute of TAFE had a key problem with a manager appointed by the previous Labor government. That director had a few interesting ideas. He was allowed to purchase a New Zealand campus and a campus in Chadstone — even though the college belongs in central Gippsland. The director proceeded to put more middle management positions into that small TAFE college than any of our larger TAFEs have ever had.

Despite what the Leader of the Opposition has said, it is not appropriate for untied Commonwealth funds to be diverted away from black spot safety programs and improved road safety programs in particular areas.

An opposition member interjected.

Mr KENNETT — Where? Where he said last week — —

The SPEAKER — Order! Question time cannot continue with the Leader of the Opposition, the Deputy Leader of the Opposition and the honourable member for Thomastown interjecting continually across the table. I ask them to behave themselves in the way they know they should, if they possibly can.

Mr KENNETT — The government will continue to do its assessment of that important link. The Leader of the Opposition continues his comments, clearly demonstrating that he has no understanding of how federal untied grants are allocated or how he would pay for that very important link.
Mr Bracks interjected.

The SPEAKER — Order! If the Leader of the Opposition continues with interjections, I will count that as the next question for the opposition.

Mr HONEYWOOD — The director showed good timing in departing from the Central Gippsland Institute of TAFE more than two years ago. In the two years since his departure a new director has been appointed and middle-management positions have been shed. Rather than shedding any substantial teacher numbers, there has been a concentration on the middle managers who did not seem to be doing a great deal for the institute. We have provided support for the new director and the new management team to ensure that the TAFE is viable.

That institute has suffered more than most from the cutbacks in the federal labour market program. It also suffers from having a very high proportion of health card students, whom the government charges only $40 per course per year. The government wants people to have access to post-secondary education and training on an equitable basis.

The TAFE has now got itself out of those financial difficulties. It is enjoying a resurgence under its new director, Ms Paddy Nicholls, and is fully supported by the government. The $93.8 million announced in last Tuesday's budget will supplement the $480 million the government spends on ensuring that students pay only $1 per contact hour for TAFE courses. Those fees have not been increased for seven years and apply to anyone in Victoria who wants to front up for a TAFE program.

We intend to keep the fees equitable and the courses accessible for all Victorians, be they in Gippsland, Melbourne or anywhere else.

Eastern–Tullamarine freeway link

Mr McARTHUR (Monbulk) — Given the government's position that neither untied federal road grants nor the metropolitan component of the Better Roads fund should be used to build a tunnel link between the Eastern Freeway and the Tullamarine Freeway, will the Premier inform the house of the most responsible source of funds for such a project?

Mr KENNETT (Premier) — All Victorians who interest themselves in community projects that are constructed for the longer term have an interest in the development of good infrastructure and the maintenance of a high level of confidence in the state. The government is therefore absolutely committed to building on that confidence as the years unfold. It also helps dramatically to keep people employed, particularly in the construction industry, both unionised and non-unionised.

One particular area of infrastructure that requires close examination, as I said earlier, is the addition of a tunnel link between the Tullamarine and Eastern freeways. In the government's view it would be inequitable to use Better Roads funds for such a project, and road safety would be compromised if the untied federal road grants were used. Based on his comments last week the Leader of the Opposition has only three ways left of funding that important piece of infrastructure: one is to increase taxes; the second is to increase the fuel levy; and the third, with which the Labor Party is most commonly associated, is borrowing more money.

I place on record the fact that the government rejects all three of those options. We do not support Labor's opportunistic increase in taxes, an increase in the fuel levy or the borrowing of more money.

The government believes a project of this nature and size requires both private funding and private operation — that is, a form of financing that would not add $1 of debt or impose a new tax on Victorian taxpayers.

Credit cards: misuse

Mr HULLS (Niddrie) — I refer the Attorney-General to the Premier's continually congratulating the opposition for exposing taxpayer-funded credit card misuse and the current police investigation into alleged fraudulent use of taxpayer-funded corporate credit cards by a number of former public servants. As the state's chief law officer, does the Attorney-General agree that it is appropriate for the names of the public servants who have misused funds from the public purse to be released without delay or does she condone the cover-up of such misuse?

Mrs WADE (Attorney-General) — I am not aware of the matter to which the honourable member for Niddrie refers. I am not aware of any investigations of fraudulent credit card use. However, if there is any evidence of fraudulent credit card use it should be investigated by the police, and if that is taking place I have no objection to it. I do not see any impact on that of the proposed amendments to the Freedom of Information Act.
### Banks: charges

**Mr Paterson** (South Barwon) — Will the Premier advise the house of the benefits to Victoria that are projected to result from the government's abolition of financial institution duty and bank account debits tax as part of national tax reform?

**Mr Kenneett** (Premier) — As all honourable members are aware, as part of the national tax reform package currently before the Senate the Victorian government and other state and territory governments will abolish the financial institution duty and bank account debits tax from 1 January 2001. Those taxes are inefficient and distortionary and create unnecessary costs to consumers.

The commonwealth estimates that the abolition of those taxes, together with the introduction of the goods and services tax and other tax measures, will result in reduced costs of some 2.8 per cent in the banking sector. The Victorian government strongly supports the changes to make banking more efficient and less costly for consumers.

In that light, I was disappointed to read in this morning's press that during 1997–98 Australia's top five banks had increased fees and charges by some 22 per cent resulting in Australians paying $10 billion in bank fees and charges in that year alone. During the past six and a half years the Victorian government and many other state and territory governments have taken advantage of new administrative techniques and information technology, and the Victorian government has done so without introducing any new taxes. Some have grown with the increases in the consumer price index, but no other taxes were introduced. I find it difficult to understand.

**Mr Baker** interjected.

**Mr Kenneett** — It is not a tax. What a silly boy! No wonder you are getting out, mate!

The government made those changes without introducing any new taxes. It is unconscionable for Australian banks to lift their taxes and charges by 22 per cent. The Australian banking industry must look at how it can service its customers without imposing incredible tax hikes when everyone else introduces new management techniques without introducing new taxes and charges.

The government will make representations to the banks for an explanation about why they have found it necessary to lift their charges and fees so dramatically while reducing so many services. Everyone understands that new technology has been introduced that should have substantially reduced costs. The government believes all Victorians should achieve better outcomes in dealing with their banks and should not be subject to changes and the massive increases in the order of 22 per cent that took place in 1997–98.

### Intergraph: ambulance contract

**Mr Thwaites** (Albert Park) — My question is for the Premier. Given that the police investigation into the ambulance contract scandal made sufficient adverse findings against Mr John Kerr, the then chief of staff of the Minister for Conservation and Land Management, for the police to propose charges of misfeasance and perverting the course of justice against Mr Kerr, will the government now release Mr Kerr's statement and the police report or will it use changes to the Freedom of Information Act to refuse to release details of wrongdoing by a public official?

**Mr Kenneett** (Premier) — We often see the Labor Party stoop to very low depths when it attacks individuals who are not represented in this place. The first claim by the honourable member for Albert Park is incorrect. He is assuming that the police found there was a case to answer. For the honourable member to make those remarks with such certainty is an absolute misuse of this place and its privileges. If the honourable member for Albert Park believes he has so much knowledge —

**Mr Thwaites** interjected.

**Mr Kenneett** — The honourable member asks, 'What did they find?'. I challenge him to make his original claim outside this place, where privilege does not apply. It is not without reason that people outside this place from time to time describe it and any parliament as cowards' castle. The greatest coward in here today is the Deputy Leader of the Opposition.

### Growing Horizons program

**Mr Ryan** (Gippsland South) — Will the Minister for Agriculture and Resources inform the house of recent initiatives to boost the efficiency and profitability of Victoria's dairy industry through advances in research and development?

**Mr McNamara** (Minister for Agriculture and Resources) — The government announced in the recent budget one of the most innovative programs for agriculture in Victoria's history, the new Growing Horizons program.
The program will focus on a broad range of industries. Victoria's most important agricultural industry is the dairy industry. The dairy industry provides some 40 per cent of Victoria's food exports, and the Victorian component totally dominates the national industry, accounting for around 63 per cent of the country's milk production. Seventy per cent of Victoria's production goes to export and makes up about 83 per cent of total Australian milk product exports.

A feature of the industry over recent years has been its rapid growth. As a result of programs such as Target 10, which was driven by the Minister for Police and Emergency Services during his period as an agriculture minister, over the past five years there has been an unprecedented 50 per cent increase in milk production by volume from 4 million litres to 6 million litres, and it is continuing to grow. The new program will enable the government to focus on a range of new initiatives, including gene technology, pasture improvement programs, cow productivity, the study of soils and water use, plant and pasture improvement, feed-base production and utilisation, animal performance, milk harvesting, human resource communication and manufacturing.

The drive in the Victorian industry will continue in the future. The government will be able to put more resources into research stations in places such as Ellinbank, Kyabram and Warrnambool to ensure a continual broad growth of the industry across the state.

PETITIONS

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

Catchment management authorities: levy

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 we strongly object to the Liberal-National Party government's introduction of another state tax through the introduction of a catchment management levy on every country household.

Your petitioners therefore pray that the Kennett government reverse its decision to allow the catchment management authorities to levy taxes from the people of Victoria.

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

By Mr CAMERON (Bendigo West) (499 signatures)

Home loan schemes

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

The humble petition of the following residents to the state of Victoria sheweth state government sponsored home loan schemes under the flawed new lending instrument called capital indexed loans sold since 1984–85 under the subheadings: Capital, deferred interest scheme (DIS), indexed repayment loan (IRL), home opportunity loan scheme (HOLS), shared home opportunity scheme (SHOS), are not fit for the purpose for which they were intended.

We the undersigned believe these loans are unconscionable and illegal and have severely disadvantaged the low-income bracket Victorians the loans were meant to assist.

Your petitioners therefore pray that:

1. the existing loans be recalculated from day one in a way as to give borrowers the loans they were promised 'affordable home loans specially structured to suit your purse';
2. the home ownership be achieved within 25 to 30 years from date of approval;
3. the payments to be set at an affordable level (i.e. 25 per cent of income for the duration of the term for all the loan types);
4. past borrowers who have left the schemes be compensated for losses that have been incurred by them being in these faulty structured loans;
5. any further government home ownership schemes be offered in a way as to be easily understood by prospective loan recipients;
6. the interest rate will be at an affordable rate (i.e. flat rate of 3 per cent per annum or less for the length of the term of the loan) geared to income;
7. capital indexed loans be made illegal in this state to protect prospective loan recipients.

We ever pray that we may lead a quiet and peaceable life in all godliness and honesty (1 Tim 2:2).

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

By Mrs WILSON (Dandenong North) (27 signatures)

Education: state system

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 access to quality education is a basic right of every child-student;

that Victoria's future economic and social development is dependent on well-resourced public education systems;
that cuts to government education have put at risk the future of the children of Victoria.

Your petitioners therefore pray that there be no more cuts to government education and that adequate resources be provided to ensure a properly resourced, high-quality system of public education.

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

By Mr HAERMeyer (Yan Yean) (83 signatures)

School buses: Yarra Valley

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 all non-government school students are entitled to transport to and from their school of choice. That the current public bus services in the Yarra Valley are not adequate to cope with the demand from school students in excess of the contract bus services that are provided. Parents need to be able to know that their children will get to school safely.

Your petitioners therefore pray the state government of Victoria provide appropriate space on buses, whether contract services or regular public bus services, so that children of non-government and government schools may be able to get to school safely and on time with no risk that children will be left on the side of the road.

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

By Mr HAERMeyer (Yan Yean) (132 signatures)

McDonalds franchise, Diamond Creek

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 the proposed location for a new McDonalds franchise in Chute Street, Diamond Creek, is not only inappropriate but also dangerous. The proximity of the proposed franchise will have an unfortunate impact on the nearby primary school. Diamond Creek ratepayers will bear the cost of the redesigning the intersection, which currently has to cope with the traffic flow of the Diamond Creek train station and our local primary school. If it is not redesigned it will pose a serious safety threat to students at the primary school and residents of Diamond Creek alike.

Your petitioners therefore pray that planning approval not be given to a McDonalds franchise in Chute Street, Diamond Creek, if it is going to cause traffic chaos and pose a danger to our local schoolchildren.

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

By Mr HAERMeyer (Yan Yean) (81 signatures)

Police: Drysdale station

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 we strongly object to the Kennett government's proposed closure of the Drysdale station.

Your petitioners therefore pray that the Kennett government reverse its decision to force the Drysdale police station to close.

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

By Mr HAERMeyer (Yan Yean) (806 signatures)

Police: Mount Evelyn station

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 we strongly object to the state government's proposed closure of the Mount Evelyn police station.

Your petitioners therefore pray that the state government reverse its decision to close the Mount Evelyn police station and increase active police presence in the area.

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

By Mr HAERMeyer (Yan Yean) (2914 signatures)

Laid on table.

Ordered that petitions presented by honourable member for Yan Yean be considered next day on motion of Mr HAERMeyer (Yan Yean).

REVIEW OF SUICIDES AND SELF-HARM IN VICTORIAN PRISONS

Report

Mr W. D. McGRAIYT (Minister for Police and Emergency Services), by leave, presented report, excluding pages 36 to 81, November 1998.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Crown Land (Reserves) Act 1978 — Section 17DA. Orders granting under section 17D leases by —

Melbourne City Council

Parks Victoria

Financial Management Act 1994 — Report from the Minister for Conservation and Land Management that she had received the 1997-98 Financial Statements of the —

Barwon Regional Waste Management Group
Calder Regional Waste Management Group
Central Murray Regional Waste Management Group
Gippsland Regional Waste Management Group
Goulburn Valley Regional Waste Management Group
North East Victorian Regional Waste Management Group
South Western Regional Waste Management Group
Western Regional Waste Management Group
Planning and Environment Act 1987 —
Notice of approval of the following new Planning Schemes:
Moonee Valley Planning Scheme
Mornington Peninsula Planning Scheme
Murrindindi Planning Scheme
Notices of approval of amendments to the following Planning Schemes:
Cranbourne Planning Scheme — No. L233
Hume Planning Scheme — No. L62
Kingston Planning Scheme — No. L49
Melbourne Planning Scheme — No. C1
Melton Planning Scheme — No. L101
Moreland Planning Scheme — No. L63
Stonnington Planning Scheme — No. L77
Surf Coast Planning Scheme — No. L54
Statutory Rules under the following Acts:
Corporations (Victoria) Act 1990 — S.R. No. 51
Electricity Safety Act 1998 — S.R. Nos. 46, 47, 48, 49, 50
Health Act 1958 — S.R. No. 44
Supreme Court Act 1986 — S.R. No. 51
Trans-Tasman Mutual Recognition (Victoria) Act 1998 — S.R. No. 45
Valuation of Land Act 1960 — S.R. No. 52
Subordinate Legislation Act 1994 —
Minister’s exemption certificate in relation to Statutory Rule No. 51
Ministers’ exemption certificates in relation to Statutory Rule Nos. 44, 45, 52.

ROYAL ASSENT

Message read advising royal assent to:
Coroners (Amendment) Bill
Government Superannuation Bill
Legal Practice (Practising Certificates) Bill
Magistrates’ Court (Amendment) Bill
Office of the Regulator-General (Amendment) Bill
Public Sector Reform (Further Amendments) Bill
Superannuation Acts (Further Amendment) Bill
Year 2000 Information Disclosure Bill

APPROPRIATION MESSAGES

Messages read recommending appropriations for:
Commonwealth Places (Mirror Taxes Administration) Bill
Crimes (Criminal Trials) Bill
Electricity Industry Acts (Further Amendment) Bill
Estate Agents (Amendment) Bill
Freedom of Information (Amendment) Bill
Gas Industry Acts (Further Amendment) Bill
Interactive Gaming (Player Protection) Bill
Rail Corporations and Transport Acts (Amendment) Bill
State Taxation Acts (Amendment) Bill

POLICE REGULATION AND FIREARMS (AMENDMENT) BILL

Instruction to committee

Mr HAERMeyer (Yan Yean) — I desire to move, by leave, that upon the Police Regulation and Firearms (Amendment) Bill being committed:

That it be an instruction to the committee that they divide the bill into two bills as follows:

(a) A Police Regulation (Amendment) Bill, being the Police Regulation and Firearms (Amendment) Bill with the following changes:

(i) Long title as follows:

“A Bill to amend the Police Regulation Act 1958 and for other purposes.”.

(ii) Short Title as follows:

“Police Regulation (Amendment) Act 1999”.

(iii) Part 1 and Clauses 1 and 2 as follows:
"PART 1 — PRELIMINARY

1. Purpose

The purpose of this Act is to amend the Police Regulation Act 1958.

2. Commencement

(1) This Part comes into operation on the day on which this Act receives the Royal Assent.

(2) Subject to sub-section (3), the remaining provisions of this Act come into operation on a day or days to be proclaimed.

(3) If a provision referred to in sub-section (2) does not come into operation before 1 June 2000, it comes into operation on that day.

(iv) Part 2 of the Bill;

(v) Part 3 of the Bill omitted; and

(b) A Firearms (Further Amendment) Bill being the Police Regulation and Firearms (Amendment) Bill with the following changes:

(i) A Long title as follows:

"A Bill to amend the Firearms Act 1996 and for other purposes."

(ii) A Short title as follows:

"Firearms (Further Amendment) Act 1999."

(iii) Part 1 and Clauses 1 and 2 as follows:

"PART 1 — PRELIMINARY

1. Purpose

The purpose of this Act is to amend the Firearms Act 1996.

2. Commencement

(1) This Part comes into operation on the day on which this Act receives the Royal Assent.

(2) Subject to sub-section (3), the remaining provisions of this Act come into operation on a day or days to be proclaimed.

(3) If a provision referred to in sub-section (2) does not come into operation before 1 June 2000, it comes into operation on that day."

(iv) Part 2 of the Bill omitted.

(v) Part Heading 3 renumbered 2 and Clauses 30 to 32 renumbered 3 to 5.

Leave refused.
Mr BATCHELOR (Thomastown) — The opposition opposes the government business program for a number of reasons. The motion moved by the Leader of the House has a number of important implications. In effect, it requires the house this week to do two weeks’ work in one. In a normal week there are occasions when the house would sit late, but on this occasion the government requires honourable members to sit later on three days and to sit an additional day. The program requires the house to deal with six pieces of legislation in addition to the two appropriation bills. The parliamentary timetable arrangements are such that the proposed legislation will be debated and passed late at night.

The real import of the motion moved by the Leader of the House is to force through the budget this week. It wants to get through the Appropriation (1999/2000) Bill and Appropriation (Parliament 1999/2000) Bill so it can go to an early election. It is absolutely unprecedented and unacceptable that the government uses the forms of the house to force through the appropriation bills. It borders on breaching the conventions of the Westminster system. Under those circumstances the opposition will not be supporting the motion and will be protesting loudly about the government’s forcing the house to debate the appropriation bill all through this week to the point of parliamentary exhaustion, just so the government can put itself into a prime launching position to call an early election, perhaps as early as 19 June.

It stinks that the Leader of the House has moved an apparently innocuous procedural motion whereby the government insists not only on dealing with the usual legislative program for one sitting week but also on forcing through the appropriation bills for Victoria as a whole and Parliament in particular. It is inappropriate and a clear demonstration of a government that is rattled. Government members are worried about what is happening in the wider electorate. They are wanting to keep as many options open as they can and to manipulate the parliamentary procedures in the most ruthless and cynical way so they can call an early election. We are barely into the last year of the parliamentary cycle, with almost 12 months to go, yet the government is setting in place procedures so there will be no encumbrances to calling an early election.

I anticipate the reciprocal implication of the motion is that the government will seek to get the budget through the Legislative Council as quickly as it can by manipulating the list of speakers in that place. Members of the government want to remove themselves from parliamentary scrutiny.

The Leader of the House says we will be given adequate time for debate. Last year we spent more than 20 hours debating the general appropriation bill and had only an additional ¼ hours to debate the appropriation for Parliament. It is absolutely unacceptable that in this parliamentary sitting week we should be expected to deal with the important pieces of legislation listed on the daily program as well as the appropriation bills.

The opposition will not be supporting the motion. We call on the government to seriously reconsider its position and give the house — and through it the people of Victoria — a more respectable time frame within which to debate those important bills.

Mr E. R. SMITH (Glen Waverley) — It is interesting to recall that at the beginning of the session members of the opposition were claiming loudly and clearly that the government did not have enough business to conduct a proper session. On that score they were wrong, as was the honourable member for Thomastown on most of the points he raised. For example, the time allocated for debate on the Appropriation (1999/2000) Bill is 19¼ hours — that is, provided there are no more interruptions to business. The honourable member for Thomastown referred to 20 hours. The difference of a quarter of an hour is the time we are wasting at the moment instead of debating bills.

It is interesting to look back through the records, including those of the Labor governments, to see the average number of hours for debate on appropriation bills. I can remember Robert Fordham, a former Labor Deputy Premier, bringing the matter up when he was Leader of the House — and when the average number of hours for the appropriation debate was 17. The time allocated for the debate this week is 2¼ hours longer than that average.

Under Labor it was usual for the house to sit until 5 or 6 o’clock in the morning, with speaker after speaker contributing to the debate. I remember once my wife leaving early for a job interview just as I was getting home! In those days members were kept here all day and all night, night after night, week after week. Now things are easier because the program has been properly organised, with sensible and civilised hours. The Clerks and others who have been in the place for a long time know we now sit reasonable hours. Let’s not cry crocodile tears over the program.
I do not believe the opposition has its heart in the debate about time. It is interesting to note that the Leader of the House has allocated 15 hours for debate on bills other than the appropriation bills. The usual weekly allocation for debate on bills is 14.5 hours. The government is not extending the sitting week to an unreasonable degree. I hope the manager of opposition business, the honourable member for Thomastown, can come to some sensible arrangement on the length of contributions to the debate on the appropriation bills — perhaps 10 or 15 minutes — to provide time for members who might otherwise not have an opportunity to speak. The government will be happy to accommodate the honourable member for Thomastown in his desire that all opposition members have the opportunity to contribute to the debate. Sensible arrangements such as those have been made for some time.

The opposition has not put any valid arguments in opposing the time allocated for the sittings of the house in the forthcoming week. If the government were allocating the whole time for debate on the appropriation bills or more time for the remaining business on the notice paper, the honourable member for Thomastown might have a valid point. But the government has tried desperately hard to ensure that the time allocated is fair so that as many members as possible on both sides of the house will have the opportunity to speak.

It behoves the opposition to cooperate, as it does so well on matters of importance. Unless all members cooperate, including government members, there will be absolute pandemonium at the end of the week because tempers will become frayed and people will not behave with the usual decorum that you, Mr Speaker, require.

Ms KOSKY (Altona) — I join with the honourable member for Thomastown in opposing the government’s business program for several reasons. The program proposes cramming two weeks of work into one. The reality is that the house does not sit for enough weeks. This is an attempt, just by extending the hours of sitting, to force through two appropriation bills and debate the usual program of six bills in the one week.

Members on this side spend a lot of time in their electorates. They take their work with their constituents seriously. The proposal to sit all day Friday will take us out of electorates and away from our constituents, with whom we have work to do.

Mr Perton interjected.

The SPEAKER — Order! I will give the honourable member for Doncaster the next call, if he wishes to make a contribution.

Ms KOSKY — I know the honourable member for Doncaster does not understand the point, because he does not spend time with his constituents, who phone members on this side asking them to take up their concerns in Doncaster.

Mr Perton interjected.

The SPEAKER — Order! The honourable member for Doncaster will remain silent.

Ms KOSKY — Members on this side of the house need to represent their constituents in trying to clean up the government’s mess. Often constituents come in to ask us to sort out the problems the government has created for them. We are asked to assist constituents in gaining access to public service departments because they find it difficult to get proper service without the assistance of their MPs. That is a real shame, but that is what happens under the government. We also need to make representations on behalf of our constituents to get extra resources into our electorates, to which the government has responded tardily.

I refer also to family responsibilities. As many honourable members know, I take a fairly keen interest in this issue, particularly when the hours of sitting are altered. I know you, Mr Speaker, have made real efforts to make Parliament more family friendly but additional steps need to be taken. Altering the hours of sitting is one of those steps.

When people discover I have two young children and I am a member of Parliament many of them ask, ‘How do you do it?’ I would like to be able to say in a few years, ‘It is easy. The program is within relatively normal working hours’ — not from 10 o’clock in the morning until 11 o’clock at night. I have proposed to the house that it sits the same number of hours, but alters the starting times and the times for lunch and dinner, as the federal Parliament does. That way this Parliament could be family friendly.

Honourable members will all be extremely tired because of the move to extend the hours of sitting this week. Many will not see their young children at all this week. That is not in anyone’s interest. It also means parliamentary staff will not see their children because of the long sitting hours.

The current business program discourages women and men who would make good members of Parliament from standing for election in the first place. That is
extremely unfortunate not only for Parliament but also for the electorates that will miss out on their representation. There is no need to cram the program. Additional sitting weeks are better than cramming two weeks into one week, which the government has suggested. It is unfair for partners of members of Parliament to have to carry the load at home while members sit for incredibly long hours debating two weeks of work in one week. The motion should not be supported.

Mr RICHARDSON (Forest Hill) — I am moved by the appeal of the honourable member for Altona for some sort of leniency for herself. She is obviously having difficulty dealing with the environment here. If she finds it too tough she is in the wrong job. It might be useful if I move that special leave be granted to the honourable member for Altona so that if she is tired she can go home, have a Bex, a cup of tea and a nice lie down or whatever it is that she needs for whatever her problem is. It probably cannot be solved here so she needs to go home. I am sure the whips can negotiate something.

Mr Macellan interjected.

Mr RICHARDSON — It could be a problem. The fact that the Labor Party opposes the motion suggests that its members are finding it too hard. They cannot stand the heat in the kitchen. There is a very simple solution to that — they can all go home! It is all too hard for them.

An honourable member interjected.

Mr RICHARDSON — You have a bill? Sorry. Opposition members have been having great difficulty at question time. They are also having difficulty when the house is not sitting and they are not in the house. They seem to be in more trouble out there when the house is not sitting than when they are here. I refer particularly to the Leader of the Opposition when responding to government initiatives. Perhaps they ought to examine the way they approach the lifestyle they have chosen for themselves. They are out of their depth; they are finding it too tough. If it is too hard in here they should go home.

If the heat in the kitchen is too high, they should get out. They should not pretend to be grown-ups and then come in here and behave like little kids. If it is too hard, give it away. Nobody asked them to become members of Parliament. Nobody forced them to do it. They all chose to come into this environment. Heroically they arrived to change the world, but now they find they want to change the way this institution works. Despite the fact that they are being given more time to speak on the appropriation bills than is usual, they continually complain that they do not have enough time to debate bills and issues in this place. When the sitting hours are extended and a day is added to the program they complain that it is too hard.

Mr Macellan interjected.

Mr RICHARDSON — The minister makes an interesting observation about gossip. The gossip around the place is that they are all feeling the strain. They have changed their leader and the new leader is not working out right. He is blundering from one silly remark to another and changing his mind. When he was talking about digging the tunnel he was burying himself further into it. That is a worry for members opposite. I know that is a problem for them but they made that bed and they have to lie on it. They could always change their leader again. They could give the honourable member for Niddrie a go; he would be all right. If they did not make him the leader they could appoint him shadow minister for women’s affairs. The opposition has behaved pathetically. If its members cannot cope with the pressures of this place they should go home.

Mr HAERMeyer (Yan Yean) — That was an extraordinary contribution from the honourable member for Forest Hill. He may not know it but he and the child of the honourable member for Altona have something in common — that is, a bottle and a nap! I find it extraordinary that the honourable member for Forest Hill should launch that sort of attack on the honourable member for Altona.

There are two categories of people on the government side — the snoozers — we know who that is — and the schmoozers, or the bootlickers. Opposition members oppose the business program because once again the government has come into Parliament with the outrageous assumption that Parliament is nothing more than a rubber stamp for the business of the executive government. It is again jackbooting the budget and other legislation through. As the honourable member for Thomastown said, there is one reason the government wants to pass the budget in one week, something unheard of, certainly in the time I have been here. From what I have heard from speaking with former members, I gather they, too, have no recollection of a budget being rammed through in such a short time.

The opposition knows the government wants to bring on the election because of the political implications of gas supplies not being provided this winter. The opposition understands the government’s concern about
the crime statistics that are due to be published in August. It is aware of the government’s concern that police numbers will continue to reduce and that the crime problems will continue to go on over the next five months. The government is very keen to bring on the election. Government members are very keen to push the budget through and bring on an early election.

It is another example of the government ramming through legislation. It does not use Parliament to provide honourable members with the opportunity to raise matters of concern because it does not believe Parliament should have that role. The government believes Parliament is a rubber stamp to be used by the executive to push through its business. One would have thought that government members would want to raise issues relevant to their electorates rather than put up with the restricted opportunities available for debate on Wednesday mornings and the even rarer opportunity to raise matters of concern during the grievance debate.

The government proposes that Parliament should sit only 18 days this session, which could be curtailed further if an election is called on 19 June. That is an obscene and unheard of number of sitting days. One wonders why people want to be elected to this place when they are asked to take part in sessions of 18 sitting days. The opposition believes there are ways of organising the business of the house more rationally so that honourable members can have democratic debate and raise the concerns of their constituents rather than having government members being mindless blancmanges, not objecting to anything the executive government wants to jackboot through Parliament.

Mr MACLELLAN (Minister for Planning and Local Government) — This is the usual debate one hears from the opposition in these circumstances. I spent 10 years in opposition and made exactly the same silly speeches to fill in the time of Parliament and as an antidote to debating legislation such as the Appropriation (1999/2000) Bill, a wide-ranging debate, the Appropriation (Parliament 1999/2000) Bill, the New Tax System Price Exploitation Code (Victoria) Bill, the Police Regulation and Firearms (Amendment) Bill, the Financial Sector Reform (Victoria) Bill, the Dental Practice Bill, the Guardianship and Administration (Amendment) Bill and the Land (Reservations and Other Matters) Bill.

The opposition wants to talk about whether Parliament sits long enough. It cannot get its mind around whether it has a consistent argument. The honourable member for Thomastown says, ‘We do not like it’, the honourable member for Altona says she does not have enough time to get home to her kids, and the honourable member for Yan Yean says Parliament sits so few days that he wants to sit more days and nights. The opposition has problems largely because it is unfocused and is not prepared to discuss the merits of the legislation. That is the point of the debate and not simply, as I am doing, filling in the 2 minutes to make sure this stupid debate gets out of the way so the house can continue with debate on the content of the budget or the content of other measures. All this debate does is reduce the reputation of Parliament. So much time is spent discussing time, the order of business or whatever and so little time is spent debating the merits of proposed legislation.

If the honourable member for Yan Yean believes government backbench members are blancmanges, I suggest that listening to him is sufficient to make anyone a blancmange. What other reaction could one have to the speech from the delightful honourable member for Yan Yean — weak, wet and purposeless. Is any thought being given to the budget or the legislative program and the merits of proposed legislation? I hope the honourable members for Altona and Thomastown can recover the situation by finding something else to talk about.

House divided on motion:

Ayes, 56

Andrighetto, Mr
Ashley, Mr
Burke, Ms
Clark, Mr
Coleman, Mr
Cooper, Mr
Davies, Ms
Dean, Dr
Dixon, Mr (Teller)
Doyle, Mr
Elder, Mr
Elliott, Mrs
Finn, Mr
Gude, Mr
Henderson, Mrs
Honeywood, Mr
Jasper, Mr
Jenkins, Mr
John, Mr
Kilgoor, Mr (Teller)
Lean, Mr
Leigh, Mr
Lupton, Mr
McArthur, Mr
McCall, Ms
McGill, Mrs
McGrath, Mr J. F.
McGrath, Mr W. D.

McLellan, Mr
Maclellan, Mr
McNamara, Mr
Maughan, Mr
Naphine, Dr
Paterson, Mr
Perron, Mr
Peulich, Mrs
Phillips, Mr
Plowman, Mr A. F.
Reynolds, Mr
Richardson, Mr
Rowe, Mr
Ryan, Mr
Savage, Mr
Sharkey, Mrs
Smith, Mr E. R. (Teller)
Smith, Mr I. W.
Spry, Mr
Stephall, Mr
Stockdale, Mr
Tehan, Mrs
Thompson, Mr
Traynor, Mr
Treasure, Mr
Wade, Mrs
Wells, Mr
Wells, Mr

Noes, 27

Andrianopoulos, Mr
Baker, Mr
Hulls, Mr
Kosky, Ms
Motion agreed to.

APPROPRIATION (1999/2000) BILL

Second reading

Debate resumed from 6 May; motion of Mr STOCKDALE (Treasurer).

Mr CAMERON (Bendigo West) — Some members of the house would have us believe the budget is sweet wine; however, by the time the budget got over the Great Dividing Range it had turned to vinegar. Throughout country Victoria the budget is treated as vinegar, and the reason is in the budget papers. The budget does not provide for one extra country nurse or teacher or, for that matter, one extra country job. Coalition members hate the country, which is why they have their backs to the wall. National Party members have deserted country Victoria. According to the Australian Bureau of Statistics (ABS) more than 5700 country jobs have been lost since the last election.

Mr Andrighetto interjected.

The ACTING SPEAKER (Mr Cunningham) — Order! The honourable member for Narracan is being disorderly by interjecting from out of his place

Mr CAMERON — On the other hand, the number of jobs in Melbourne has increased. Melbourne has been the winner and country Victoria has been the loser. We need only look at the budget to see what to expect. The budget does not forecast any fall in the rate of unemployment. Instead it forecasts a continuation of the trend of country Victoria being left behind — —

Mr Andrighetto interjected.

The ACTING SPEAKER (Mr Cunningham) — Order! The honourable member for Narracan was warned a few minutes ago.

Mr CAMERON — No-one is concerned about him being disorderly, but everyone is concerned about him being wrong. If the honourable member bothers to look at the budget papers, he will see that the government does not predict a fall in unemployment. The employment rate in country Victoria has declined while the employment rate in Melbourne has increased. Solving unemployment in country Victoria has been cast aside because government members are ashamed. The government's own document sets out the unemployment prediction, and unfortunately government members have no ammunition with which to argue the case for country Victoria.

The government has predicted that in the current financial year gross state product (GSP) will be 3.75 per cent and that in the next financial year it will be 2.75 per cent. Everyone knows GSP needs to be around 4 per cent before employment will grow. That is why the government has been forced to admit it does not expect a decline in unemployment. The fact that gross state product will be even lower next financial year shows that on the employment front things are looking grim, particularly for country Victoria, where there are far fewer jobs than there were at the time of the 1996 election.

Apprenticeship numbers in my electorate show that the employment level is not the same as it was. The annual report of the Bendigo Regional Institute of TAFE shows an enormous increase in enrolments in part-time and full-time courses, but the number of apprenticeships presents a different story. At the start of the 1990s more than 900 apprentices were enrolled at the Bendigo TAFE. Unfortunately, by the end of 1998 only 797 apprentices were enrolled. The figures highlight a considerable problem. The government has tried to pull a swiftie by saying the number of apprenticeships will increase enormously, but that is not the truth. The government has also said it will increase the number of TAFE places.

As you will appreciate, Mr Acting Speaker, that has never been a problem: any growth in the number of apprentices has resulted in places for them being made available in the TAFE system. The government is trying to give the impression that it will create thousands of apprenticeship places. That is not the case, and the funding formula reveals the truth. The government says there will be an extra 50 000 TAFE apprenticeship places, but at $1900 per place — and it costs almost $9000 to train one apprentice — a bit of maths shows the figures do not add up. However, they do not need to add up because there will not be 50 000 new apprentices. If there were to be, the government would have a funding problem. The figures are so modest because the government is not expecting a significant growth in apprentice numbers.
Every member of the house would like to see more apprentices being trained and more people acquiring trade skills. We see more than we want to see of changes in the work force and people losing skills, but if we keep up the number of apprentices we will keep skilled tradespeople in the work force. The Bendigo Health Care Group used to have a number of apprentices, but now it has none. I had a bit of a tiff with the group about that, and I am pleased to say it is now examining the idea of providing for a few apprentices in its next budget. As the largest employer in Bendigo I believe the health care group has an obligation to show the way in employing younger people - and specifically, tradespeople.

Privatisation is a curse for country Victoria because it is a job killer. Despite that, the budget sets the scene for an even greater slaughter of jobs in country Victoria, because it's full steam ahead with privatisation. Honourable members who voted for the sale of the State Electricity Commission sold out country Victoria. The coalition voted for the closure of the SEC depots in many country towns.

I am sure you will recall, Mr Acting Speaker, the promise that the Gas and Fuel Corporation would not be sold - but it was sold, and more jobs in country Victoria, including jobs in Bendigo, went with it. When the government privatised the vet labs, the labs in Bendigo closed. When he announced the privatisation of the North Bendigo railway workshops, the Premier said it was the way of the future. Unfortunately, he was telling the truth. Under privatisation the future is grim.

Before the 1992 state election the North Bendigo railway workshops employed 262 workers. The coalition promised not to reduce the number, but once in government it slashed the workforce to 110 — and when the workshops were privatised more jobs were lost. Eighteen jobs have been lost in the past two months. If you add that 18 to the 19 jobs that were lost in the pre-privatisation moves at V/Line Freight and the 55 that were lost from V/Line Freight in north central Bendigo on 30 April, you find that nearly 100 jobs have gone. That is only in recent times. The shame of it is that the government promised there would be no job losses. That is only in recent times. The shame of it is that the government promised there would be no job losses. That is only in recent times. The shame of it is that the government promised there would be no job losses. That is only in recent times. The shame of it is that the government promised there would be no job losses.

The budget sets aside $40 million for privatisation services and another $42 million for reform services — in other words, consultancies, a lot of which can be put down to privatisation. V/Line Passenger, Coliban Water and other water authorities are next on the list. Many small towns are having sewerage schemes imposed on them whether they want them or not. Coliban Water has announced it will fluoridate its water supply whether people want it or not, contrary to the government’s earlier promise that people would have a choice in the matter. They know that when Coliban is sold a new foreign owner will not want to have to deal with new sewerage schemes or the fluoridation of water. Community consultation has been thrown out the window in a mania of privatisation, and unfortunately jobs are going with it. That is the unfortunate experience of country Victorians.

The government cannot point to one privatisation in country Victoria that has been successful and has led to an increase in jobs. Given the government’s attitude to country people, no wonder the Australian Bureau of Statistics reports that there are fewer jobs in country Victoria today than there were before the 1996 election.

The Kennett government is the highest-taxing government in Victoria’s history. The budget provides for state tax income that is $340 million above the national average, whereas last year Victoria taxed its citizens $220 million more than the national average. The state is pulling further away from the other states and territories. To again emphasise its high-taxing record, I point out that the Kennett government takes $84 more than the national average from each man, woman and child in the state. That is how much extra tax we are paying.

How can it be that the highest-taxing government in Victoria’s history provides for fewer nurses and fewer teachers? The sad truth is that funds have been wasted on gross mismanagement, on government advertising and on overexpenditure on consultants. Victoria’s money has been squandered on the government’s mates.

The public service is extremely top heavy and needs to be trimmed back. The Labor Party intends to do that to bring it back to the management levels that existed at the start of the 1990s. There are too many chiefs and not enough Indians, and those who rely on state government services are aware of that. The fat cats are bloated. The excessive use of privatisation and advertising consultants must cease before Victoria can provide improved services to people, which is what state governments are meant to be about. In addition to the enormous amount it already receives, the Department of Premier and Cabinet has been given a 35 per cent increase — that is, an extra $82 million. This year we will see even more taxpayer-funded advertising. Fat cats will grow fatter and privatisation consultants will do well while country hospitals and schools miss out.
I should have thought that social fairness is important for a budget, but that is not the case. This budget is socially advantageous only to the privatisation and advertising consultants. If the public service were to be brought back into proportion by reducing the number of fat cats, funds would be available for a job-creation policy that would be appreciated in many parts of country and central Victoria, including those in Bendigo West, which I have the pleasure to represent.

In the past the state budget has allocated 1.5 per cent of gross state product to capital works. That has been reduced to the new benchmark of only 1 per cent. Despite the lowering of the setting I am pleased that some $10 million has been allocated for capital works in my electorate. Some $6 million will be spent on the Loddon Prison at Castlemaine, the Maldon Hospital will receive its long-awaited upgrade and the Lockwood school will essentially be rebuilt.

Mr Macellan — I thought you said there was nothing for capital works.

Mr CAMERON — People pay their taxes and they expect a full return. Unfortunately, the government, including the Minister for Planning and Local Government, is not in favour of that. As an example, in 1996 the Minister for Health made a specific promise to the people of Maldon that the Maldon Hospital would be upgraded with urgent building works to commence by June 1997. What happened? Not a jot! The hospital board tried and tried but got nowhere. I joined with the hospital board a year ago, and the government’s mishandling of the hospital was publicly exposed. Within a couple of days people from the health department were knocking on the door saying, ‘Excuse us, we are here to talk about the hospital’s capital works’.

Mrs Maddigan — That is the difference a good local member makes!

Mr CAMERON — Maldon will now see the commencement of the essential work totalling $2.8 million. The Maldon Hospital received funding because of the agitation the community created. Unfortunately, if the government had its way the broken promise would have continued and nothing would have occurred. The government tried to close the Dunolly hospital in my electorate but that plan came unstuck. Clearly it had the same thing in mind for the Maldon Hospital but again it came unstuck. The government should cut out the nonsense and start taking account of country people without them having to jump up and down demanding that promises be kept. What sort of state do we live in when promises are not kept unless people jump up and down? It is a poor state of affairs.

Country people must do things themselves to get anywhere. I give credit to many people and businesses in country Victoria who get things done knowing full well that they will receive no government assistance. Banking is a particular example. Many banks have decided to pursue bigger fish and become more international. They have created a vacuum in many communities by closing small banks in country Victoria to expand into more profitable areas.

The Bendigo Bank has developed a concept of community banking. Several weeks ago it opened a community bank at Maldon. Dunolly and many other country towns are seeking such banks. That development should be encouraged.

A successful festival was recently held in Castlemaine, and the support received from the ABC was fantastic. The government does not like the ABC; it is always bagging it and wants to get rid of it. However, for five days the ABC promoted the festival across both the state and the nation.

Because of its fundamental dishonesty the government has broken another election promise. During the 1996 election campaign the Premier specifically promised funds for a library at Castlemaine. How much has the government spent in capital funds on the library?

Mrs Maddigan — How much?

Mr CAMERON — I will give you a choice — $1 million, $500 000 or zero?

Honourable Members — Zero.

Mr CAMERON — Zero! Honourable members on both sides got it right.

The government makes promises but does not keep them. I assure the house that together with the people of Castlemaine I will continue to fight to get those funds and will hold the government accountable. That is what one has to do in country Victoria.

Some honourable members seem to take the view that there is no need to worry about holding the government accountable. It is a great shame because in the budget only $1.5 million is allocated to Bendigo East — Bendigo West gets $10 million. The total allocated to the Bendigo East and Bendigo West electorates is $11.5 million. In Ballarat, where the government has gone into an enormous pre-election panic, $24 million has been allocated — $12 million in each of the
Ballarat seats. Given those allocations the small amount allocated in Bendigo East is dragging central Victoria backwards.

The area is also being dragged back by the government’s undermining of a successful campaign entitled Bendigo Calling, which is designed to attract call centre operators to the Bendigo region. The government has sent a message that Bendigo is not the right place by giving Ballarat a Department of Natural Resources and Environment 20-person call centre and by its intention to establish a rural emergency services communications room at Ballarat. The government’s actions will wipe 36 jobs out of Bendigo, all of which were in the Bendigo East electorate. The government’s message goes against what the Labor Party is trying to achieve across the whole of the Bendigo community. Everybody else supports Bendigo Calling. The campaign has a future because changes in technology and communications mean businesses are doing business differently. Labor wants the campaign to succeed. I urge the government to change its appalling attitude and support the campaign.

The introduction of tolls on an existing freeway is an example of the government’s treating people from central Victoria as second-class citizens. People from central Victoria who use the Calder Freeway are being singled out for the harshest treatment because they will have no choice but to use the tollway whereas people from other regions have other options. The privatisation of the freeway for 34 years represents an enormous disincentive for people who will be burdened with extra expense because they do not have an alternative.

All residents of country Victoria are treated as second-class citizens when it comes to the provision of police services. The government has cut police numbers by more than 800 since 1996. In a pre-election panic it promised to increase police numbers by 400, but it has now been revealed that those 400 positions have been earmarked for Melbourne. The Chief Commissioner of Police was quoted in last Friday’s Bendigo Advertiser as saying that most of those police will be based in Melbourne and that country Victoria was expected to get only crumbs.

The Dunolly police station in my electorate was a new police station without a policeman. In a panic the government has filled the gap. The Newstead police station, also in my electorate, is still without a policeman after two years. The issue of police vacancies in country regions is alive and well. There are vacancies everywhere, but the government is interested only in Melbourne and country Victoria is being left behind.

The imposition of a catchment management tax in last year’s taxation regime singled out country people for harsh treatment. The government cut $20 million from the budget of the Department of Natural Resources and Environment, and the levy was imposed to make up the shortfall. There is a need for a fair distribution of resources between country and city dwellers.

The Labor Party has already announced some modest things that it intends to do to improve the lot of country people, and that will be expanded on during the election campaign. Labor would aim for a budget surplus every year, with the process overseen by an independent Auditor-General with new constitutional powers. There would not be the funny budgets that currently are presented, nor the situation where one budget cannot be measured against another. The government produces budgets that are about as transparent as a brick. No longer are budgets accompanied by lists as they were a few years ago and it is not possible to determine what the capital expenditure is on various items or to check off whether the promised work has been carried out. Much promised work is not completed but the opposition can get that information only after pursuing a long and involved freedom of information process.

Labor wants class sizes for grades prep, 1 and 2 capped at 21 or fewer and will achieve that through annual savings of $40 million through cuts in government waste and mismanagement. The budget is bloated with waste and mismanagement, as is seen in the case of the Premier’s department.

Labor will make hospitals cleaner and reduce emergency waiting times by getting rid of the health networks and thereby saving at least $18 million.

Labor wants to see reliable gas, water and electricity services. It will establish an essential services commission with tough new powers. In the past year the government has been preoccupied with flogging off the gas industry. It has been more interested in advertising for the sale of the former Gas and Fuel Corporation of Victoria than ensuring that supplies are secured for the coming winter. The government has been interested in selling the corporation not to Victorians or Australians but to people overseas.

The Treasurer was more interested in putting advertisements in the New York Post and other newspapers around the world than in concentrating on the problems with gas at home. Unfortunately we are now seeing the ramifications of that misplaced sense of priorities and of the privatisation obsession of the government because there is talk that there may not be
secure gas supplies for the winter. That is a sad
indictment of a privatisation-crazed government.

When one examines what occurred at the Longford
plant, one recognises the clear need for more
Workcover inspectors. A number of the witnesses at the
Longford royal commission gave evidence that they
had never seen a Workcover inspector. The opposition
intends to restore common-law rights to seriously
injured workers and employ 30 new hazardous site
inspectors after slashing $2 million from the wasteful
Workcover Authority advertising budget. The
opposition wants a safe and secure society. That is why
it wants to employ more police. In the short term Labor
proposes to return police numbers to the 1996 level.

The government has been prepared to consider only
Melbourne rather than country Victoria. The priority
must be to create jobs in country Victoria and in regions
such as central Victoria that need them. The budget
does not do anything to tackle jobs. The government
says it does not expect any fall in the level of
unemployment. It expects it to be business as usual.
Who cares if employment has been declining in the
country and increasing in the city as compensation?
The government does not care. It is not interested in
country Victoria; it is obsessed with holding its seats in
the eastern suburbs. But country people care. They
want jobs in their areas to become the government’s top
priority rather than the privatisation mania that we all,
unfortunately, have come to expect.

I endorse the Leader of the Opposition’s excellent
critique on the budget and wish him well. I wish all
members on this side of the house well as they go about
fighting for justice and fairness for everybody, not just
for the fat cats, privatisation consultants and
government mates.

Mr A. F. PLOWMAN (Benambra) — Talk about a
prophet of doom! If ever a country area was poorly
represented by its member it would have to be that part
of Bendigo. After listening to the extraordinary
statements by the honourable member for Bendigo
West, I cannot believe things are as bad as that in his
area — but if they are it must have a lot to do with his
representation. He talked about making country citizens
second-class citizens. If that was said to anyone in my
electorate they would have you out in a hurry. There is
no doubt about the pride in country Victoria. That has
not diminished one bit and it certainly has not
diminished as a result of the budget and what the
government has done for country Victoria.

Later in my speech I will reveal the extraordinary
benefits that have been gained in my electorate over the
past six years. If the honourable member for Bendigo
West continues proclaiming all the things that are going
wrong in his electorate, I suggest the Bendigo West
community would be far better served by someone with
a positive attitude, someone from the government
ranks. The honourable member suggested that not
another nurse or teacher would be employed in country
areas. In my electorate hospital sizes are increasing.
What occurs when a hospital increases in size? More
people are employed.

The government is injecting money into schools, which
provides an opportunity for greater employment.
Growth in secondary schools in my region is
unparalleled in the rest of country Victoria, with
virtually the highest growth rates of any Victorian
secondary college. That shows the positive nature of the
budget. If the honourable member for Bendigo West
continues in that vein, his constituents will suffer. It is
an affront to country Victorians to suggest they are
second-class citizens. I believe everyone in my
electorate would abhor that suggestion from the
honourable member for Bendigo West.

I am delighted that the Treasurer is at the table. I ask the
Treasurer, in his time as Treasurer or shadow Treasurer
how often has a budget come in with the lowest
inflation in 36 years? How often has a budget come in
showing we have the fastest growing economy in
Australia? How often has a net debt dropped from
$33 billion to just slightly more than $6 billion? How
often has there been increased expenditure in the three
major areas of health, education and law and order at
the same time as a reduction in state taxes? What an
incredible combination. A budget with all those
positive factors provides Victorians with a wonderful
opportunity.

In addition to the state debt dropping the interest
component has also dropped, which means the taxes
imposed on the average Victorian have decreased while
services have increased. On examining the increases in
health, education and law and order, I do not think an
increase of this order has been seen in Parliament’s
history. It is the most positive state budget I have
witnessed in my time as both a member of Parliament
or an observer of the Parliament.

The budget does a lot to enrich north-eastern Victoria.
One of the major benefits, apart from the fact that
Wodonga is the fastest growing city in Victoria, is that
health expenditure has included $16.8 million for the
rebuilding and refurbishing of the Wodonga hospital.
Some $15 million will be spent to refurbish and rebuild
the Wangaratta hospital. At Mount Beauty the
government is spending $3 million on rebuilding the
hospital into the first multi-campus, multipurpose service hospital complex in Victoria. At Tallangatta just over $300 000 will be spent on health.

In education, $3 million will be spent on the Mitchell Secondary College — the college I mentioned before as the fastest growing secondary college in country Victoria. The Beechworth Secondary College, a college that meets the needs of that rural community, will receive $400 000. Wodonga TAFE, in the tertiary education field, will receive a $1.1 million upgrade, and with the contribution from the establishment of a campus of La Trobe University, $3.2 million will be invested in a new library and associated learning area. Those are major expenditures by the government, initiating incredible developments in both the health and education areas.

In the law and order area, a police station has been built at Beechworth. One hears the cries about police station closures, but not one police station has been closed in my electorate since the coalition government was elected. The budget allows for the expenditure of $9 million on a police station-courthouse complex in Wodonga, which will mean Wodonga will have a County Court that will be able to hear cases locally. Until now County Court hearings have been held in Wangaratta, with the result that Wodonga people who appear before the court have not been able to be tried by jurors drawn from their local area.

All the developments I have listed indicate the vast expenditure that is going into country areas. A result of the increased growth, which has been promoted by the budget and the reduction in state taxes, is the enormous increase in confidence that is drawing investment to country Victoria. Again I highlight what is happening in my electorate.

The Border Mail, based in Albury, continues to win award after award, as proof that we have the most progressive regional or country newspaper in Australia. It is investing vast sums in moving to Wodonga. The Murray Valley Private Hospital has built an oncology unit at the former Clyde Cameron College, which is a wonderful use of buildings that were being wasted. Uncle Bens, the major pet food producer in Australia, is investing more money into its plant in Wodonga. Shorko Australia Pty Ltd, an international company, has determined to inject a vast amount of capital into centralising its operations in Wodonga, following its recent purchases in Sydney and Melbourne. Those developments alone account for private infrastructure of some $75 million in one city in regional Victoria. The best is yet to come: a telecommunications manufacturer is about to invest some $40 million in Wodonga.

The honourable member for Bendigo West talked about employment in rural Victoria. He should think about the vast employment opportunities that that long list of investment will bring to Wodonga and associated areas in north-eastern Victoria. Look at the employment opportunities in the building of infrastructure and at the ongoing employment opportunities provided by all those investments. I cannot say how many people will be employed in building that infrastructure, but the number will be substantial. The major building contractors in the area tender for any building contract in Australia, and they have continuous work.

Albury—Wodonga is a good example of what can happen in a growth area. A survey shows that for the past five years private sector investment in Albury—Wodonga has run to $250 million a year. Think about the employment opportunities in that! North-eastern Victoria has the lowest unemployment in country and regional Australia, and it is hard to keep up with the employment opportunities created by the investment coming into cities such as Wodonga and Shepparton. People who suggest that the budget will result in unemployment show that they do not have the foggiest idea of what is happening in north-eastern Victoria. The unemployment figure in the Hume region speaks for itself.

Expenditure on public infrastructure works currently under way in the Albury—Wodonga area amounts to $400 million. That is another indication that country and regional Victoria is also on the move. The prophets of doom need not waste their time coming to Wodonga, because we have great stories to tell them.

Mrs Maddigan — But you’re the Speaker’s brother!

Mr A. F. PLOWMAN — The implication is that all the investment in Albury—Wodonga to which I have referred has occurred because I am the brother of the Speaker. I wish it were that simple. The truth is that government has done it — not the Speaker or his brother. I am very proud to be the brother of the Speaker, but I am equally proud to be a member of the government that has achieved so much in the past six or seven years.

Three points are important to the maintenance of the current impetus to growth in regional and rural Victoria. Firstly, it is essential that infrastructure projects in regional Victoria keep up with the incredible growth opportunities in central Victoria and
north-western Victoria. In north-eastern Victoria, particularly in Wodonga, one of the two main infrastructure projects under way is the result of the government's commitment of $19 million to the relocation of the railway line out of Wodonga. The beauty of that was that the government is prepared to leave that commitment on the table for another 12 months to attract the federal funds required to make the project a reality. Nothing could have a better impact on the future development of the growth city of Wodonga — including its industry, its business and the people who live there — than the relocation of the railway line, of which I am and always have been a strong supporter.

Mr Hamilton — It is all due to Gough Whitlam.

Mr A. F. PLOWMAN — When the Whitlam government developed a proposal to establish Albury—Wodonga as a growth centre, the one thing that was forgotten was the importance of infrastructure to the area. As a result the railway line still runs through the middle of the city. If the Whitlam government had considered the benefits of and organised expenditure on infrastructure, we would have had a second crossing between Albury and Wodonga over the Murray River, which we need so badly, and the railway line would have been relocated. Now the federal government will spend some $200 million on a second crossing between Albury and Wodonga. It will also complete the Hume Freeway, which currently falls short of the Murray River state border by some 2 or 3 kilometres. Later this year the tenders for that freeway work will go out. It is suggested that between $10 million and $15 million will be spent on completing the Hume Freeway as a dual carriageway from Melbourne to the state border. That overall investment will prove a great benefit to the people of Albury and Wodonga, who will have an opportunity to do more business in the two cities, and it will provide some of the best business opportunities in regional Australia.

The second important point in ensuring a good future for regional centres is the consideration of alternatives. That includes considering industries that may add value to existing rural industries as well as totally different investments that may be made in regional centres. In the past couples of years Brambles Distribution has allocated a large sum for a document interchange in Albury—Wodonga, because from there it has the best opportunity to service the main capitals of Melbourne, Sydney, Adelaide and Canberra by both road and rail. That was not a decision Brambles made lightly; it was carefully planned because the company determined that Albury—Wodonga is the centre that can best meet its needs. That is the sort of development that will continue in regional centres such as Albury—Wodonga.

The other area is rural production. The growth in viticulture in north-eastern Victoria has been unbelievable. Twenty years ago in the King River area only 80 tonnes of grapes were grown. Now the area produces three times the amount of grapes that are grown in the whole of the Rutherglen winegrowing area. That is because rural Victoria has taken up the opportunities presented by alternative crops and industries. Horticulture in the valleys, apple production in the Stanley area and forestry and agroforestry are in their infancy but I suggest that regional Victoria will show enormous growth in those areas.

My third point about growth and development concerns the management of rural water to ensure that available water is used to the best financial and environmental advantage. That means the closer to its source it is used the better. The next 20 to 25 years will show enormous development of low-use water irrigation schemes in all the valleys and catchment areas of north-eastern Victoria, the likes of which we cannot even imagine at this stage. That is where incredible production levels and the minimisation of environmental problems associated with irrigation water use such as high water tables and salinity will occur.

In conclusion, my challenge locally will be to make Albury—Wodonga a single city, thus creating one of the most dynamic business centres in regional Australia. It will certainly be one of the greatest inland cities in the world. It has the potential. That is one of my dreams and one of the challenges I have faced and will continue to promote as long as I am a member of Parliament.

Mr Perton — And longer!

Mr A. F. PLOWMAN — Thank you. The honourable member for Doncaster is also supportive. I enjoy the fact that when he comes to north-eastern Victoria he appreciates the incredible growth in opportunities that is occurring.

Another challenge for country Victoria is to take part in the total productivity increase that is occurring in Victoria at the moment. Those opportunities and challenges will exist so long as the Kennett government remains in office. For my part I hope that potential will equal the benefits the government has brought not only to country Victoria but to the whole of Victoria during the past seven years.

Mr Robinson (Mitcham) — It is ironic that the same day the Treasurer delivered his ninth budget and
the Premier characterised it as delivering a social dividend, many Victorians were discussing more traditional dividends down at the WarRambool racetrack. The WarRambool racetrack provides a very useful analogy to the government's budget and the way it is attempting to reposition itself in the run-up to the next election. As honourable members who are familiar with the WarRambool racetrack will understand, the feature races during the May carnival, the Briefly Steeplechase and the Grand Annual Steeplechase, involve horses running both ways. They start the horses running clockwise and then at a certain point they do a sharp, right-hand turn and conclude the race running anticlockwise.

An honourable member interjected.

Mr ROBINSON — They turn to the right. The government tends to do much the same — that is, after running hard and fast for nine years hell for leather in pursuit of privatisation, downsizing, big payouts to consultants and paying lip-service to the ideals of fairness, accountability and access, the government now wants to reinvent itself, to change stride and in the sprint to the line, recast itself as being caring and sharing.

The government should be warned — again, the racecourse analogy is useful — that when the horses are trying to change stride at the bottom of the Tozer Road double they have to be very skilful. Many horses stumble at that point. Many run off and some jockeys lose their seats. The government wants us to believe it can reinvent itself at this point. However, that challenge requires a delicate and skilful touch, something the government lacks.

When all is said and done, the government is pretty much the same as it has always been. It can travel only one way. It cannot communicate with its electorate and deliver the sorts of things the electorate wants. For those reasons the budget is, as the Leader of the Opposition put it so eloquently last week, a real fizzer. It makes big promises but the odds of the government delivering on it are very long indeed.

Once again the Mitcham electorate has been disappointed with the government's budget base. Not enough is being done in key areas such as education, health, public transport and law and order. The one key area where the government is providing assistance — roads — is giving rise to some serious questions about the processes involved.

The government has allocated $255 million for the extension of the Eastern Freeway. It is hardly a new development; it has been promised for several years. True, it will relieve congestion in and around Springvale Road in Nunawading, particularly between the points at which the freeway currently terminates and the Maroondah Highway. That will be welcomed by the residents. However, two aspects of the project are the subject of concern. The first aspect involves whether Vicroads intends to construct a tunnel — whether that be a short tunnel, a long tunnel or any tunnel at all. The Vicroads original plan included a short tunnel option and that, together with the rest of the 4.5 to 5-kilometre, stage 3 project, was calculated to cost about $260 million.

There was, however, considerable community protest at the damage a short tunnel option would cause the environment of the Mullum Mullum Creek, which is widely recognised as being of a reasonable standard. The Minister for Planning and Local Government agreed to assign a consultant from the private sector to investigate options associated with tunnelling methods and expertise, some of which has been developed in recent years around Melbourne. The minister said the consultant would report back to him some time in May, at which point many people interested in the process were of the view that the government would reconsider Vicroads' original short tunnel proposal to see whether money could be saved, and the longer tunnel option or any extension of that tunnel option could be considered.

The government has allocated $255 million, which is barely enough for the short-tunnel option advocated by Vicroads. The government is not prepared to say whether it will act on the consultant's report to reconsider the short-tunnel proposal. I and many people in the electorate I represent would welcome the government owning up to what it intends to do. The Minister for Planning and Local Government responded to the good faith shown by people in my electorate who were seriously concerned about the limitations of the short-tunnel option and who were waiting eagerly for the consultant's report. In the event the government is not prepared to allocate anything more than the $255 million, many of my constituents and constituents in the adjoining electorates of Doncaster and Warrandyte will believe the consultant's report and undertakings by the minister are little more than a fraud.

The second aspect of the Eastern Freeway extension proposal concerns the proposed arrangement for the freeway at the Ringwood end. The government has allocated $255 million to extend stage 3 through to the Maroondah Highway, but that development will not deliver what is required with the Eastern Freeway. The missing link is the Ringwood bypass, which was
proposed and commenced by the former Labor government but completed by this government some years ago. It was originally intended that it would extend from a point east of Ringwood at the intersection of Mount Dandenong Road and the Maroondah Highway and around Ringwood to connect with the Eastern Freeway extension, but it never continued westward beyond Ringwood Street. Now that the freeway is anticipated to join the Maroondah Highway there is a gap of about a kilometre between the freeway extension and the Ringwood bypass. That section of road would cost several million dollars to complete, but it is a critical project because without that extension of the Ringwood bypass about 60,000 to 80,000 cars a day will pour into the Maroondah Highway west of the main intersection in Ringwood — a two-lane road. That would be a disaster.

Mr Perton — Where do you think the traffic goes now?

Mr Robinson — The honourable member makes a good point — it goes to Springvale Road, Nunawading. The traffic congestion afflicted the constituents of the honourable member for Doncaster for a while but is now being inflicted on my constituents. In the great tradition of freeway politics my constituents want it transferred somewhere else, but it should be transferred courtesy of the extension that will connect up with the Ringwood bypass. Without that missing link, for which funds have not been allocated in this budget, the Eastern Freeway extension does not make sense. The advice from VicRoads is that $255 million is enough only to extend the freeway and is not sufficient for the missing component of the Ringwood bypass. The government should take account of that lack of detail in the budget and indicate what funds are required to complete the Ringwood bypass.

The Eastern Freeway proposal is welcome because, as I said earlier, it shifts a traffic problem from Doncaster Road to the outer east along Maroondah Highway. This is evidence of the government discovering the problems with freeway extensions the hard way. The traffic congestion in Mitcham needs more than a freeway extension. That fact has been noted previously in the Scoresby corridor transport study, which has highlighted the long-term traffic congestion, especially along the north-south routes throughout the middle and outer-eastern suburbs. The north-south arteries are badly clogged. Middleborough, Blackburn, Springvale and Mitcham roads carry enormous traffic loads. Springvale Road is close to saturation point, and although the freeway extension will reduce the traffic congestion on Springvale Road north of Maroondah Highway, it will do little to lower the congestion south of Maroondah Highway. The expectation is that with the introduction of tolls with the City Link project, more traffic from the Glen Waverley and Mount Waverley areas will travel north to use the Eastern Freeway to avoid tolls. The congestion will get worse in the short term.

The Scoresby transport corridor study considered the problem and examined a proposal involving Springvale Road joining up with a tunnel underneath the railway line at Nunawading and the Maroondah Highway, but found that if the shopping centre at Nunawading was to be preserved the project would cost about $80 million and at that cost had no real benefit in terms of the work required and was, therefore, difficult to justify. The $31 million cheaper alternative had the considerable side effect of destroying Nunawading as it currently exists. The alternative proposal not considered in detail by the Scoresby transport corridor study was to lower the railway line at Springvale Road at some point west of the Nunawading railway station and allow it to continue in a cutting below the existing surface level to beyond the Mitcham railway station. That would require considerable expense, but the Scoresby transport study identified considerable north-south traffic problems in the east, which are only going to get worse. The only way to alleviate that problem is the project that will cost the better part of $80 million. It is appropriate that the government allocate funds to examine the alternative proposal of lowering the railway line. I hope some funds will be made available for that purpose in this budget. I have written to the Minister for Planning and Local Government about this issue and I hope he considers it so that a study can be conducted at some stage next year.

The other substantial traffic problem in the eastern suburbs is Stud Road. It is disappointing that no allocation has been made in the budget for the widening of Stud Road from two to three lanes. Stud Road carries as much traffic as Springvale Road, but it is in a deplorable state with two lanes for most of its distance from Ringwood to Dandenong. Stud Road is choked with traffic. The government refuses point-blank to allocate funds for a third lane despite the fact the Premier talks up the prospect of the $700 million tunnel between the Eastern and Tullamarine freeways. Approximately 5 per cent of that amount is required for what is the most urgent road project in the eastern suburbs. I and many other people in the eastern suburbs are left to conclude that it is a deliberate strategy to choke Stud Road with traffic so as to make the Scoresby tollway a more realistic project for the private
sector. The private sector could be offered the rights to build, own and operate the Scoresby Freeway with the only alternative to motorists in the eastern suburbs being a congested Stud Road.

Mr Perton interjected.

Mr Robinson — It is not a fantasy. The honourable member for Doncaster thinks it is a fantasy, but he should explain that the alternative to a toll road is for the government to find $1.1 billion. During question time today the Premier gave all sorts of reasons for the government favouring toll roads over allocating funds for road construction in its annual budget. It is disappointing that the government has forgotten an opportunity to let people in the middle and outer eastern suburbs of Melbourne know how it intends to improve traffic conditions along those key north-south arteries.

The other aspect that is sadly lacking in the budget is the government’s plan to address the enormous and ongoing complications associated with the automatic ticketing system. The budget makes constant references to ‘quality of life’, ‘social advantage’, ‘improved service’ and ‘excellence’, but it should have carried a rider that none of those expressions relates to the automatic ticketing system or the way the government has handled it. It is a disaster! The government has failed to allocate any funds to rectify its bad decisions and those of the minister and the operators of the OneLink system. which have been compounded by subsequent bad decisions, bad management and bad judgment.

Automating and privatising a public transport system is a perilous path to choose — and it has proved to be a disaster. The core of the problem is that commuters are being forced to use a system they do not like. One of the basic lessons in marketing is that there must be a one-step process.

Mr Stockdale interjected.

Mr Robinson — The Treasurer has said we should bring back scratch tickets. He should recall that during the debacle that followed the introduction of Met tickets the only thing that kept the system afloat in the eastern suburbs was scratch tickets. People bought them in great numbers.

An honourable member interjected.

Mr Robinson — The electorate would prefer the scratch system if they were given a choice. Many people have told me that scratch tickets were much easier to understand and that at least the machines did not reject their money — and ticket inspectors did not detain people as they do under the OneLink system. I thank the Treasurer for his interjection because it has reminded me that scratch tickets saved the government from being even more embarrassed than it was last year by the disasters associated with the automatic ticketing system.

Country Victorians and the honourable members who represent them should get down on their knees and thank the Lord that they do not have to endure those wretched machines. My office has received hundreds of complaints about ticketing machine problems, the range of which is almost limitless. They begin with the reliability of the machines and the method of validating tickets. People are finding themselves in the bizarre situation of handing over money to buy tickets only to be fined if their tickets are not validated. The purpose of validating tickets is not to make trains run on time or to prove that tickets have been purchased, it is simply to allow the system to be broken up into competing units to figure out how the operators will be paid. That two-step process has revolutionised public transport travel given that in the past it was a one-step process.

Refunds are difficult to organise. Many people do not bother because they have to wait up to a month to get back a small amount of money, which is incredibly inconvenient. People have come to my office to express their concern about how ticket inspectors have gone about their business or to complain that they have been detained because the inspectors have refused to accept that the validation machines did not work, despite the fact that the record shows their reliability is questionable. The public transport system is understaffed, and many people have expressed their concerns about that, particularly older people.

People are confused and disgruntled about their inability to purchase a full range of tickets on trams. Some key areas of Victoria lack ticket agencies. A newsagent in Nunawading waited for nine months on a promise given by OneLink that his newsagency would be used as a Met ticket agency only to have the Public Transport Corporation (PTC) pull the plug, saying it could not keep the promise. Neither OneLink nor the government uses hard and fast criteria in allocating agencies. The proprietor of that newsagency has had to inform people asking for tickets that he has been denied the opportunity of selling them.

The private contractor has arranged to clear the money held in ticket machines during — surprise, surprise — peak hour. People now experience the inconvenience of having to line up at stations for much longer that they previously had to, yet further delays are caused because the employees of the security firm empty the machines at the worst time of the day. When you add to that the
fact that it is not Y2K compliant, it is no wonder the system is causing so much grief throughout the community.

A brochure circulated in my electorate by either the PTC, Hillside Trains or Onelink states that tickets can be bought from premium stations such as Mitcham station. One man has told me Mitcham station was understaffed this afternoon, so the situation is becoming worse. It is no wonder the Minister for Transport is in no hurry to release the revenue figures, because they will be disastrous. I am sure the minister is hoping the election is held before the release of the annual report of the Public Transport Corporation.

This year's budget allocates less funds for health workers than last year's budget. Last year 1000 new staff were promised, but they have not been provided. Beds are still being closed in hospitals around Melbourne even though there is no commensurate fall-off in demand. Hospitals used to be hospitals; now they are businesses first and hospitals second. Each day the situation resembles a little more the scene from Yes, Minister in which Sir Humphrey Appleby proclaims that, even though the hospital has no patients, it is a model of efficiency and something of which the government and the community can be proud!

Maroondah Hospital has an increasingly long waiting list for basic treatments such as dental work. Not so long ago the government introduced a fee for dental work, and since then the waiting time for dental treatment at the hospital has blown out to 34 months. Many of those on the waiting list are elderly and may die before they get the chance to have their dentures fixed. That is a disgrace! Maroondah Hospital has managed to raise $115,000 by charging $20 for each treatment, and the Royal Dental Hospital has raised $1.7 million by charging to treat patients. However, although money has been allocated for an upgrade of the Royal Dental Hospital, the budget papers contain no details of any similar funding for Maroondah Hospital. It is regrettable that people in Mitcham and beyond will continue to endure lengthy waits for dental services.

Education in the Mitcham electorate has not benefited from the budget. Governments should measure their success by how well they tackle the most difficult problems — and in education that involves child psychologists. Not long ago I asked a primary school principal in my electorate what he would most like the minister to grant him if he had the opportunity to ask. His answer was not brand new buildings or flash computers, it was a full-time child psychologist. The school is typical of many in the eastern suburbs — it is lucky to have access to a child psychologist one day a week. The government makes motherhood statements about the problem, but the budget does not contain any funding to allow schools to access one of the most vital components in any education system — a child psychologist. That is a front-end investment from which the community benefits enormously. Mitcham schools also have major maintenance problems that the government refuses to address.

One big disappointment in the budget is that the Country Fire Authority has not been granted the funds to develop the prototype of a survival fire tanker that has been invented by a constituent, Mr Ross Connell. The budget gives no indication that the CFA can even consider the idea. Mr Connell is a Blackburn resident who has spent thousands of dollars of his own money on developing and testing a prototype tanker that permits firefighters to shelter inside it during a fire.

Ms Burke interjected.

Mr ROBINSON — We are supposed to learn from the interjection that the CFA's present equipment seems to work. However, recent tragedies indicate that some appliances are not working. It should be imperative that inventions such as Mr Connell's are taken seriously. Instead, in his dealings with the CFA and the government he has run into a wall of indifference. That is regrettable.

In the budget speech the government talks up its commitment to law and order. Again, however, its talk is not matched by actual provisions. Nunawading still has an embarrassingly low number of available police officers at certain times. The government claims that Nunawading has more than 50 police officers, but on some days the number is as low as 22. The government is still refusing to fill nine long-term vacancies. The residents of Mitcham are discovering that, notwithstanding what the government says, empty chairs at empty desks are not useful in stopping or responding to criminal activity.

Not long ago a shopkeeper had to wait 2½ hours after reporting that a group of people were throwing rocks through his plate-glass shop window. Despite that, the government is insisting that the people of Mitcham can wait 12 to 24 months for the recruitment program to take effect. During the recruitment process some existing staff will retire, and the attrition effect will further reduce the net increase in numbers.

The budget is a disappointment. Although it contains big promises — true to the government's record of the past nine years — residents in the Mitcham electorate can expect little. Over the years they have learned to
expect little from the government. In the areas that matter — education, health and public transport — their needs are still being ignored. In the one area in which the government is undertaking some work, serious questions about the process remain.

In conclusion, neither the Treasurer’s last budget nor the Treasurer himself will be missed.

Mr LUPTON (Knox) — I support the Appropriation (1999/2000) Bill. I shall comment briefly on three points mentioned in the diatribe of the honourable member for Mitcham. Firstly, he stated that this was the ninth budget presented by the Treasurer and that he has run hard and fast for nine years. However, the Kennett government was elected in 1992. The government has been in power for only six and a half years, and this is the Treasurer’s eighth budget.

Secondly, the honourable member for Mitcham referred to the fantasy on the roads — that is, Stud Road. I agree that Stud Road is a two-lane road running north. However, I do not agree that Stud Road goes through to Ringwood; it finishes at Mountain Highway, Bayswater. There is no link between Ringwood and Bayswater, and it would take a long time to walk the distance between them. The honourable member for Mitcham does not even know where the road finishes — he stated that Stud Road goes through to Ringwood.

An honourable member interjected.

Mr LUPTON — He does not even know where the road finishes. It is nowhere near his electorate. He is talking about a different electorate.

Thirdly, the honourable member for Mitcham said that he could see no reason why a person who purchases a ticket from an automatic ticketing machine and does not validate it should be booked. He seems to have forgotten that formerly people bought tickets that were validated by scratching and that prior to that tickets were punched which was also a form of validation. I picked up those three points during the past 30 minutes.

An honourable member interjected.

Mr LUPTON — That is all I wrote down; I got writer’s cramp!

In preparing my contribution I looked at former budgets and noted comments made by opposition members over the past few years. In 1995–96 the former Leader of the Opposition, the honourable member for Broadmeadows, stated that at worst that budget was grossly dishonest and designed to hide the truth until after the next election.

In 1996–97 the honourable member for Williamstown, the current Leader of the Opposition, said that that budget was dishonest in that it reflected the cumulative effect of continuing inaccuracies in budget forecasts. He said it was a do-nothing budget.

While commenting on the 1997–98 budget the honourable member for Williamstown said it promoted high unemployment, high tax and low growth. ‘What do we have in this budget?’, he asked. ‘There is no plan; no recipe to attack those three problems. Worse than that, we have a dishonest budget’, he said. In 1998–99 the same honourable member said that year’s budget condemned Victoria to continued high unemployment and substandard health and education systems.

When the Treasurer presented his budget he said Victorians had experienced sustained economic expansion and that the Victorian economy had grown by nearly one-fifth since 1992. Victoria is now the fastest growing economy in Australia.

The opposition’s comments on unemployment and lack of growth in the economy have been dishonest. The Treasurer presented his budget on the fact that Victoria has the fastest growing economy in Australia. He said Melbourne has had the lowest inflation since 1962. Earlier opposition speakers ridiculed that statement.

The Treasurer said Victorian employment had reached record levels. However, while commenting on the 1998–99 budget the honourable member for Williamstown said it condemned Victoria to continued high unemployment and substandard health and education. Who is right?

The Treasurer also said Victoria’s net debt had fallen from $32 billion in 1992 to $6.1 billion today — that is a reduction of more than $25 billion, which gives Victoria the lowest level of state debt since the 1970s.

I have not heard one opposition member speak about the government’s good work in the past. The former Leader of the Opposition and the former shadow Treasurer canned earlier budgets, yet the current budget proves their statements were inaccurate.

Victoria’s AAA credit rating has been restored. The interest bill on public debt has been reduced by some $800 million every year in net terms. Opposition members have not mentioned that. All they can say is that the budget is lousy and does nothing for Victorians.
Following the so-called terrible budgets of past years my electorate of Knox has flourished. Some $21 million has been spent on roads. During the 10 years the Labor Party was in power some $10 million was spent if we were lucky. The former Labor government constructed the High Street Road extension between Stud Road — which the honourable member for Mitcham knows so much about — through to the Burwood Highway. The extension ended approximately 50 metres from the Burwood Highway intersection when the government ran out of money. The pavement was completed but the road was unfinished for some 18 months. Because it wanted to build a service station in the area, BP provided funding for the remaining 50 metres of roadway to join it with the Burwood Highway.

In 1990 when I was mayor of the City of Knox and arguments were occurring about road funding shortages I was told by the then chairman of Vicroads that it would be lucky to maintain its existing road structure without contemplating building new ones.

My electorate has a new police station. The former Labor government closed three police stations and built one new one at a cost of $675 000 a year for 10 years — $6.75 million was paid in rent for a police station at Knox. Because it was found to be necessary a further station has been built at Boronia.

One of the government’s supposed bad budgets from the past involved the spending of $28 million on the development of the Boronia railway crossing, yet during the 1996 election the ALP candidate for the area said the development was not necessary. No-one has ever seen a town change so much; the crossing of 1.2 kilometres of railway line has transformed the whole area. The honourable member for Mitcham spoke about trying to do something similar in the Nunawading area. If he goes to Boronia he will see what can be achieved by planning, working and becoming involved with the community in resolving issues. Results such as the Boronia crossing are possible when the proper processes are followed, including an analysis of the entire situation.

While all those so-called terrible budgets were being delivered the City of Knox received a new fire station at the cost of $1.29 million to provide the western area of the municipality with an adequate fire protection service. During its period in government the Labor Party did nothing about improving fire protection in the City of Knox, yet since 1992 the government has built two fire stations in the district.

Turning to schools, some $5.7 million has been spent on maintenance — it has only scratched the surface — and $1.1 million has been spent on computers. Some schools in my electorate have not seen a paintbrush for 10 years. The government was faced with a maintenance black hole of $600 million when it came to government and it is little wonder that it cannot keep up to date with everything.

Despite all the so-called terrible and shocking budgets that the Labor Party has canned, the Knox electorate has continued to flourish, as has all of Victoria. Everyone was interested in Labor’s reaction to this year’s budget. I refer to a question asked by the Leader of the Opposition as reported in the Daily Hansard of 5 May. It states:

I refer the Treasurer to his claim that changes to payroll tax will save businesses $97 million, and to the fact that his own budget papers clearly show that payroll tax revenues will increase by $39 million next year … and by a massive $454 million over the next four years. Will the Treasurer now admit that his latest claims of business tax relief are nothing more than a con job on businesses which, despite the Treasurer’s rhetoric, will pay more tax in the future.

When that question was asked the government backbenchers were brought smartly into line by Mr Speaker! The Treasurer gave an excellent explanation of the whole situation. It all amounted to jobs, jobs and more jobs. He talked about what it meant to be Treasurer and what responsible management meant. Despite the Treasurer’s excellent explanation the Leader of the Opposition, who is also the shadow Treasurer, could not grasp why a reduction in payroll tax would lead to the creation of more jobs.

Opposition members interjecting.

Mr Lupton — An honourable member interjects, ‘Why are people paying it?’ Opposition members have not acknowledged that payroll tax has been reduced over the past three years — the first time it has ever been reduced.

I listened to the budget response of the Leader of the Opposition. All he could talk about was the possible retirement of several ministers. He did not want to talk about the budget. He wanted to talk about the Auditor-General reviewing the budget under ALP policy. The only reason the Auditor-General would do that would be to try to balance a Labor budget, because it is quite obvious from his previous statements and his interjections, and from the fact that he does not know where local roads go, that the Leader of the Opposition would need the help of the Auditor-General to balance any budget he brought down.
In previous budget speeches the Leader of the Opposition has tended to quote commentators from various newspapers. Terry McCrann wrote about the Leader of the Opposition in a Herald Sun article of 5 May. It states:

"Steve, you really can’t have it both ways. Attacking the government for — the now entirely mythical —

I repeat, mythical —

cuts to health and education. While also claiming it’s taxing too much.

If the government was spending what the opposition wanted, taxes would have to be even higher. Or we’d have plunged right back into the Cain–Kimer red ink.

One cannot expect anything but that sort of rhetoric from a Leader of the Opposition who was an adviser to Kim and Cain. It is obvious he does not understand the budget, despite the great lengths to which the Treasurer went to explain what it was all about and the initiatives it contains.

The government’s initiatives include major new funding for science, engineering and technology, 50 000 additional apprenticeships and traineeships, and new capital investment to enhance information technology in Victorian schools. We have heard from the opposition only vague references to the effect that education has not improved and is going down the gurgler.

Another significant initiative is the funding boost to public hospitals. There has been much talk about the proposed Knox hospital, which was to be built in two stages. However, because the hospital will be so important it has been decided to build it in one stage and to a standard of about 34 000 WIES (weighted in-line equivalent separations), which means it will be of a size similar to the Monash Medical Centre.

The ALP candidates in my area have run a scaremongering campaign alleging that services at both the Angliss and Maroondah hospitals are to be reduced to facilitate the proposed hospital at Knox. Other ALP members in inner-suburban electorates are running a campaign suggesting that when the Knox hospital is built services will be lost in the inner suburbs because those services will be transferred to Knox. The ALP candidates for eastern suburban electorates do not realise what their colleagues who represent inner-suburban electorates are saying.

The local ALP candidate has received a great deal of coverage about a suggestion that the Angliss hospital is not efficient. Various Labor speakers have said that public hospitals do not provide adequate services. I will refer to statistics on hospital services to demonstrate that the allegations are incorrect. In 1989–90 there were 1490 births at the Angliss hospital. The figure in 1997–98 was 2541 — an increase of 70.54 per cent. It was the largest number of births ever recorded at the hospital, and that occurred in a year when according to the ALP the government had not ensured the adequate provision of services in the public health system.

Using the base year of 1994–95, the throughput of the Angliss Hospital — by that I mean the number of people admitted to hospital, put into a bed and discharged — was 11 694. In 1997-98 the figure was 17 901, an increase of 53.08 per cent. The same hospital has increased its throughput and has become more efficient. Yet the government is continually nagged. The number of operations in 1995–96, the base year, was 3776 and in 1997–98 it was 7034, which is an increase of 86.28 per cent in three years. Yet the opposition keeps saying that hospitals are substandard and failing to provide adequate services. Emergency presentations in 1995–96 numbered 28 083 and in 1997–98,32 164. The opposition is saying the public health system is failing, is falling down and is a disgrace. Those figures show that the Angliss Hospital has been efficient.

Other key initiatives include new investment in roads and transport, including the Geelong Road and the Eastern Freeway. The honourable member for Mitcham spoke about the Eastern Freeway and then tried to talk about Stud Road, which does not go anywhere near Ringwood where the Eastern Freeway will finish. I will take that no further except to say the funding is there.

An amount of $8 million has been allocated to expand science, engineering and technology education in schools and $5 million has been provided to support promising research ideas.

The budget is very good. The opposition has criticised the lack of government expenditure on education, health, welfare and police. To see how wrong the opposition is one has only to consider the key points made by the Treasurer in his budget speech. Allowing for inflation, the government is now spending 12 per cent more on education than the Labor government spent in 1991–92; there has been a 24 per cent increase in expenditure on health and welfare compared with 1991–92; and in the area of law and order there has been an increase of 21 per cent on 1991–92. The figures are there; the runs are on the board. The government is spending money. The government has done a good job, and since the government came to office in 1992–93 the Treasurer has brought down responsible budgets that have allowed for those initiatives to be
approportion (1999/2000) bill
assemblies tuesday, 11 may 1999

introduced. and on top of that there has been an $85 million boost to law and order to provide for better gaol security and upgraded police stations. all that has been forgotten by the opposition.

in my local area knox is now to have a new community health service. the budget allocates $3 million to build a home for the knox community health service, a service that has been missing from the municipality. despite all the so-called terrible budgets the opposition claims the government has brought down, the government has allocated $3 million for the construction of the community health service's new home.

this is a good and sensible budget. it does a lot of the right things. no doubt a lot of people would spend more money. the opposition would spend more money, but as terry mccrann said, if we follow the alp we will be back in the red as we were in the cain-kirner years.

ms maddigan (essendon) — having listened to the honourable member for knox, it sounds to me as if chris smith, the alp candidate for knox and the next member for knox, has the honourable member on the run. the honourable member spent a lot of time trying to talk up the health services in that area; he told us how much money the government is spending and then concluded his speech by saying that if labor were in government it would be spending too much money. it seems to me rather odd. if the government is spending money on hospitals, as the honourable member claims it is, i would assume he would also support labor expenditure on those issues. his speech seemed a little confused.

the honourable member for knox correctly said that state debt has been reduced. that is true, and everyone is pleased to see that. however, he failed to mention that state debt has been reduced because the state has sold all its assets. i am not the one saying the state has sold all its assets; it is the treasury that is saying that. i am not sure whether the honourable member for knox attended the budget briefing given last week to the public accounts and estimates committee, but if he had he would have heard treasury officials saying that this debt reduction cannot be expected to continue because the government does not have any more assets to sell. it has sold the lot.

the honourable member for gippsland west was there. she heard them say it would not be too bad this year: the debt may be able to be reduced a bit more because there is one more gas company to sell as well as the rail and tram system franchises. but then there is nothing left, so we cannot expect debt to reduce any further. what sort of economic management is that? since 1992 has the government budgeted well and implemented sensible programs to reduce expenditure, or has it just sold everything? treasury says clearly that it has just sold everything. it is exactly as the old adage says: i have reduced my housing loan because i have sold my house. that is fine, you have reduced your debt, but of course you have no house. there are no public utilities left — the government has sold them all.

honourable members will have received increasing complaints from constituents about the lack of services provided by the public utilities.

mr spry interjected.

ms maddigan — the honourable member for bellarine says that labor did that. i think victorians are sick of hearing old stories from the government trying to claim it is all the fault of the previous labor government. the labor government did not sell the gas companies, it did not sell electricity distribution companies, and it did not sell the public transport system.

mr reynolds — who sold telstra?

ms maddigan — the minister for sport seems to be under the misapprehension that the state labor government sold telstra. i suggest he checks state and federal records before he makes such claims.

the government has not budgeted well. it has not run the economy well. all it has done is sell assets, and anyone can do that, as the honourable member for bellarine has pointed out.

the people in my electorate are disappointed with the budget. it does not contain any social advantage or dividend for them. it is outrageous for the treasurer to try to talk up the budget by describing it as giving something back to victorians. it is like somebody stealing $50 from you, giving you $2 back and expecting you to say thank you. what the government has taken from the people of victoria will take years and years of good budgeting, good financial management and a real concern for the community to bring back again. obviously it cannot be brought back, because the government has sold all the assets and has nothing left to sell.

in the past few years the people of essendon have been greatly harmed by the government's policies. they had hoped, because of promises made by the minister for health in another place, that some public money for health services would be received following the
government’s closure of the Essendon hospital. The honourable member for Knox spoke about the number of births at his local hospital. I wish I could tell honourable members how many births there were last year at Essendon hospital, but the government has closed that hospital, leaving the people to try to find hospitals in other places. To suggest that health services are adequate is wrong. The people of Essendon have had their hospital closed and there is no money from the government to overcome that lack and to provide alternative health services.

A recent report released in Essendon and paid for by the Department of Human Services identified many local areas where there are severe shortages of health services. Sadly, a number of the services identified were previously provided by the Essendon hospital. There is no money to assist people with mental illnesses, even though that has been highlighted as a major problem. People in the western suburbs have a high incidence of mental illness. There is no support for people who find themselves thrown out of hospitals and institutions and who are sent home without any support to enable them to improve their lifestyle and to manage in the outside world. Such services as were provided by the former Labor government have been steadily cut by the government, without any concern for the welfare of the people who needed and used them.

The budget provides no tax relief for families, although the government promised that some time ago, indicating that when things were better — that is, when it had made up the terrible deficit by selling all our state assets — families would benefit through tax reductions. As the shadow Treasurer said, Victorians pay $84 more tax than people in any other state, and the budget does nothing to decrease that amount. The people of the western suburbs — in my electorate and further west in the electorates of Tullamarine and Bendigo — will suffer a further increase in taxes because they will have to pay a toll to use the western link of City Link, previously the Tullamarine Freeway. As I said, there is a feeling of great disappointment among people in that area.

My greatest disappointment is the lack of stimulation for job creation in both the metropolitan and country areas. Unemployment is a significant problem that leads to a range of social problems that need to be addressed. People of whatever age and education level have the right to work if they want to. At the moment there are no work opportunities for many people, and the many social problems that creates results in costs for the community. At the briefing on the budget Treasury officers pointed out that this year’s unemployment rate is 7.5 per cent. The forward projections showed that it would remain at that level in the 2000–01 financial year and that if it dropped it would do so by only 0.25 per cent in the third year, 2001–02. The message the budget is sending to people who are unemployed is that they can expect to remain unemployed for a very long time. That is not a message of hope, and the budget does nothing to alleviate the problem.

There is real social disadvantage in the budget. The social health of the state is not good, as shown by the social indicators that are becoming available. Over the past few years some work has been done in the United States on the creation of a social health index. Those working on the index have found that while economic rationalism has resulted in economies improving, social health has declined almost inversely. A number of studies show the extent to which we use economic measures in determining the health of our nation or state. When you have high dividends, low rates of interest, negligible inflation and a rising gross domestic product and stock market, you have good economic indicators. But included in the social data that need to be taken into account are levels of inequality, access to services and quality-of-life indicators. They have rarely been presented as part of a budget, although, as I said, the trend is increasing in some countries such as the United States of America.

Given that this is an election year, many Victorians would like to have some idea of the social health of Victoria. From the research I have read the state’s social health is not good, which is a reflection of the government’s economic policies. The index of social health developed in America measures social indicators such as infant mortality rates, drug abuse levels, high school dropout rates, elderly poverty, child abuse, teenage suicide, aged out-of-pocket health expenses, child poverty, health insurance costs, access to affordable housing, unemployment levels, the gap between the rich and poor, real wage levels, the number of homicides and alcohol-related road deaths.

The concern is that the rise in the gross domestic product is accompanied by an inverse decline in social indicators. Recently, an article was published in Australia that highlights the same concern, that although the economic indicators are good the social indicators are increasingly bad. In March this year Contemporary Review included an article written by Dr Keith Suter, a consultant to Global Business Network Australia. He makes the point that although the Australian economy is doing well, many Australians are not. He says:

There is great despair amid great displays of wealth.
Where could this be more true than in Victoria? Although he does not quote quantitative evidence, he refers to seven social indicators coming from research that has been conducted in this country since the election of Liberal governments at the federal and state level. He points to a number of areas that show that although you can claim economic indicators give a good impression of the health of the state, people are doing badly when you look at how they live their lives as well as their social and economic viability.

Dr Suter quotes from a report of the National Centre for Social and Economic Modelling in Canberra, which states that one in every eight children lives in poverty. That is 600,000 children, not all of whom are children of the unemployed. They include children of a category of workers now becoming known as the working poor. Secondly, he uses the working poor as an indicator. They are employed on such low wages that they remain below the poverty line. That is true in Victoria, when you consider the changing working patterns, including the increase in part-time and short-term contract employment and the decrease in permanent full-time jobs. So although there has been some increase in employment, incomes are so low that some working people are still poor. The article refers to the fact that we are creating the sorts of orphans who lived in the Victorian England of Charles Dickens — that is, children who are orphans not because they do not have parents but because their parents cannot afford to look after them. Perhaps the high incidence of homeless youth is a reflection of that.

Dr Suter quotes also from a report published in December 1998 by Professor Bob Gregory of the Australian National University, entitled ‘Competing with Dad: changes in the intergenerational distribution of male labour market income’:

Gregory found that boys leaving school are earning much less than they could 20 years ago and are more likely to remain poor for years to come. Men aged 20 to 24 earn $A174 less than they did 20 years ago and young males have less chance of finding full-time work.

Time and again members of Parliament have people coming to their electorate offices who are having trouble managing financially. That is also shown in figures released recently in Victoria, which demonstrate that young men and women are staying in their parents’ homes a lot longer than they did in the past. The average age of children leaving home used to be about 20; now it is 24 or 26. Often children just cannot afford to leave home because the social and economic environment is not as good as it was 20 years ago. The dependence on parents leads to increased family tension. In November 1998, Judy Schneider of the University of New South Wales reported that the financial dependency of young people on their parents had substantially increased, thereby straining family relationships and possibly leading to homelessness and crime.

Tension is created when young people feel frustrated by not being able to move away from their parents or their parents do not get the financial relief that follows from their children leaving home. That is particularly so with children aged between 15 and 21, and honourable members know of the problems with homelessness among that group. More alarmingly, another study shows that in the past decade Australia’s homelessness has increased by 50 per cent, so that about 147,000 Australians are now affected by homelessness. In a country that is as economically stable as the federal and stateLiberal governments claim, there is no excuse for high levels of homelessness. In the same way as people expect the basic right to work, they have the right to expect their government to provide shelter for them. Any government unable to meet those expectations cannot claim to be a good economic manager. It cannot allow its residents to become homeless, yet that is increasingly happening under the current Liberal government.

The report describes another form of social dislocation as the creation of a new underclass of men. Described as men who have no jobs, money, status or women, the report states:

... in October 1998, the Centre for Population and Urban Research at Monash University, Victoria, published some of its findings from its A Not so Perfect Match survey. It found that only half of the men in their 30s are now married and a further 10 per cent are in de facto relationships. Almost a quarter of men in their 40s are unpartnered. Linking occupation with men’s partnership status, the survey showed that men in high-status jobs, such as managers, were far more likely to be married (or in de facto relationships) than unemployed men or men in a low-status job.

Part of the problem is that men are not in family relationships and do not have proper places in society. That leads to many of the social problems that other researchers have shown.

Dr Suter also states:

... a sign of the inability of men to cope is the way that Australia has one of the world’s highest suicide rates. The rate of young male suicide is four times higher than in 1950.

High suicide rates of young men is a social evil that no government should allow to go unnoticed or untreated. Although governments can introduce various programs to assist with drug use and counselling, people despair...
because they do not feel they have a place in society. Often that is because they do not have jobs. For many people their jobs define their place in society, give them a role, status and a place to belong. The loss of that sense of belonging leads to a range of social problems and despair that can be treated in the short term. However, if governments are sincere about trying to do something, they should make sure they create sufficient jobs for everybody.

The final social indicator to which Dr Suter refers was mentioned by the honourable member for Bendigo West — the difficulties experienced by rural Victorians. The report states that in Australia now, particularly in Victoria:

... if you live in the bush you are more likely than people who live in the city to be sick, unemployed and poorly educated; you are more likely to die young; and you are less likely to have access to a general practitioner, the Internet or a bank.

We read frequently of the problems country towns have attracting doctors. The honourable member for Bendigo West also mentioned a problem about which those in the metropolitan area are all aware but which applies more severely to country towns — the closure of banks in small towns. Most of those social indicators can be improved if people have jobs.

In my electorate I am surprised by the number of people who come to my office needing advice or guidance when trying to find jobs. If honourable members think the unemployment levels in my electorate are not as high as in many other electorates in Victoria, they are wrong. In the south of my electorate, the Ascot Vale–Flemington–Moonee Ponds area, the rate is at the state average of about 7.5 per cent. In the North Essendon–Strathmore area the rate is even lower than that — but it is still 5.1 per cent. If with those average unemployment rates I am surprised by the number of problems I have to deal with, honourable members can imagine the huge problems in areas such as Footscray and Dandenong, which have much higher unemployment levels. The matter must be addressed as a matter of urgency.

The only thing the government did to improve the situation was to slightly reduce payroll tax. The honourable member for Knox had trouble understanding that although payroll tax has reduced, because more businesses are required to pay the tax, the revenue from that tax is increasing. More employers have to pay it. It is a severe disappointment. It will not create employment and improve the state’s social indicators.

I now refer to areas in my electorate, particularly in Essendon, where people have major concerns about the government’s changes, which affect people personally. They find it difficult to meet the combined taxes and charges arising from the continued government policies of privatisation and competition.

I was pleased to see that the budget allocates funds to the Royal Dental Hospital of Melbourne for rebuilding. It reminded me of the sorry plight of one of my constituents who has been a patient of the dental hospital for a number of years. The honourable member for Mitcham said his constituents have to wait 34 months for dentures. Although my constituent had to wait for some time, he was fitted with dentures in 1997. From a sign on the door of one of the rooms at the dental hospital during one of his regular check-ups, he discovered that as from April 1998 fees would be charged. He used to get the service for free but now he has to pay every time he has his three-monthly check-up.

He was prepared to pay — not that he had any choice. However, because he is a pensioner it has made a difference to the amount of money he has left to spend. Some time afterwards he had problems and had to have his dentures adjusted. Because the first set were ill fitting and caused severe ulceration of his mouth, it was hardly his fault that the dentures required adjustment later on. They were adjusted and he kept attending each three months and paying his bill for $11.

Much to his surprise a month ago he received a bill for $334. That came as a surprise because he had paid $11 on each of his three-monthly visits. He had been given a receipt saying no money was owing. When he inquired, he was told it was for his dentures. When the dental hospital was told his dentures had been fitted prior to the 1998 fee increase, the response was that his treatment did not finish until April 1998 so now he has to pay that amount. It took from April 1998 to February–March 1999 for the hospital to realise that it had erred on the pricing basis. Suddenly the pensioner was required to produce $350. I recently wrote to the minister about the matter because it is so unfair. Victims of the privatisation system frequently come to members of the opposition.

Recently I had a visit from a single mother of three children. Public housing is a severe problem in Essendon. Because only limited space is available, private rentals are extremely high. Pensioners find there is always someone in a better financial position, and they always ends up on the bottom of the queue.
The lady who visited me had nowhere to live. She had been staying with a friend and had gone through a marriage break-up some time before. Nothing immediate could be done for her. She had three children at primary school and had to move from house to house for some months until a small unit could be found for her. Is it good government and good economic management when people are left homeless and young children have to suffer the trauma of being moved from one friend’s house to another every two or three days, with no security about where they will end up next? A government cannot claim to be a good manager when it allows that to happen.

I refer to another privatisation issue. A man recently came to my office with a problem with City West Water. He had purchased the fourth of four new villa units and has been living there since July last year. In December he was surprised to receive a bill for an extra $340. He had been paying his monthly bill. After investigation, City West Water wrote to him and said the water rates do not apply to the person but to the property. Unfortunately, because this person took over a property which apparently owed water rates he was liable for them.

I do not understand why City West Water did not adjust the rates at the appropriate time, but if you follow the logic of City West Water to its conclusion and if the property attracts the water rates and not the person, you would think that City West Water should get the money it says it is owed from the property. Surely the person cannot be held liable for a debt he did not incur and which was accrued prior to the time he entered into a contract with City West Water. Presumably someone has undertaken an audit of this semicorporatised organisation and found that some money was still owed, but it is outrageous to put that impost on people some months later. That practice does nothing to encourage the community’s belief that these organisations are more efficient and better for the community — claims that the government makes constantly but which it never has any evidence to back up.

At the beginning of the school year I was informed that several students had no secondary school to go to. Under the government’s rationalisation of schools the proposed campus of the Essendon–Keilor College for students from years 7 to 10 that would have been on the former site of the Essendon technical school did not proceed. Students living in Moonee Ponds or Ascot Vale do not have a secondary college that is appropriate. The nearest college is Debney Park Secondary College, which is full and mainly caters for residents of Flemington and Kensington. The next closest school is at Strathmore, which is suffering pressure from the north because so many schools in Pascoe Vale and Glenroy have been closed or they must look at the junior campuses at the Essendon Keilor College in Keilor or in Niddrie. Students now find themselves in the awkward position of finding a school that will take them and being put on waiting lists because they are not in the immediate feeder area of the schools.

Strathmore Secondary College is in a particularly awkward position, because it has always been the feeder school for Moonee Ponds Central Primary School, whose students go to year 8. It now finds that so many students are coming from other schools at year 7 that pupils from Moonee Ponds Central Primary School are being denied the normal progression that they have had for many years.

The budget does not afford any relief for the people of Essendon. They do not have a social advantage; indeed, they feel constantly disadvantaged in many ways, not just through the budget process but because of the appalling planning processes of the government which change dramatically the nature of the local environment of Essendon and surrounding areas. The pathetic attempt of the Minister for Planning and Local Government to always blame local councils is falling on deaf ears because people know the minister chooses to interfere when it suits him. And even when councils refuse applications that are inappropriate for the area, appeals can be made to the Victorian Civil and Administrative Tribunal, which upholds appeals that comply with the so-called good design guidelines, which create uncertainty because of the way they are written. All those things make the residents of Essendon understand there is no social advantage in the Liberal Party for them and for the years of pain they have suffered. There is no gain at all.

Government policy has done nothing for people in my electorate or communities like it. This government governs only for the mates and cronies of the Premier. At the next election the government will find that people are sick of it and they will want to give the Labor Party a chance because they know it governs for all Victorians no matter where they come from or their financial status.

Mr LEAN (Carrum) — It is with pleasure that I contribute to the debate on the Appropriation (1999/2000) Bill. After listening to the contributions of opposition members with great interest I asked myself: if things are so bad now, why were they so good when the former Labor government was in power? Anyone would think that when Labor was in power we lived in
a rosy world where everyone was employed and everything was perfect. Unfortunately, that was not the case and that is why the Labor Party is now in opposition.

I hark back to the opposition’s constant carping about the selling of Victoria’s assets. Why did governments own assets in the first place? In other countries, especially the United States of America, most of the major owners of public assets are in the private sector. In the United States the vast majority of assets are owned by multinational corporations because it had a better financial base in its early years of development with the discovery of oil and other minerals. Australia did not have many entrepreneurs during the early part of this century; it is for that reason governments took on the building and running of assets that would ordinarily be owned and operated by the private sector. Private enterprise will operate businesses far more efficiently than the government.

This is an excellent budget for Victoria. The government is encouraging employment and as a result of previous budgets and this budget the rate of unemployment is better than it has been in the history of Victoria. The budget will deliver jobs and reduce unemployment. The government has allocated $380 million for education, health, law and order, and science, engineering and technology projects. It has allocated $1.36 billion for new capital works, which will help increase employment, and it has reduced payroll tax to encourage employers to take on more employees.

For many years the Wells Road corridor in Carrum was vacant space, but now factories are being built in what is called the garden industrial estate. Many medium and small business enterprises are being developed because of the government’s initiative. I can recall when that area was desolate and the former City of Chelsea had no industrial estates.

Victoria’s economic growth is forecast to rise 3 per cent from 2001 to 2002. The total health budget has been allocated more than $5 billion for the first time. Nurses and health professionals will receive guaranteed salary increases, an extensive capital works program has been established for hospitals, and funding for ambulance services has been increased. The ambulance training centre will be relocated to the TAFE college at Monash at a cost of $3 million. The Chisholm College of TAFE has been allocated $2.7 million to open and operate a new nursing faculty.

Public housing will benefit from a $97.5 million increase in funding. During the former Labor government administration public housing was in a poor state. Members of the Labor Party say that the former government built a lot of publicly owned housing, but it never maintained public housing. It is not appropriate for governments to outlay assets to build public housing if it cannot improve or maintain existing public housing assets. The Kennett government has caught up with the public housing backlog and it is gratifying that a further $97.5 million is being allocated to that area.

The electorate of Carrum has been a big winner in this budget, with a new central Bayside community health service and $2.5 million being spent on a network facility at the former Mordialloc hospital site.

The former Mordialloc hospital, which offered maternity and general services, will now become a new community health centre that will provide far superior services than it has in the past. They will include dental, general, maternal and child health services. A large building to the rear of the Chelsea shopping centre, in which the Chelsea library was located, is being converted so it can be used as a satellite of the community health centre. That project, together with the improvements to the Frankston Hospital, will provide a far superior health service than the people of Carrum have had in the past. Surveys show that 97 per cent of the patients at the Frankston Hospital are satisfied with their treatment.

Education is a big winner in the budget. Some $99 million has been allocated for the replacement and refurbishment of schools, $104 million has been allocated for new learning technologies and $5 million has been allocated to the ever-successful youth development program. Secondary schools, including the Patterson River Secondary College and the Mordialloc-Chelsea Secondary College are also big winners. Some $98.3 million has been allocated for apprenticeships and other traineeships over four years.

The government has also focussed on the primary school level. Since 1992 primary schools have been big winners, with more than $6 million being allocated for capital improvements. In particular, Edithvale Primary School has been allocated $730 000 for a complete redevelopment program and the implementation of its master plan. I am pleased to be able to say I helped that initiative come to fruition.

Law and order is an important component of the budget. Four hundred police officers will be introduced into the force over two years. Opposition members have claimed that a Labor government would introduce more than 800 over four years, but that number cannot be trained at the one time. The opposition’s promise to
train 800 police officers over four years is no different from the government’s promise to train 400 police officers over two years, except that in the latter case it will be possible to train those officers properly.

Some $84.8 million has been allocated for the improvement of prisons and the provision of prison beds. A further $4 million has been allocated for legal aid, on top of the $24.7 million that has already been provided. The people of Carrum are big winners in law and order, with a new police station opening within the next two months. The old Chelsea police station in the Strand is totally inadequate for the number of police officers stationed there. The new station, which will incorporate the Parkdale CIB, will be located at the site of the old Chelsea council building. In the Carrum electorate, law and order is very much on the agenda.

The budget allocates $550 million for freeways, $75.8 million for new and improved bus services, and $48.8 million for roads in outer Melbourne. Freeways are a great investment in moving traffic efficiently through the southern and eastern suburbs. Some $12.4 million has been allocated for national parks, which is a great investment that Victorians will enjoy. It shows that the government is committed to providing the best national parks in Australia.

The budget also allocates $1.5 million to tourism. As a result a number of tourist destinations in the Carrum electorate will be developed. That includes the mouth of the Mordialloc Creek, which is the busiest entry and exit area for small boating traffic in the whole of Port Phillip Bay. A vast amount of money has been allocated to the Bringing the Bays to Life program to clean up the wonderful natural asset of Port Phillip Bay.

When the government came to office in 1992, it found that the Labor Party had left Victoria with a debt of $32 billion. Victoria’s population at the time was 4 455 000, so its per capita debt was $7183 — that is every man, woman and child owed $7183. By early 1999 the debt had been reduced to $6 billion, and the recent sale of one of Victoria’s gas assets has further reduced that debt to $5.1 billion. Victoria now has a population of 4 706 000, and its per capita debt is now $1274 — a remarkable drop. Opposition members talk about how much Victorians are taxed, but they are now enjoying a reduction in per capita debt of some $6000, which is a remarkable achievement by the government.

Opposition members have criticised our achievements, but the government has done a remarkable job in again making Victoria one of the most vibrant, if not the most vibrant, state in Australia. The state’s has regained its AAA rating, something no other Australian state has been able to do. That has been achieved in only three other places in the world. Victoria is well and truly on the move, and it will continue on the move under this responsible government. We do not live in a perfect world — it would be wonderful if we did — but Victoria will stay on top of the other states through prudent fiscal management rather than throwing money around at will. A recent article by Terry McCrann in the Herald Sun states:

If the government was spending what the opposition wanted, taxes would have to be even higher. Or we’d have plunged right back into the Cain-Kirner red ink.

Mr HAERMeyer (Yan Yean) — That was an appalling performance from the honourable member for Carrum. He has had three years in this place. He could have fitted a bit more about the needs of his electorate into the 12 minutes he spent debating the budget. The voters of Carrum have been given short shrift.

Mr Reynolds — I hope you’ve got a solid grip on your electorate.

Mr HAERMeyer — Don’t you worry about that. The budget is, without doubt, an election budget — it is a smoke-and-mirrors budget. It is big on pork-barrelling, big on announcements, many of which we have heard before, and short on substance. The government’s polling has shown that the electorate considers it to be a mean government, a government that knows how to cut but not how to manage.

Many of the provisions in the budget will have no status after the next election. As I said, some of them we have heard of before, and some are provisions that defy credibility — for example, the commitment to the electorate of Yan Yean to reconstruct and duplicate Cooper Street over the next five years. The same commitment was made just before the last election, when a pamphlet announcing it was distributed throughout the western part of the Yan Yean electorate. However, barely weeks from the next election, no work has been done on Cooper Street. All that has been delivered is another promise and another announcement.

The government loves making announcements, but it falls short on delivering on them. Why should we believe the government when it promises to duplicate Cooper Street just after the forthcoming election? It is like the boy who cried wolf: its last cry was a false cry, so it is hard to believe the next one.

As we all remember, in 1992 the government promised to provide 1000 additional police officers.
Mr Perton interjected.

Mr HAERMeyer — That is not quite correct: in fact, more than 1000 police were promised. Prior to the 1992 election the coalition promised to increase police numbers to 11,000. However, since 1996 police numbers have been reduced from 10,416 to about 9650, which is an appalling reduction. The government claims it is putting on an additional 1000 police, but it is doing the opposite. As I said, the last available figure on police numbers is 9650, 1350 short of the 11,000, 800 short of the number we had in 1996 and nearly 1000 short of the establishment figure endorsed by the Governor in Council as published in the police annual report for 1997–98.

Mr Perton interjected.

Mr HAERMeyer — I’ll get to the safest city in Australia in a moment. The government has been cutting police numbers in a big way. It promised 1000 more police and instead has taken 800 away. Under those circumstances, how believable is anything it says?

Mr Perton interjected.

Mr HAERMeyer — I will refer in due course to the government’s commitment to an additional 400. Before the last election the government promised to build the Mordialloc police station. I stood outside that police station yesterday and saw the same shabby building and same crowded circumstances. The honourable member for Mordialloc is still making the same old promises, too. How many times will the new Mordialloc police station be re-announced? The people of Mordialloc want a police station, not an announcement.

Ms Davies — Wonthaggi has been announced about five times, too.

Mr HAERMeyer — There you go! The honourable member for Gippsland West is an Independent. If the member for that electorate were a member of the government, he or she would maintain there was a police station there when in fact there wasn’t! On the other hand, the honourable member for Gippsland West has sufficient independence of mind to call the situation as it is. If there is no police station in Wonthaggi, she is prepared to say so.

What have the residents of Wonthaggi received from the government? They have been given five announcements, and they are unimpressed. Announcements cannot come around to their homes when they have been burgled.

It is interesting that the honourable member for Mordialloc should enter the house while his name is being mentioned. The honourable member stood before the Mordialloc police station prior to the last election and said it would be built — —

Mr Leigh interjected.

Mr HAERMeyer — It will be built in a couple of days, will it? That defies belief. The honourable member for Mordialloc is saying the Mordialloc police station will be built in a couple of days. My father has a background in the building industry, and I know that a police station cannot be built in a couple of days. Mordialloc residents have received a further promise from the government to be delivered after the election.

Honourable members interjecting.

Mr HAERMeyer — The history of the government’s promises leaves much to be desired. The election budget promises many things, including extra ambulances. In reality there is nothing new; existing ambulances are being replaced. Everyone has heard the promise about Cooper Street before!

The government has promised some 400 additional police. Late last year and earlier this year the Premier told Neil Mitchell on 3AW that no problem exists. He said, ‘Victoria has more than enough police; what are you talking about?’ When those statements were disproved the Premier called for a review. The government has now come up with some 400 additional police. Victorians should ask themselves how believable this bloke is. Before the 1992 election the Premier promised 1000 additional police and instead cut numbers by 100. What is the worth of 400 police? People will not see one of them on the streets before the election, and as we know with the Kennett government, after the election all bets will be off. The government is concerned with perceptions, advertising gloss, marketing and polling but it is not concerned about delivering services and keeping Victorian streets safe.

It is a shame that the honourable member for Doncaster has fled the chamber because he previously referred to the crime rate. Over the past three years Victoria has experienced consecutive increases in the overall crime rate. The figures so far suggest that this year the crime rate will increase more rapidly than last year and give the state an exponentially increasing crime rate. Home-invasion figures are alarming, having increased by 165 per cent, while property damage figures have increased by more than 200 per cent — they have more than tripled in three years. Crimes involving weapons have risen enormously, with Victorians increasingly...
arming themselves. Crime statistics show an increase of almost 1000 per cent over three years in the use of syringes to commit crimes and a 450 per cent increase in the use of knives. The government is too busy taking police from the streets to do anything about legislation governing the possession of knives. People do not feel safe in their homes or on the streets.

Mr Reynolds interjected.

Mr HAERMeyer — The Minister for Sport asks, 'What about the lowest crime rate?'. Victoria has always had the lowest crime rate of any state. The government inherited that low crime rate, but the way it is going it will turn a long-standing downward trend into a very sharp exponentially increasing trend. If Victoria continues down this path it will not be the safest state for much longer.

The government should stop resting on the laurels of former governments. It should examine those things that have made Victoria the safest state and maintain, restore or improve them. Why does the government compare the state with the worst rather than the best? Victoria has always had the best approach to crime of any state. The government is undermining many of the factors that led to that position. It is not just a case of police on the streets, but if 800 police officers are taken from service a situation is created where resources are stretched too thinly.

Everyone has heard complaints from police officers across the state about 24-hour police stations closing down. The honourable member for Monbulk has come into the chamber, so I will mention the Olinda police station that is now closed. It is still a gazetted police station but it cannot be manned and police are unable to undertake the proactive patrolling that assists in preventing crime.

The budget is the heart of the government’s social policies. If thousands of teachers are taken from the education system and year 12 retention rates drop by 20 per cent in the year, where will those kids end up other than as drug or crime statistics? The government should be aware of the social consequences of its policies down the track.

The government talks big on law and order but when it comes to providing the resources to do something about it, it goes AWOL. Government members wander around proudly, beating their breasts about new police stations in country areas that do not have police in them. It is a bricks-and-mortar mentality. There are nice, new buildings, but where are the police to fill them? An education system requires teachers; a police force requires police officers; a hospital requires doctors and nurses — it is not just bricks and mortar.

The government has been AWOL in that regard. It likes to talk tough on law and order but it is as soft as a marshmallow when it comes to putting the troops on the ground and providing an adequate number of police to do the job.

The resources of the police in Victoria are stretched to the limit. There is an exorbitantly high rate of attrition in the Victoria Police Force because morale is the lowest it has been for at least 25 years. It is at rock bottom and I defy any honourable member to find a police officer who would not agree with that. The rate of attrition is a pertinent point because of the Premier’s promise of 400 additional police. But 400 on top of what? Even if one were to believe that there will be 400 police in addition to the number of police currently in the force it would leave Victoria 400 police short of what it had three years ago. The Premier’s promise does not go anywhere near replacing the number of police he has taken out. If the Premier can suddenly discover that additional police are needed why were they not delivered earlier? The Premier did not discover a need. I think the Premier discovered a poll that told him the issue was really hurting the government in its marginal seats.

Victoria’s police force has an attrition rate of 360 per annum. It will be January 2000 before the first of the promised additional police officers graduates from the police academy, and by that stage the force will have lost another 270 officers through attrition. There is a commitment in the budget to maintain the force at a level equal to the attrition rate plus 200 per annum extra, but that is 200 per annum over two years — that is, another 400 on the figure as at January 2000. That is an extra 400 on a police strength of 9380, not 9650, which is the current strength. The government is actually promising 130 more police than Victoria has at the moment.

The government has made a commitment of $20 million per year extra in recurrent funding for those additional police. I am beginning to understand the government’s rubbery figure. It costs at least $85 000 to put a police officer on the streets in Victoria. Given an allocation of $20 million that means the government is budgeting for a little more than 200 officers.

Mr McArthur interjected.

Mr HAERMeyer — The honourable member for Monbulk asks about overheads. The $50 000 that the government is committing per police officer does not even cover the cash costs of employing a police officer.
let alone the overheads. It costs something in the vicinity of $68 000 per police officer for the provision of salaries, superannuation, fringe benefits tax and all of the other associated on-costs. On top of that is the provision of uniforms and vehicles. It might be said that the vehicles are already in place, but they need to be accounted for because they need to be turned over every couple of years, as does other equipment. The $50 000 figure is not credible.

The government is promising 130 additional police officers. It is short-changing the public. Its promise is nothing but a cheap con trick. The only people who are going to benefit from what the government is promising are the armed robbers, the crooks, the thugs and the muggers — not the average member of the public.

The government will not provide additional police, but it will promise 300 additional prison beds, each costing $55 000 per annum. The government is cutting funds to services such as community-based corrections and community-based drug treatment programs. Magistrates are being placed in a situation of being forced to deliver a custodial sentence where they believe a community-based order would be more appropriate. The government sees prisons as some sort of big growth industry that is going to stimulate Victoria's economy. I could think of a lot more useful purposes for the $55 000 per annum it costs to keep a prisoner in Port Phillip Prison: police officers could be put on the streets, teachers could be put into classrooms and nurses could be put into hospitals.

Sitting suspended 6.29 p.m. until 8.03 p.m.

Mr HAERMeyer — Before the suspension of the sitting I was drawing my remarks about Victorian policing to a conclusion. I shall conclude my contribution by referring to a few issues in my electorate on which the budget has fallen short.

For some time now the electrification of the railway line from Broadmeadows to Craigieburn, with a station to be built at Somerton, has been a major issue. With the development of Roxburgh Park the station at Somerton and the electrification of the railway line through to Craigieburn is an important need. Minor crime is a problem in the area as a result of young people not having enough to do. The Craigieburn and Roxburgh Park areas are unable to attract many of the entertainment facilities and services young people want to access. Young people in the electorate require mobility and are disadvantaged compared with many other communities where young people have access to adequate public transport, particularly adequate and electrified railway lines.

At the moment the country service meets the needs of morning and evening commuters. However, it does not service the needs of young people and people who do not have access to a car. As most of the recreational or entertainment facilities are either further south or to the east at Epping, the railway line electrification needs to be treated as a priority. It was a project that was curtailed when the coalition government was elected. The former Urban Land Authority had some money on offer to pay a proportion of that. It was turned down by the government. It is unfortunate that this very important project has been overlooked once again.

In Craigieburn ambulance response times have sometimes been 25 minutes, sometimes as much as 45 minutes. The opposition has been lobbying intensively for an ambulance station in Craigieburn. The Craigieburn and district ambulance committee, with which I have had extensive involvement, has been very proactive. It has set up its own community emergency response team. CERT does a fantastic job in terms of medical response but it is not a substitute for an ambulance. The need for an ambulance station in Craigieburn has been overlooked by the government.

Earlier I mentioned the Cooper Street issue. I hope the government's promises about Cooper Street this time are not as hollow as they were in the run-up to the last election. The Diamond Creek part of my electorate has a similar problem. My electorate stretches across the outer north, where there are serious concerns about infrastructure and services have not kept up with the population growth. There have been problems with ambulance response times in Diamond Creek as in Craigieburn. Clearly, there is a need for an ambulance station to be located in Diamond Creek to service the northern part of the Nillumbik shire. There is an opportunity in Diamond Creek for that ambulance station to be co-located with a new 24-hour police station. I understand the Country Fire Authority has also planned a new fire station for Diamond Creek which is capable of being brought forward in the event of all those services being put under the one roof. I express my disappointment that the opportunity was not taken in the budget to provide for an emergency services centre in Diamond Creek to encompass all those emergency services.

Previously I have raised in the house and in correspondence with the Minister for Roads and Ports in the other place Arthurs Creek Road at Hurstbridge, including the crossing at Monash Bridge. I have said the area was waiting for a tragedy to happen, and unfortunately late last year a five-year-old girl died on the road in a tragic accident. Last year the minister said that he was prepared to put $16 000 towards the
construction of a footpath beside the road, but it requires a major realignment and a bridge built upstream of the current Monash Bridge. The cost of doing the work is more than $1.6 million. That would absorb the entire capital works budget of the Shire of Nillumbik, so it is unfortunately unable to carry the cost.

The only way that urgent and important work will be done and tragedies will be avoided is if the government picks up the cost of realigning the road or building a new bridge upstream from the Monash Bridge, which currently services the road. It is unfortunate that the matter has become the subject of duckshoving or blame shifting between the government and the shire, because the shire cannot afford to pay for the work.

The ACTING SPEAKER (Mr Perton) — Order! The honourable member’s time has expired.

Mr McARTHUR (Monbulk) — It gives me much pleasure to support the Treasurer in speaking in the appropriation debate. It has been interesting to watch the progress of the Treasurer’s budgets since he introduced his first appropriation bill in 1992. Watching the careful, painstaking and deliberate building of a solid and substantial platform over the past six and a half years has been very instructive for all members of the government and most members of the public. Sadly, the lesson seems to have been lost on members of the opposition, in particular the honourable member for Yan Yean, who has just finished his contribution to the debate.

It was risky for the honourable member for Yan Yean to make unkind remarks early in his contribution about the performance of my colleague the honourable member for Carrum. My contacts and friends in Carrum tell me the honourable member for Carrum is hardworking, decent and upright and that he serves his electorate well. It seems odd that the honourable member for Yan Yean, who is known in his electorate as André Who-meyer — —

The ACTING SPEAKER (Mr Perton) — Order! The honourable member for Monbulk sits in the chair as an Acting Speaker. He knows he should refer to honourable members by their electorates, and I ask him to do so.

Mr McARTHUR — Mr Acting Speaker, I referred to him as the honourable member for Yan Yean, but I am simply reporting to the house that residents of his local area refer to him not by his proper name or his electorate title but by the nickname André Who-meyer, which is a slight variation on his proper name.

Mr Acting Speaker, you will understand that such epithets are attributed to members in general conversation and sometimes in the media. It is unfortunate that the honourable member for Yan Yean unfairly criticises the performance of other members in this place. It reminds us all of the aphorism that those who live in glass houses should not throw stones.

At the next state election the honourable member for Yan Yean may well rue the comments he has made about the performance of other members, because he is no shoo-in for his seat — as you know, Mr Acting Speaker, and as I am sure more people in Yan Yean are starting to realise.

I turn to the effects of the budget on the people of the Monbulk electorate. As you know, Sir, having visited the area over the years, Monbulk is one of the most delightful and picturesque parts of Victoria. The Dandenong Ranges are visited by most people who live in or visit Melbourne, including many international visitors, because the ranges and surrounding areas are such lovely spots. People like to see the gardens and the excellent quality of the area’s horticultural produce, including the cut flower and nursery industries, which without doubt are some of the best in Australia and are competitive with industries anywhere in the world. Monbulk also has renowned orchard areas that provide high-quality produce for both Australian and overseas markets. It is no wonder that people like to visit the region. They get the best of the Australian native areas in the Dandenong Ranges and the surrounds as well as the best of the exotic gardens and other places that are renowned for their beauty. The George Tindale and Alfred Nicholas gardens are outstanding examples of what can be created in the Dandenong Ranges by people who have the expertise and who are prepared to put in the required effort.

Recently the Premier and the Treasurer spoke about the benefits of the budget to all Victorians. I refer to some of the initiatives in the budget that will provide substantial benefits to the people of my electorate. The most notable is the funding of the extension of the Eastern Freeway to Ringwood from its current terminus at the Springvale Road junction. Mr Acting Speaker, as you represent an area that extends along the Eastern Freeway, you will know what a fantastic benefit the extension of the Eastern Freeway from Doncaster Road to Springvale Road has been to people living in the eastern suburbs. While Springvale Road is a good distance from the Dandenongs, along with others who live in my area I use the extension regularly. I find it makes a considerable difference to travelling times to and from the city, whether for pleasure or business. The further extension of that freeway from Springvale Road
to Ringwood will prove a boon to people living in the Dandenongs and their foothills. Not only will it be beneficial for people who are coming into town to do a bit of shopping, who work here or want to see a show or visit friends, but also it will reduce the delays experienced by people in business who send goods from factories and warehouses to customers or who import raw materials to their factories for production.

To demonstrate how much benefit the extension will provide, I will tell a story about what happened after stage 1 of the Eastern Freeway extension was opened last year by the Premier. An acquaintance who has a fairly substantial nursery and garden supply and associated delivery business in Ringwood told me that on the first day after the section from Doncaster Road to Springvale Road was opened his business took an additional $4000, with absolutely no additional costs. He did not put on extra staff or vehicles; he was able to provide that much extra service on the day because the delivery vehicles were able to make many more deliveries because the traffic was less of an impediment.

If that relatively small business in the eastern suburbs was able to increase its revenue by $4000 the first day the extension was opened, imagine the enormous benefit businesses right throughout the eastern suburbs will enjoy with the Eastern Freeway reaching all the way to Ringwood. It will be fantastic for businesses in the area regardless of whether they are transporting goods from their businesses or bringing goods in. It will provide an additional boost that will allow them to grow more effectively than they have in the past. It puts the lie to the old Labor claim that freeways do not provide benefit to the community or to business. It is definitely a major benefit to residents and business in my electorate, particularly those who send flowers daily either to the Footscray market or to the airport for international and interstate destinations.

In the budget the Treasurer allocated approximately $49 million for outer metropolitan arterial roads. I aim to ensure that the outer east gets at least its fair share of that $49 million. I expect to present the Minister for Roads and Ports in another place with a case for funding a number of the substantial roads in that area. I refer to Swansea Road, where the duplication project needs to be extended further towards Lilydale. I also refer to Dorset Road, where a further duplication project needs to be completed. I refer also to the Mountain Highway and Mount Dandenong Road. Those major arterials service the outer east and require additional duplication work to complete that long-term planning. I certainly hope a good deal of the $49 million in this year's budget will be allocated to those projects.

The government has spent an enormous amount of money over the past six and a half years to catch up with the sad tale of neglect of school infrastructure by the Labor Party. Stories about the poor state of schools have often been told in the house. I can remember visiting schools in 1992–93 and seeing holes in the walls and drains that did not work. Every time it rained water came up through the floors and wet the carpets. Electrical wiring was not up to standard and posed a danger to both staff and students. In the past six and a half years in my area alone, some $12 million has been spent improving school infrastructure by way of both new buildings and refurbishing old buildings.

In this year's budget an additional $4 million in round terms has been allocated to four separate projects, including stage 1 of the Upwey High School redevelopment at a total cost of $1.5 million. That school was built for a predicted enrolment of 500. Its library caters for a student population of 500. The school is very successful and popular; it provides an excellent education and top-notch programs. It now has an enrolment of more than 1200. Therefore the library that was built for 500 is substantially undersized and disadvantages students no end. It is pleasing to see that stage 1 of the Upwey High School refurbishment will include a new library. That will bring it up to standard and cater for the needs of all the students, not just an enrolment of 500.

Bayswater North Primary School will receive funding of $822 000 for the stage 2 completion of its redevelopment program. Although not a particularly old school it has grown rapidly. Up to three years ago it was comprised almost entirely of portable classrooms. When stage 2 is completed almost all of them will go. There will be a core of permanent classrooms, new and upgraded administration facilities and a new multipurpose room. The local community will be very proud of it. It has an enrolment of 600 students nowadays and that is not likely to drop. Indeed, 100 acres of vacant land just across the road will at some stage be developed, and because of that the school will have solid enrolments for many years to come. For decades students will benefit from the minister's announcement of second-stage funding.

Billanook Primary School has been allocated a total of $824 000 for stage 2 of its refurbishment. Once again, that school has growing enrolments. It, too, was substantially comprised of portables until very recently. Although the school had been neglected by the Labor
Party when in government it will now be virtually a new school.

I am proud to say that over the past six years I have been arguing strenuously for capital works funding for schools in my area. It is good to see that the government, the former minister, the Honourable Don Hayward, and the current Minister for Education share my belief that students and teachers need good facilities in which to learn and to teach.

Ferny Creek Primary School will be allocated $726,000 for stage 2 of its refurbishment program. Many honourable members will recall that in January 1997 Ferny Creek was devastated by severe bushfires and three people lost their lives. The school, which is an important focal point for the community, played a large part in rebuilding people’s lives after the bushfires. It is terrific to see that those schools will be completely rebuilt and refurbished; there will be virtually a new school in Ferny Creek.

The people of Monbulk will receive substantial benefits from the budget, just as they have from earlier budgets over the past six years. I contrast that with some of the statements and promises made by the Leader of the Opposition on Thursday last week when he gave the Labor Party’s response to the budget. It seems odd to me that the honourable member for Williamstown, who is now the Labor leader, could have got it so badly wrong. For the past three and a half years he was a member of the Public Accounts and Estimates Committee. During that time I formed a high opinion of him. He was a diligent committee member and examined the issues behind the funding arrangements for the various departments. In the past he did not just run around parroting political slogans and rhetoric.

Sadly, his response to the budget swung 90 degrees away from that path. He made a number of core promises. The first was a promise that the Labor Party would commit to a substantial operating surplus, and on that I congratulate him. To commit to living within its means and spending no more of the taxpayers’ money than it can raise in revenue would be something new for the Labor Party, both in Victoria and across Australia. It would be a commitment not to burden future generations with unreasonable and impossible debt loads. That is an excellent commitment. I commend him on that and I hope he sticks to it.

However, his second commitment causes me some problems. He said a Labor government would benchmark Victoria’s taxes and charges to the national average on a per capita basis. He then expanded on that. However, I refer the house to budget paper no 2, which reveals Victoria’s per capita taxing load compared with the rest of Australia. Page 159 of the 1999/2000 Budget Statement states:

Compared with the average for all states, Victoria’s taxation revenue per capita in 1997–98 was $87 higher, which is the first time since 1993–94 that this measure has been below $100.

Victoria’s taxing load is declining compared with the national average. If we assume that in the financial years since 1997–98 it has continued to decline, it may be down to $80 above the national average. What will be the effect of the Leader of the Opposition’s promise if it is $80? In June 1998 Victoria’s population was 4.66 million. If Victoria’s taxation revenue per capita is about $80 above the national average, 4.66 million times $80 is $372.8 million. In one promise the Leader of the Opposition has slashed the state’s revenue by $372.8 million. I remind the house that the Leader of the Opposition has a budget surplus of $129 million to play with, so in that second core promise he has pushed the budget into deficit by $243.8 million. The Leader of the Opposition is down the hole on his second promise by almost $250 million.

The Leader of the Opposition said in his third promise that a future Labor government would ensure that the debt and unfunded liabilities were contained. He did not define ‘contained’ and I would be interested to hear what he means by it. Does he mean contained within a certain realm, within a certain percentage of the GSP, or within the national average? I am pleased that the Leader of the Opposition says a future Labor government will not burden future generations with unfunded debt, but he goes on to promise more money for health, education and the police. He has provided examples of where some of that money will come from, but not all. Honourable members should bear in mind that his second promise will put a hole in the surplus to the tune of $372 million; yet he says that a future Labor government will spend more on health, education and police, as well as balancing the budget! Either the Leader of the Opposition is a miracle worker or he cannot add up. The Leader of the Opposition is either careless, incompetent or is misleading Parliament and the public. He cannot have it both ways.

These promises are classic Labor Party magic pudding trickery — the more you cut from the cake the bigger it gets. The Labor Party has never departed from its magic pudding economics. It is time it learnt to add up.

The Leader of the Opposition says a future Labor government will ensure total per capita revenue-raising from all sources will be kept at the national average. I have already referred to Victoria’s taxation load. There
is a possible source of $250 million from the fees and charges that the government levies. I wonder from which of the fees and charges will a future Labor government find $250 million, because $250 million will just get the Leader of the Opposition back in balance. But he also says that a future Labor government will have an operating surplus. Does the Leader of the Opposition propose to increase transport charges when in government? Can Victorians expect increased train and bus fares, which are relatively low when compared with New South Wales, if they are governed by his Labor Party colleagues? If the Leader of the Opposition is saying that a future Labor government will increase transport charges to the New South Wales level it will mean an increase of $1 or $2 on every train or tram ticket. Victoria's water charges are competitive with similar charges throughout Australia. Is the Leader of the Opposition saying there will be substantial increases in domestic water charges under a future Labor government? People should ask, 'If we vote Labor will we get a higher water bill?'. The answer is, 'Probably'.

Most people pay car registration fees. Will they double? Will Transport Accident Commission fees increase substantially to the point that Treasury will appropriate funds from TAC to balance the budget? Where will a future Labor government find $250 million? If the Leader of the Opposition is to be up front with Victorians, as he says he is, he should explain how a future Labor government will find the money to do all the wonderful things that he promises.

The Leader of the Opposition also said that a future Labor government would not put tolls on any roads. He says that there will be no toll for the Eastern Freeway, which will mean the end to the freeway extension to the Tullamarine Freeway. It will have a dead end where it meets Hoddle Street! Will there be additional petrol taxes under a future Labor government? Will the Better Roads levy be increased to 5 or 6 cents? An additional 3 cents increase would provide $192 million. Is the Leader of the Opposition planning an additional 3 cent increase in fuel charges? Prior to the next election people should ask themselves those questions. The house should satisfy itself about those issues before it votes on this bill.

This is a classic Labor trick. The Leader of the Opposition promises everything while not saying where any of the money will come from. He says that the Labor Party has learnt the lessons from the past. We are led to believe this is the new Tony Blair version of the Labor Party. It is nothing more than a 1990s version of John Cain. If I remember rightly, about 100 years ago a noted United States congressman said that it is the duty of the Republican Party to build up the reserves and gather resources, and that it is the duty of the Democratic Party to spend those resources. There is a direct parallel in Australia. The Labor Party believes it is the duty of the Liberal and National parties to run the administration of this state responsibly and build up the reserves and finances and that it is the duty of the Labor Party to spend the lot and push the state into debt so that it is almost bankrupt.

It is pleasing to see the substantial increase in funding for science and technology research, particularly agriculture research. Those areas provide great benefit to Victorians through increased production and export-earning capacity, and they have done so for many decades. I am sure every dollar invested in science and technology, particularly agricultural research, will give returns many times over in future years.

I am pleased at the sharper focus on asset management, both now and for future years. For far too long the cash accounting system in the public sector allowed managers to take no real account of the management of their assets. Under the shift to accrual accounting that is no longer possible and public asset managers now must take far more responsibility and care for the assets they have under their control.

The Department of Natural Resources and Environment has been allocated an additional $20 million. It does a lot of excellent work in agriculture and conservation and environment. My colleague the Minister for Conservation and Land Management has done an excellent job ensuring that the department and the government are good neighbours and has allocated substantial resources to programs such as the Good Neighbour program, the weeds initiative and the rabbit busters program. Those programs will continue to provide substantial benefits to all residents of rural and regional Victoria.

I reiterate again the point made in the Treasurer's speech about the Labor Party going around the community, aided and abetted by some sections of the media, putting out the lie that the government is spending less on health, education and police than occurred in the past.

Anyone who can read a set of budget papers or who takes the trouble to compare this budget's figures with those of previous years will know that that is not true — in fact, it is an absolute lie. Spending on health care and community services is now 24 per cent higher in real terms than it was in 1991–92; spending on education is now 12 per cent higher in real terms than it
was in 1991–92; and spending on police is 21 per cent higher in real terms than it was in 1991–92. Those figures are all in real terms — they have been arrived at after adjustments have been made for inflation. Anyone who continues to push the story that the government is spending less on health, education or police is either lying or deliberately avoiding chasing up accurate information. Given that the information is available all year, any member of Parliament who says the government is spending less must be lying. No member of Parliament can plead ignorance on this matter.

The ACTING SPEAKER (Mr Perton) — Order! I note that a pager went off during the course of the debate. The sound of a pager may put a speaker off his or her speech — particularly if a pager goes off close to the end of a member’s speech and the member confuses it with the time limit tone. I note the ruling given by Speaker Plowman on 14 November 1996, that ‘pagers or mobile telephones should not be turned on while members are in the chamber’. Bearing in mind that today’s modern technology enables paging messages to be received in silent mode, I ask honourable members to take that into account and to operate their equipment in silent mode. Laptop computers can also be used in silent mode. I remind honourable members of the 1996 ruling and ask them to use their pagers, mobile phone pagers and laptop computers in silent mode.

Mr PANDAZOPOULOS (Dandenong) — The government’s eighth budget is more of the same — it contains more of the same lies and misrepresentations we have heard from government members throughout the debate. The government wants to sell the notion that Victoria has a rosy future when in fact the budget shows the state is performing poorly.

The honourable member for Monbulk devoted 15 minutes of his speech to justifying why Victoria’s taxes are above the national average. The government has introduced more increases in taxes and charges than any other state. It has doubled the cost of motor registration; and tolls and electricity service charges are de facto taxes.

The budget contains more of the same lies. What the government says it will do and what it does are two different things. In a press release of 21 April 1998 the Minister for Education said when talking about last year’s budget:

> This important initiative means around 1000 extra full-time teaching positions in primary schools.

Wrong, wrong, wrong! The latest Australian Bureau of Statistics figures show that by the end of 1998 there were 103 fewer primary teacher positions and 289 fewer secondary teacher positions. That was another government budget lie. Government members say one thing but do another. On page 10 of his 1997–98 budget speech the Treasurer states:

> The net gain to business of these measures is a $103 million reduction in the cost of payroll tax.

Again, wrong, wrong, wrong! As a result of those measures, 2500 extra businesses paid payroll tax for the first time. Hansard of 22 April 1998 reported the Treasurer as saying:

> On a full-time equivalent basis we expect approximately 1000 additional personnel — we are talking about jobs — in the health department.

Again, wrong, wrong, wrong! The 1997–98 annual report of the Department of Human Services showed that as at June 1998 there were 409.5 fewer positions in health than previously. In a government advertisement the Minister for Health stated:

> This means a record $268 million extra for Victoria’s hospitals this year — the largest state government hospital spending in Victoria’s history.

Again, that is wrong, another government lie. Hospital spending per capita is still well below 1991–92 levels. The honourable member for Monbulk has accused opposition members of lying, but the government tells lies every year about what it has done and the resources it has provided for health.

Mr Macelllan — On a point of order, Mr Acting Speaker. I do not want to delay the honourable member for Dandenong, but he continually uses the words ‘lie’ and ‘lying’. He has been a member of Parliament long enough to understand that he cannot make imputations about members of Parliament. Before he leaps to his feet, I remind the honourable member for Dandenong, but he continually uses the words ‘lie’ and ‘lying’. He has been a member of Parliament long enough to understand that he cannot make imputations about members of Parliament. Before he leaps to his feet, I remind the honourable member for Dandenong that he said the Treasurer lied in his budget speech. I ask you, Mr Acting Speaker, to counsel the honourable member for Dandenong to use parliamentary language to express his views. He should be allowed to express his views, but he cannot call other members of Parliament liars or say they are lying. He can do that only by substantive motion. If he wishes to proceed in that way, he should use parliamentary language; otherwise there is the imputation that the Treasurer did not tell the truth in his speech.

Mr PANDAZOPOULOS — On the point of order, Mr Acting Speaker, the Minister for Planning and Local Government has been a member of Parliament long enough to know the ruling on issues such as these. The honourable member for Monbulk used exactly the same terms. I have not referred to a particular individual. I said the government has lied continually
about its budget. I am not saying any particular minister or member has lied. I think the minister is being too sensitive.

The ACTING SPEAKER (Mr Perton) — Order! The minister raises the vexed issue of use of parliamentary language. The term 'that is a lie' appears to have been allowed in the past; but to call a member a liar is not permissible. The minister raises the valid point that, in certain circumstances, the use of language may be an imputation against a member, so the use of words such as 'he told a lie' or 'that was a lie' might pass beyond the fringe and impute that the member is a liar.

Rather than uphold the point of order on this occasion, I ask the honourable member to be judicious in his use of language and to attempt to make sure that he does not cross the boundary by making a statement about an honourable member rather than a statement about a statement. I thank the minister for drawing the matter to the attention of the house.

Mr PANDAZOPOULOS — Thank you, Mr Acting Speaker, for putting that so delicately. I am conscious of what you are saying.

On page 4 of his speech on the 1997-98 budget the Treasurer is reported as saying about capital works:

The main features of the 1997-98 Victorian budget are ... a budget-funded capital allocation of over $2 billion in 1997-98.

Again, that misled the public. Every year the government underspends its capital allocation. In 1997-98 it underspent capital by a staggering $387 million.

I emphasise the point that people cannot believe what the government is saying in the budget. Take the figures for economic outlook and growth that government members have referred to in the debate. They have been at pains to explain that everything is fantastic in Victoria. We are growing well, they say: unemployment is falling and the key economic indicators are good. However, according to the government, gross state product will decline to 2.75 per cent, lower than the previous year's figure of 3.75 per cent. In its eighth budget the government is attempting to show that things in Victoria are fantastic, but the truth is that GSP will decline by 1 per cent. The federal budget, which is being released tonight, will probably reveal that the federal government economy is growing faster than Victoria's economy. So much for Victoria being the leader in economic growth in Australia!

The budget predicts that employment will increase by 1 per cent, down from the 1.75 per cent growth of last year. When a population growth of 0.8 per cent is factored in, we find that the real growth in employment is negligible. Rather than static unemployment rates, as predicted in the budget, the potential exists for a higher underlying rate of unemployment in Victoria — higher than the budget predicts.

The Victorian inflation rate will be of the order of 2 per cent. At the same time, the economy is growing at 2.75 per cent. This is a treading-water budget that creates no opportunities for business growth or reducing unemployment — which, in parts of my electorate, stands at 11.4 per cent. So much for sharing economic growth around the state!

In 1992, in my first speech in this house I outlined the way I thought the government would handle things. I said I believed the government would paint a picture that overstated the economic difficulties the state was then suffering. I believed then that the real agenda was ideological, that it was about the government flogging everything off, decreasing its responsibility and wiping its hands of the many issues it should be involved in. Since October 1992 asset sales have recouped more than $30 billion. The government has flogged everything off, just as I predicted.

Anyone can become debt free by selling the family house and getting rid of the debt at the bank. The real issue is how well one manages a debt. In 8 of its 10 years in government Labor produced a budget surplus. That gives the lie to the statements of the honourable member for Monbulk about the history of Labor governments. The opposition acknowledges that there were problems in a couple of the last years of the Labor government. Generally, however, Labor governments were good governments that provided good services and maintained stable budget surpluses.

The opposition acknowledges that errors were made. That is why problems such as those will not recur under future Labor governments. An independent Auditor-General will make a full report to Parliament on the budget, unlike the situation at the moment, whereby the framing of budget statements change from year to year so that no-one is able to learn about the differing levels of departmental expenditure.

The budget legislation is being rushed through. There is no time for ministers to brief the people in their portfolio areas. Evidently they do not want their people to know much. Either the government is being its usual secretive self or the news is not good.
The government will continue flogging everything off; then it will state that everything is going well. However, the real budget surplus will not be what we are told it is. The government estimates the surplus will be about $120 million, but Ed Shand, a director of Access Economics, was quoted as saying on 18 April 1998 that:

When Victorian Treasurer, Alan Stockdale, delivers the budget on Tuesday he will claim the state will run only small surpluses on unchanged policies in the next few years ... Do not believe him. It is the same every year. The budget surplus is consistently understated.

The ACTING SPEAKER (Mr Perton) — Order! I ask the honourable member to again state the date.

Mr PANDAZOPOULOS — It was on 18 April 1998. As I said, the budget understates revenue. Last year’s budget estimate was out by about $2 billion. In other words, there was an underestimation in revenue of about $2 billion. That is not small change; we could do a lot with $2 billion.

The 1998–99 budget states that the operating surplus on an accrual basis is $1 153.1 million; that is $600 million more than forecast. The government’s stated surplus and its actual surplus are two different things.

Massive underspending occurs in capital works. In my electorate of Dandenong announcements about road projects are made every year but the tractors have not arrived as yet. An announcement about the Western Port Highway was made before the last state election. However, with only weeks to go before the next state election there is still no work being done. A similar position exists with Westall Road in the Springvale–Clayton area and with Greens Road, Dandenong South.

Infrastructure funding on capital works in 1997–98 was underspent by $387 million and in 1996–97 by $294 million. The government is not spending the amount it is allocating. It is obviously waiting for an election to get some of those roadworks off the ground and is building up a war chest to enable it to announce a few more. However, so far as infrastructure is concerned seeing is believing!

The opposition wants a transparent budget with consistency across each year to enable figures to be compared; a budget that can be examined by the public on a year-to-year basis. The Labor Party will give the Auditor-General unprecedented powers — something this government refuses to do. The opposition wants an Auditor-General who is independent, who is not afraid of government and who can do the job properly. The Kennett government wants to neuter the Auditor-General. The opposition wants an open and transparent process regarding expenditure.

I turn now to issues in various portfolio areas. The government has taken only a halfway approach to police numbers. For years the government has told Victorians that there is no problem with police numbers and more police are not needed, but when the opposition and the police themselves run a campaign seeking more police the government announces it will fund a further 400 officers. Again, the issue is whether it can be believed. The government estimates that each police officer costs some $50 000 to train, while the Productivity Commission puts the figure at $84 000. If the Productivity Commission is correct there will be only 260 police officers rather than the 400 promised by the government.

Why not go the full Monty and fund the 800 extra police who are required? Even that figure is lower than the number of current vacancies, which police command admitted amount to 990. Narre Warren in my electorate, which is the fastest growing area of Victoria, has a new police station but it is manned by eight fewer police officers than were the complement some years ago. The government is into building monuments but not into providing services.

A similar situation exists at Dandenong, where there are 20 fewer police officers. The Minister for Police and Emergency Services announced two permanent foot patrols for Dandenong. Where are they? Officers have been taken from community policing and armed robbery squads to give them a day on the streets of Dandenong. That is robbing Peter to pay Paul and is not permanent policing.

Why are extra police needed? The government took out full-page advertisements claiming that Victoria has the lowest crime rate in Australia and is doing well, but when one examines the rate of reportable incidents one sees an increase every year. When the current government was elected Victoria had the lowest level of crime of any state, and it still does because crime in Australia is bad. However, the rate is increasing every year.

Since 1992–93 when the government came to power homicides in Victoria have risen by almost 80 per cent; assaults across the state have increased by some 51 per cent; sexual assaults have risen by some 114 per cent; and incidents of rape have increased by some 62 per cent. Those figures do not equate to a state that is doing well in fighting crime. Victoria has the lowest crime rate in Australia, but the key indicators are increasing year by year. The Labor Party is committing itself to a
further 800 police officers during its next term in government.

I now turn to health issues. The honourable member for Monbulk stated that the Labor Party lied when it said the government was not spending more on health. The real test is what is occurring on a per capita basis. When the money available for health is divided among the population of Victoria, how much does the government spend? Real per capita expenditure has decreased from a total of $451.35 million in 1991–92, when the government came to power, to $438.21 million in 1998–99.

I totally endorse the partial refurbishment of the Dandenong Hospital announced in the budget. However, I point out that 20 beds are still closed and there are fewer nurses and ancillary staff than there were a few years ago.

Announcements are made about the refurbishing of schools, but class sizes are increasing. It is like building a big house but having no furniture or infrastructure. It looks flash from the outside but there is nothing inside. On the evidence one must wonder what the government is doing about delivering services.

The government has announced funding for a new hospital at Berwick. When I was the mayor of Berwick the residents were pushing for a new hospital because of the population growth. Under the Kennett government Berwick has a privately run public hospital.

During last Thursday’s adjournment debate I sought an assurance from the government that it would not take money out of local hospitals such as the Dandenong hospital, further cut hospital budgets and withdraw services to pay for new hospitals. The government has given no guarantee that it will not do that. The honourable member for Knox said the Labor candidates in his region were complaining about the same thing in respect of the proposed Knox hospital, which is to be privately owned. They wanted to know whether the government would guarantee that services would be retained at places such as the Maroondah Hospital. The government cannot give that guarantee. The government will again rob Peter to pay Paul. It is privatising the public health system so that private providers can make money out of it. The government has a long way to go to fix up the mess in Victoria’s hospital system.

Following its election in 1992, in 1992–93 the government’s capital works commitment to hospitals was $142 million, and in current money terms that is $165 million. In 1997–98 the capital works commitment was reduced to $89 million, which again confirmed the government’s reduced support for capital works in public hospitals and demonstrated that it was privatising the public hospital system rather than strengthening and improving it.

I turn to the damage done to education. There are many problems in schools. The electorate I represent is not in a well-off area. The region has one of the highest percentages of children of primary school age in Melbourne. Low class sizes in the formative school years — grades prep, 1 and 2 — are essential to provide such children with a chance in life. The government’s actions have resulted in an increase in class sizes and a system that does not ensure equity in the provision of funding for computers. In many new areas schools that are starting from scratch are having to raise $3 for every $1 provided by the government for computers. It is an inequitable system under which schools in my region have less opportunity to obtain adequate numbers of computers compared with schools in trendier parts of Victoria, such as Toorak.

Figures released by the Australian Bureau of Statistics on 21 April reveal that at December 1998 there were 298 fewer full-time equivalent teachers than at December 1997. The government says it has been putting more resources into teaching. The opposition would like to see that happen. Many teachers are on short-term contracts. Apart from not being able to plan their futures properly, those teachers cannot plan properly from year to year in preparing for classes to make sure they are providing the best quality outcomes for their students.

The Minister for Tertiary Education and Training has told of the government’s wonderful performance in technical and further education. My wife is a mature-age TAFE student and her experience gives me an insight to some of the problems following the amalgamations at Chisholm TAFE. Courses have been chopped and changed. Courses have been removed from some institutions and students are sent from Dandenong to as far away as Moorabbin. Is that an example of the government’s provision of quality education and incentives for people to improve their skills and opportunities in life? Victoria’s TAFE funding is $4.74 per student contact compared to the Australian average of $7.04. Where is TAFE heading in Victoria? Why is the state such a poor performer compared with the rest of Australia?

I represent an area with a high number of ethnic residents. The government is privatising the adult migration education service. The service recently
celebrated 50 years of teaching English to migrants. It has helped migrants by giving them the opportunity to get ahead and contribute to the country they have adopted. The government has reduced its commitment to the adult migrant education service from 3.5 million student contact hours last year to 2.84 million this year. It is a massive reduction and will adversely affect migrant communities that already have high unemployment and will now be denied opportunities to learn English and thereby contribute to the economy and provide better lives for their families?

I turn to some of the areas for which I have portfolio responsibility. On tourism, under the heading ‘Number of visitors (International)’ budget paper no. 3 forecasts that despite a big injection of funds for marketing to attract to Victoria tourists who will travel to Sydney for the Olympic Games there will be a possible reduction of up to 100 000 overseas tourists to Victoria. The figure for the expected number last year was in the range from 1 million to 1.3 million, yet the target in this year’s budget is 1 million to 1.2 million. That is an indication of a deterioration in visitor numbers.

Tourism Victoria’s web page shows that last year’s target for domestic visitor nights was 49 million to 52 million. The web page requires updating because although it provides projections for both domestic and international visitor nights its figures differ from the targets for 1999–2000 in the budget papers. Under the heading ‘Visitor nights (International)’ budget paper no. 3 gives the target for 1999–2000 as 16 million to 18 million, yet the web page gives a figure of 18.9 million for 1999. Tourism Victoria makes a projection of 21.4 million visitor nights for 2000, but the budget papers give a downgraded projection.

Despite the government’s desire to spend quite a bit of money in that area, Victoria appears to be behind and needs to ensure that it can compete with the other states. The Olympics will bring many extra tourists to Australia, but the budget papers cast doubt on whether tourism will increase at all in Victoria.

The budget predicts that the figure may drop and that is not good enough. The Minister for Tourism needs to explain the reason for that. The budget estimates the number of international visitor nights at a possible 1 million to 1.2 million. That number has been downgraded from the web site figure which said 1.43 million international tourists. That is a possible reduction of between 230 000 and 430 000. What is happening to tourism in Victoria?

What does the budget contain for ethnic affairs? The government has not increased the Victorian

Multicultural Commission grants. They have been frozen at 1992 levels. As with our thin blue line that is getting thinner and thinner, the funds available to ethnic communities and ethnic senior citizens clubs is also getting thinner. So much for the rhetoric about Victoria being the most multicultural state. When it comes to providing real dollars and cents, real levels of funding, we do not see much about it.

The budget provides $1.5 million for the long-overdue business migration program, which the opposition applauds. Again Victoria has been performing poorly compared with other states. If the Victorian economy is so wonderful compared with other states, why is Victoria performing so poorly with business migration? The parliamentary Economic Development Committee has reported that Victoria is only about average; it is not the best. Business migrants are going to Western Australia or New South Wales. Why are they avoiding Victoria? They obviously see the government rhetoric as very different from making real money and real business sense.

The government is doing some reasonable things for sport. It has increased recurrent outlays by about $9.4 million, but we do not know exactly where that is going. I hope it will address Victoria’s very low levels of per capita funding to peak sporting organisations. Victoria has a declining participation rate in organised sport. Compared with 1992–93, about 100 000 Victorians each year are playing less sport at local clubs than when the coalition government was elected.

Mr Kilgour interjected.

Mr PANDAZOPOULOS — Yes, it is the government’s fault because a key objective of its corporate plan is to increase participation, but the numbers are down. The arrogant honourable member for Shepparton, who has a lot of soccer supporters in his own electorate, is saying that if I were Minister for Sport everyone would play soccer. What is wrong with soccer? The government needs to increase levels of participation. Why are there not increased levels of participation? The reason is that there is not enough sport because the government is asking local sporting clubs to pay more, do more and expect less from the government. There is not much in the budget to help out in that area.

I turn to deal with infrastructure. In its own plans the government is saying that it will build fewer regional facilities in country Victoria. There were 30 regional facilities last year and this year that figure will decrease to 15. The government is withdrawing sporting facilities and capital works from country areas.
The ACTING SPEAKER (Mr McArthur) — Order! The honourable member’s time has expired.

Debate adjourned on motion of Mrs ELLIOTT (Mooroolbark).

Debate adjourned until later this day.

MARINE (AMENDMENT) BILL

Introduction and first reading

Received from Council.

Read first time on motion of Mr COOPER (Minister for Transport).

FINANCIAL SECTOR REFORM (VICTORIA) BILL

Second reading

Debate resumed from 22 April; motion of Mr W. D. McGrath (Minister for Police and Emergency Services).

Debate adjourned on motion of Mr MILDENHALL (Footscray).

Debate adjourned until later this day.

NEW TAX SYSTEM PRICE EXPLOITATION CODE (VICTORIA) BILL

Second reading

Debate resumed from 22 April; motion of Mr MACLELLAN (Minister for Planning and Local Government).

The ACTING SPEAKER (Mr McArthur) — Order! As the required statement of intention has been made pursuant to section 85(5)(c) of the Constitution Act 1975 I am of the opinion that the second reading of this bill requires to be passed by an absolute majority.

Mr BRACKS (Leader of the Opposition) — The bill gives new powers to the Australian Consumer and Competition Commission (ACCC) to protect consumers from price exploitation during the phase-in stage of the goods and services tax (GST). Although this protection is welcomed by the opposition and will be supported, the need for the proposed legislation should be questioned. One has to wonder why if there is to be such business compliance, as was the intention and express wishes of the Prime Minister when he introduced the bill federally, there is a need for the measure in the first place. The reality is that the legislation is required because the expectation is that business will not comply with the legislation and therefore the ACCC will need increased powers ceded from the state to protect consumers from price exploitation during the phase-in period of the GST.

The key aspect of the bill is its attempt to provide a regulatory framework to discourage any price exploitation that may occur in the lead-up to the introduction of the goods and services tax if it is passed by the Senate. As I said, a key financial assumption of the Howard tax package is a 100 per cent compliance by business. However, the concern — as reflected by the bill — is that somehow businesses will rort the system. The bill is based on the premise that in the 12 months from 1 July 1999, when wholesale sales tax is phased down, and during the first two years of the GST, businesses cannot be trusted to pass on to consumers the aggregate cost reductions over those three years. There seems to have been an oversight in the original modelling. That confirms the pervasive suspicion that a GST will have one key impact — that is, to boost the state’s black economy. The bill is designed to ensure that the GST does not have the impact it was supposed to avoid in the first place.

Although members of the opposition support both the legislation and protection for consumers, I place on the record our concerns about the bill. The first goes to the adequacy of the resources provided to the ACCC in the budget presented tonight by the federal Treasurer. The ACCC is supposed to set guidelines and monitor prices, and it has power to impose injunctions and fines on businesses. They are the three major areas the bill covers, including the powers that will be ceded to the ACCC. It is to have jurisdiction in every state and territory in Australia to protect each and every one of us from unscrupulous businesses. What I would like to know, and I am sure the house would like to know, is whether, when the Premier and Treasurer accepted the need for the additional powers — I assume at the premiers conference — either of them asked how much by way of additional resources the federal government would give the ACCC for its three functions of setting guidelines, monitoring prices and imposing injunctions and fines on businesses.

We need to consider the scope of the ACCC’s work. Today Australia has more than 1.4 million businesses and 12 million adult consumers. Assuming that each consumer makes 10 economic transactions per day, each day there are more than 120 million transactions.

In the budget delivered tonight by the federal Treasurer the federal government provided the ACCC with
resources for only 40 more staff to do the job required by the bill — that is, setting guidelines, answering the numerous inquiries from consumers and others, and monitoring prices. Think of the horrendous task of monitoring prices in the phasing down of wholesale sales tax and the introduction of a GST, as well as monitoring the consequent new prices. The monitoring task will be enormous, as will the work of imposing injunctions and fines. Tonight’s federal budget provides resources for 40 more competition watchdogs, or GST police, if you like. That number will not be adequate to cover the whole country. The budget allocation is not a serious attempt to overcome a potentially serious problem that the bill is intended to address — that is, preventing unscrupulous businesses from jacking up prices and taking advantage of a change in the tax regime. You have to ask whether this is a public relations exercise rather than good public policy.

The key question about the ACCC coverage is whether the bill will prevent the sort of price exploitation that banks are currently getting away with, as referred to by the Premier during question time. The answer is no, it will not have the coverage to do that. The bill covers wholesale sales tax and the GST; it does not cover bank taxes, for example. Despite what the Premier said, there is no guarantee that the reduction in bank taxes will be passed on to consumers. The banks hope the arrangement will depend on their goodwill. The headline in today’s Herald Sun does not give one too much faith that banks will fulfil their end of the bargain. If they do not, no regulatory structure will be in place to stop them not doing so.

The intention is that the ACCC coverage will have a limited life — that is, for the transitional period after the introduction of the goods and services tax and the subsequent two years, a total of three years altogether. Yet the full impact of the goods and services tax, the compensation package and the other arrangements will not be truly felt for another seven years. That is not a comment of the state or federal opposition. In cross-examination during the Senate inquiry Chris Murphy said we will not see the impact of the tax package for at least seven years, but there is no intention federally or in the bill to extend the ACCC’s coverage for that period. As I said, provision is made for the one-year transitional arrangements and the two years after that, and then it is up to the goodwill of business to ensure that the cost savings are passed on. That is insufficient. The ACCC will be a paper tiger. It will have only 40 staff to undertake the functions required of it, and it will not have any coverage in the period during which the full impact of the GST will be felt.

Given its resources, the only function the ACCC can be expected to perform will be to take telephone complaints — and not much more. It cannot be expected to undertake prosecutions, impose fines or carry out the tasks required to ensure compliance, which will be horrendous, whether around the country or in Victoria. By the time the staff of the ACCC get off the phones they will not have the power or the resources to impose any penalties on businesses roting the system. The proposed resources for the ACCC are totally inadequate.

Other assumptions also have implications. You wonder whether there was an oversight in the original modelling — in this case, about the other problems that are likely to arise as a result of the replacement of the wholesale sales tax with a GST. If compliance costs are a concern, what does that mean for the other key assumptions? The federal Labor Party and I have concerns about the goods and services tax, and they have been expressed over several years. There is no evidence that the proposed tax package will deliver on any count, according to the markers Labor has set for fairness and equity. The compensation package is inadequate because the impact on inflation is underestimated, as was stated in the evidence given to the Senate inquiry into the goods and services tax.

You only have to look at fixed-income retirees or pensioners to see how inadequately compensated they will be by the one-off lump sum compensation for the long-term price hike that will be the reality under a GST. Anyone who knows any fixed-income retirees understands that they are suffering under reduced interest rates and returns on their investment. They will suffer further under a minimal compensation package which does not compensate them for the long-term impact of inflation on their ability to live on their allowances and interest on investments. That will be compounded because the assumptions of the GST are wrong and ill-founded. The recent Senate inquiry found no evidence that the tax package will make the economy better off. Instead it found the reverse — so the jury is still out on the matter.

The aim of the bill is to ensure that the benefits of tax reform, including the savings from abolishing 10 taxes, will be passed on fully to consumers. The capacity of the bill to achieve that aim is questionable. The recent Senate inquiry showed that no-one will benefit in full from the abolition of the taxes because of the inadequate resourcing of the legislation. The bill was promised during the federal campaign supposedly as a means of ensuring that 100 per cent of the tax benefits would be passed on to consumers, but it falls short of doing so.
I refer to inflation. In essence the bill is about preventing price exploitation — that is, preventing the GST having an inflationary impact in the future. It is crucial that some mechanisms are put in place to stop the inflationary impact of the tax proposal. The original modelling for the GST assumed an inflation rate of 1.9 per cent. That was the basis on which the federal government framed its compensation package.

However, the Senate inquiry found evidence that the impact of inflation would be something like 3.1 per cent. Pensioners, retirees on fixed incomes and others will be compensated for an inflationary impact of only 1.9 per cent when the real impact of the goods and services tax (GST) will be more than 3 per cent. Consequently, when they are already suffering low interest rates and low capital returns the disbenefit is significant. The inability of the ACCC to effectively monitor prices will mean the promised total savings will not be passed on to consumers. The impact of inflation will echo right throughout the economy. It will jeopardise other initiatives announced in tonight’s federal budget.

It is useful to note that the federal budget was predicated on two major provisos, both of which are questionable — namely, that the GST will pass through the Senate and that part of Telstra will be sold. If one or both of those provisos are not implemented the whole of the federal budget will have to be reframed and a new mini-budget brought in. What will happen to the compensation package then? Honourable members know what will happen — the package to compensate for the goods and services tax will go out the window. Pensioners, fixed-income retirees and those without future growth incomes will suffer. That is what will happen if the Senate does not agree, and that is the loose sand on which the federal budget is predicated. That is problematic for the budget initiatives themselves.

Before you pick me up, Mr Acting Speaker, I will return to the bill. If the inflationary impact of the goods and services tax cannot be controlled, the flow-on effect to the rest of the economy will not be controlled, either. The GST was supposed to bring jobs and growth to the economy. Nothing could be further from the truth. The package will not deliver jobs; it is not a panacea for Australia’s problems or its economy. It is a new tax. Why do we need this legislation? It is because the government will not get 100 per cent compliance from business. The bill is predicated on the fact that the black economy will thrive under this tax through non-compliance. Prices will be jacked up and the ACCC is insufficiently resourced to be able to police it.

The opposition supports the legislation. Any effort to ensure that consumers get a fair deal, that they are not dudged and that the ACCC has powers is welcome. However, the ACCC is under-resourced. The basis on which the bill is predicated effectively means that one cannot trust business. It means the GST is deficient in its premise and principle. Although the opposition supports the bill, it foresees enormous problems with the GST and its compliance.

An honourable member interjected.

Mr BRACKS — What should I urge the Premier to do? The opposition supports the bill. I said that. The opposition is up-front about it. It will support anything to keep prices down. It will support any measures to ensure that consumers are not ripped off in either this state or the rest of Australia. The opposition asks the Premier to use his special influence with the Treasurer. He has a great relationship with the federal Treasurer, Mr Costello! It delivered zero on the Princes Highway funding in the federal budget. It delivered less in general revenue grants. Victoria received a 1.5 per cent increase compared with a 2 per cent increase nationally.

The ACTING SPEAKER (Mr McArthur) — Order! I remind the honourable member of his comments earlier about returning to the bill and not transgressing.

Mr BRACKS — The Premier should use that special influence to ensure that Victoria gets better resources for the ACCC. It needs more than 40 staff to monitor compliance and impose fines to protect consumers. Yes, the opposition supports the bill, but the resources are inadequate.

Mr LONEY (Geelong North) — I support the remarks of the Leader of the Opposition. I refer to the aspect of the bill that deals with protection against price exploitation. The bill will give additional powers to the ACCC to take action to prevent price exploitation. Under the bill the ACCC will have powers to publish price guidelines, specify maximum prices for particular products and prosecute suppliers guilty of price exploitation. Why should the opposition have confidence that the bill will achieve those outcomes when the ACCC and certainly the federal government do not tackle the current tax exploitation?

Exploitation is taking place with diesel fuel prices. The government is not tackling that issue and will not tackle it even when the bill becomes law. Diesel oil is produced and supplied while at a high temperature. Under the current arrangements it is supplied to users in
Mr LONEY — As the honourable member for Morwell says by interjection, you would think it would be illegal. The federal government believes it is something on the side for the petrol companies. The ACCC is not interested and has washed its hands of the problem. If users of diesel products are ripped off to the tune of $100 million a year under the current system, what confidence will Victorians have that a new taxing system designed to allow price exploitation will not be taken advantage of by many people, particularly when the federal government and the ACCC do nothing about it.

The opposition supports the granting of additional powers to stop price exploitation, but transport companies and rural users are being ripped off daily and the two bodies in charge of monitoring price exploitation — the federal government and the ACCC — are doing nothing about it.

Mr Hamilton — It is a tax for the oil companies.

Mr LONEY — Yes, they are paying a tax for the oil companies rather than the oil companies paying the excise to the federal government. Transport companies and people living in country Victoria who use diesel fuel are paying higher prices than they should have to pay for a lesser product simply because the federal government and the ACCC will not do anything about it. The opposition does not oppose the bill but it wants the powers set out in the legislation to prevent price exploitation. I am sure the Premier would agree with that. The opposition hopes before the commonwealth changes to a new taxing system it sorts out this current practice so that people will not get ripped off as they have done in the past.

The provisions in this bill give the ACCC further powers to prevent price exploitation, but the opposition hopes that in the future, if Senator Harradine can be convinced to support the government’s GST legislation — I understand he is having afternoon tea with the Prime Minister later this week — through arm twisting, the provisions will be used and we will not get the nod and the wink so that powerful entrenched interests can get away with the price exploitation of diesel fuel by petrol companies. The opposition wants the federal government to take an active interest in stopping price exploitation that affects ordinary people rather than putting forward rhetoric about introducing a new tax system.

Debate adjourned on motion of Mr E. R. SMITH (Glen Waverley).

Debate adjourned until later this day.
FINANCIAL SECTOR REFORM (VICTORIA) BILL

Government amendment circulated by Mrs WADE (Attorney-General) pursuant to sessional orders.

Second reading

Debate resumed from earlier this day; motion of Mr W. D. McGrath (Minister for Police and Emergency Services).

Mr Mildenhall (Footscray) — The Financial Sector Reform (Victoria) Bill seeks to implement a commonwealth-state agreement and provide for concurrent state legislation to complement legislation currently in the commonwealth Parliament to transfer regulatory responsibility for building societies, credit unions and friendly societies to the commonwealth government.

The federal legislation is being held up in a committee inquiry, so the Victorian legislation may well be the first to be passed.

The bill has been introduced as a result of the recommendations of the Wallis report on the Australian financial system. Some of the implementation stages of those recommendations have included the establishment of the Australian Prudential Regulation Authority (APRA), which is charged with the responsibility for the prudential administration and regulation of all deposit-taking institutions to ensure they are able to meet their obligations. To complete the wholesale shift of state-based financial regulation to the commonwealth, the bill winds up the Victorian Financial Institutions Commission (Vicfic) and transfers responsibility for it to the federal Parliament. Similar legislation in other states transferred the regulatory regime, the more sensible the government's approach to such matters will be.

However, the opposition has concerns of a different kind about the bill. Opposition members believe the combination of commonwealth and state legislation will allow further bank amalgamations, which will pave the way for higher fees, less competition, more branch closures and massive job losses. To ensure those issues can be properly discussed and examined and the full implications of the bill can be considered by both the house and the community, I propose to move a reasoned amendment. I therefore 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 house has considered a report from the Economic Development Committee relating to the issues of reduced service provision and job losses resulting from the state and commonwealth financial sector reform legislation.

It is the opposition's view that the package of commonwealth and state legislation allows for bank amalgamations and the relaxation of the four-pillars policy that has been a cornerstone of the Australian financial market for a number of years. The package removes the requirement for the commonwealth Treasurer to approve bank mergers. It does that by removing the requirement in section 63 of the commonwealth Banking Act, which was the main legislative control that allowed the public interest to be taken into account when the proposition for further bank mergers or amalgamations was under consideration. The package agreed to by the government makes it easier for banks to merge. In the Australian Financial Review of 15 March Mr Hans van Leeuwen comments:

At present, banks can only merge through one bank buying all the shares in another, or through a scheme of arrangement worked out in the courts ...

Transferring assets and liabilities between banks is virtually impossible because many banks' assets cannot be handed over without borrower consent ...

Mr van Leeuwen quotes Mr Brian Salter, a partner of Clayton Utz, as saying:

It is not really practical at the moment because banks have such complex assets and liabilities ... you'd need the consent of all the counterparties. But now the banks can fast-track that.

The Acting Speaker (Mr McArthur) — Order! The honourable member for Footscray has identified the author of that quote, but I ask him to identify the source.
Mr MILDENHALL — It was an article in the *Australian Financial Review* of 15 March this year.

The fast-track method for bank mergers involves the Australian Prudential Regulation Authority (APRA) being satisfied that the proposed transfer of business from one bank to another is adequately adopted by both the transferring and the receiving body. That process is not defined. That could conceivably be manifested by a signed document between two directors, one saying, ‘I hereby pass on our business to you’ and another saying, ‘I hereby accept it’.

The opposition is concerned about whether the four-pillars policy is up for grabs. Late last year the federal minister for financial services, Joe Hockey, said in response to reports in the *Australian Financial Review* that the policy was under review and was not set in concrete.

The opposition has a difficulty with that package. The cards are not on the table; the policy objective is not clear. Any reasonable analysis of the package of powers would lead one to the conclusion that it is a convenient but indirect way of watering down the four-pillars policy. It is easy to see why it would be done in a way that could be described as being hidden from the public — —

Debate interrupted pursuant to sessional orders.

The ACTING SPEAKER (Mr McArthur) — Order! Under sessional orders the time for the adjournment of the house has arrived.

Sitting continued on motion of Mrs WADE (Attorney-General).

Mr MILDENHALL (Footscray) — It is easy to see why the federal government, in league with the state government, would want to pass responsibility for the legislative changes from the federal Treasurer to APRA.

On 27 November 1998 the *Australian Financial Review* reported that polling had revealed overwhelming public opposition to further closures and amalgamations of banking services. Jeremy Flint, writing in the *Australian Financial Review*, stated that:

The *Australian Financial Review* has obtained a copy of News poll’s report to a confidential client detailing the results of interviews with 1200 people across the country on bank mergers. It concluded that political risks are ‘very high’ for any government or political party supporting mergers among the big four banks.

A third of the general community would be less likely to support a party prepared to allow mergers’, News poll’s executive summary said...

Around 60 per cent of people polled on big bank mergers believed that customer service would be worse if they went ahead, 61 per cent expected higher fees and charges as a result, and 78 per cent expected fewer jobs.

‘An overwhelming majority of Australians expect only negative outcomes from bank mergers’, News poll’s report said: ‘These opinions are very firmly held’.

With good reason, too. There is a lot of history behind them.

The Victorian Parliament must take an interest in the implications of agreements being entered into by the commonwealth government. The opposition believes a parliamentary committee should examine such matters. For that reason the opposition has moved that the matter be referred to the Economic Development Committee. It is well known that the banks are putting pressure on the commonwealth to relax the four-pillars policy. At the very least the Premier should call on the commonwealth to guarantee that the four-pillars policy will not be watered down.

Professor Allan Fels, the chairman of the Australian Competition and Consumer Commission, predicted in the *Australian Financial Review* of 27 November 1998 that if any two banks merged the other two would be likely to follow suit. His job would be to look at the implications of a two-pillars policy.

The impact of such a policy should be clear to all members of the house. We have all had the sinking feeling you have when the Commonwealth Bank regional manager rings up and says he has to see you in the next couple of days, because you know another branch is about to close. In my electorate the Braybrook, Seddon and Kingsville branches of the Commonwealth Bank have all gone under. It does not matter to the bank, but my electorate is one of the most multicultural of all and among the least formally educated, as well as having an ageing demographic. All that makes it harder for many of my constituents to embrace ATMs and other technology.

Bank closures have disadvantaged many communities across the state. Has any community not been affected by downsizing because of the rationalisation of banking services over recent years? Some 23 000 retrenchments were reported between 1994 and 1997. McIntosh Baring, in the 1996 *Australia’s banks, a ready reckoner* predicted job losses of 35 000 if Alan Fels’s scenario was realised and the four-pillars policy became a two-pillars policy. Over 30 per cent of finance sector jobs are located in Victoria and some 10 000 jobs
would be lost. Those are some of the implications if this package of commonwealth–state legislation is proclaimed without any of the assurances the opposition seeks.

The Economic Development Committee should examine higher bank fees and charges. Clearly bank mergers and closures reduce competition and set up duopoly conditions. The commonwealth–state agreement removes the Australian Competition and Consumer Commission (ACCC) from supervision of existing competition. The responsibility for supervising competition has been watered down and is a minor responsibility of the Australian Prudential Regulation Authority (APRA), whose main role is the prudential management of financial institutions to ensure they are financially sound and able to meet obligations. Although the ACCC’s main role has had a competition and consumer focus, as part of this package of measures the prime focus of APRA is on prudential supervision and regulation.

It is timely that honourable members are debating the bill today. The front page of today’s Herald Sun details the KPMG report outlining a 22 per cent increase in bank fees and charges that last year totalled $10 billion. As with the high-rollers’ cash exemptions the casino uses for the goods and services tax (GST), pensioners and small account holders pay more than high-income account holders whose fees are either waived or reduced. The after-tax profits of the five major banks last year totalled $6.7 billion.

The Premier calls that unconscionable conduct and demands an explanation. The Premier should demand an explanation of why the ACCC will not have responsibility to ensure healthy competition. In 1996 the federal Treasurer said that red-hot competition would keep fees low. The Premier should demand that Mr Costello request the ACCC to monitor the banks and place them under formal prices surveillance, as he can do under the present legislation.

Mrs Wade — On a point of order, Mr Acting Speaker, the honourable member for Footscray has been talking about banks for some time. The bill has nothing to do with banks. There is a vague connection in that APRA will have duties concerning banks, but those duties come under commonwealth legislation and bear no relationship to the bill.

I thought the honourable member for Footscray was straying from the point for a couple of minutes, but he has now been speaking about banks for some considerable time. I ask that you direct his attention back to the bill.

Mr MILDENHALL — On the point of order, both the bill and the reasoned amendment refer to the state and commonwealth financial sector reform legislation. That package of legislation concurrently moving through the commonwealth and state parliaments clearly provides the framework for regulation of all deposit-taking institutions, the principal among those institutions being the banks. The main community debate is about the impact on competition and the four-pillars bank policy.

It is difficult to separate the state components of that package from the commonwealth components. They are integrated so far as prudential regulation and financial sector reform is concerned. The amendment is structured in that light.

The ACTING SPEAKER (Mr Perrin) — Order! Just before the Attorney-General spoke on the point of order the honourable member for Footscray was straying from the bill while talking about bank fees and the headlines in today’s Herald Sun. Given that the honourable member for Footscray is the lead speaker for the opposition I accept that at the present time. However, I warn the honourable member that he must return to the bill.

Mr MILDENHALL — Under this package of legislation the role of the Australian Competition and Consumer Commission in monitoring the banks is being passed over to the Australian Prudential Regulation Authority (APRA). The commonwealth Treasurer has the ability, and I would argue the responsibility, to place the banks under a formal monitoring and prices surveillance regime. He should also demand that the Trade Practices Act continue to apply to banks rather than a regulation option. That is another impact of the legislation. Mr Costello should be asked to explain why the reins on the banks will be loosened. The Victorian government’s participation in the agreement that allows the federal government to give in to pressure from the banks and by legislative sleight of hand dismantle the four-pillars policy should be reviewed.

By all means let us have the simplified oversight of the financial sector around APRA that is provided for by the legislation, but let us not allow this innocent looking bill to become the Trojan Horse for more bank closures, job losses, fees, charges and rip-offs. The opposition invites the government not to be the first and most naive state to leap into this legislation and set of arrangements. The government should look before it leaps. It should support the opposition’s amendment, look at the fine print and consider the implications before legislating.
Mr SPRY (Bellarine) — I rise to support the bill and reject the reasoned amendment proposed by the honourable member for Footscray. Like the Attorney-General, I have some difficulty in relating the terminology used in the reasoned amendment to the bill, particularly the last part, which states:

... reduced service provision and job losses resulting from the state and commonwealth financial sector reform legislation.

As the honourable member for Berwick interjected earlier, the legislation is expected to be supported by all the states, including New South Wales. I wonder whether the honourable member for Footscray and other opposition members have discussed it with their counterparts in other states.

The bill relates to one aspect of financial reform, but the subject is all embracing. Some aspects of budget sector reform, particularly accrual accounting and how it has delivered transparency, accountability and better monitoring mechanisms through the budget process itself, have been dealt with in the debate on the Appropriation Bill. However, the bill does not deal with that aspect of financial sector reform, it deals specifically with the regulatory framework of Victoria’s financial sector industry. An effective regulatory framework is essential to the success of Australia’s economy as a whole. Such a framework has the capacity to create a robust and competitive environment that will benefit consumers and businesses alike. The strong regulatory and transparent framework that now surrounds and supports the financial sector has been largely responsible for Australia’s ability to withstand the difficult Asian economic downturn.

The background of the bill is contained in the explanatory memorandum. Victoria is riding on the back of the primary vehicle bill, the commonwealth’s Financial Sector Reform (Amendments and Transitional Provisions) Bill, which is expected to be dealt with in the federal Parliament in due course. The target date for the passing of that bill is 1 July.

At commonwealth level, and also at state level, the bill is the result of the federal government’s financial system inquiry that was headed by former Amcor managing director and Australian Business Council president, Stan Wallis. The Wallis report concluded that Australia’s financial sector faces rapid change because of increasing globalisation, technological advancements and changing business and consumer needs. It is generally recognised that the financial sector in Australia is an extremely powerful vehicle. It is a $1 trillion industry and it has an impact on almost everything Australians do in their business transactions at both the domestic and international levels.

In April 1997 the inquiry handed down its final report. Some 115 recommendations dealt with a wide range of issues and included a recommendation that changes were needed to the regulatory structure of Australia’s financial sector. There was also a recommendation that competency requirements and standards should be aligned with the best of those standards and requirements across the world.

The report also recommends that changes be made to remove barriers to competition. In view of the remarks of the honourable member for Footscray about the banking sector, I reflect on one aspect of competition that has taken place in the Bellarine electorate. For its own good reasons the Commonwealth Bank decided to pull out of the township of Portarlington. It risks losing some of its customers in the township. The Bendigo Bank, through this competition environment, has backed the local community and is considering the prospects of setting up a community bank. The point I am making is that where a vacuum is left by the decision of one bank to vacate a particular area, as a result of the encouragement of competition by the Victorian and federal governments there is room for other banks to step into the breach and perform the service the people need so badly. I hope that initiative is successful. I am backing it and I hope soon there will be a Bendigo or Bellarine Peninsula community bank established in Portarlington.

Mr Mildenhall interjected.

Mr SPRY — I do not know what the honourable member for Footscray is saying. If that does not happen, for commercial reasons the Bendigo Bank will have decided there is insufficient support. The element of competition the government has been able to introduce across all sectors in Victoria and Australia is the reason those vacuums can be filled.

One of the Wallis report’s recommendations was that Australia’s financial system was nowhere near the best in the world — nowhere near the worst either. It was in the middle sector. That points to the need for improvement in the way the financial sector conducts its business in Australia. Weaknesses were found in competition for retail transaction accounts, the availability of finance for small businesses, the lack of development of the corporate bond market and the lack of depth in those markets. Also, the sector was only mid-range in relation to costs and profitability, although the report is some years old and some people argue that the profitability of banks is well and truly intact. The
recent price fluctuations on the Australian stock markets indicate the investors at least are satisfied with the banks’ level of profits.

The federal government accepted the inquiry’s recommendations to focus on providing safety and stability in Australia’s financial system and to ensure that competition was able to flourish in all sectors of finance, along the lines I have mentioned for retail banking. That brought to prominence the three regulatory bodies in Australia concerned with the financial sector: the Reserve Bank of Australia, the newly structured and renamed Australian Securities and Investments Commission, which is now headquartered in Melbourne, and the new Australian Prudential Regulation Authority which was established on 1 July last year. The structural changes saw ASIC gain responsibility for administering all consumer protection laws for financial services while retaining responsibility for Corporations Law.

The bill is concerned particularly with ASIC and APRA, whose special function is the prudential supervision of those parts of the financial system that require more intense regulation for safety and stability reasons. The Australian Prudential Regulation Authority is the prudential regulator of banks and other deposit-taking institutions, life and general insurance companies, superannuation funds and retirement income accounts. APRA has comprehensive powers, including licensing and regulation of institutions authorised to provide the financial services about which I am speaking. It is a specialised regulatory agency well equipped to provide efficient and consistent regulation across Australia’s entire financial sector.

Of particular importance are the blanket regulatory powers vested in the new authority by the federal government and agreed to by all the states. I emphasise ‘agreed to by all the states’ in contrast to what the shadow Minister for Finance, the honourable member for Footscray, was hinting at a moment ago in his contribution.

The bill proposes many provisions and I will not detail all of them. Clauses 6 and 7 confer functions and powers on APRA and ASIC; clauses 8 to 16 deal with the transfer of business of applicable institutions to APRA supervision; clauses 19 and 20 repeal the provisions of consequential acts which underpin the present financial institutions scheme and dissolve the state-based financial regulator Vicfic. That is one of the key elements of the bill. Clauses 31 to 33 indicate that any unspent supervision levies or earnings held by Vicfic will be returned to industry. Clauses 34 to 36 make provision for the transfer of Vicfic staff to APRA, thereby protecting the interests of those staff members.

The state will retain responsibility for supervising cooperative housing societies. That responsibility will be carried out by a registrar located in the Department of Treasury and Finance. Under a cooperative housing society, as honourable members would be aware, the members of those societies share the deficits and surpluses. Therefore, they are exposed to some risk and some prudential regulation is necessary. Industry will levy costs to cover the cost of that supervision.

I am currently dealing with a matter where one of my constituents is having difficulty meeting the obligations of her loan under a cooperative housing society loan scheme. It is clear that there are probably other people in Victoria who are having similar difficulties. I am pleased to see that the responsibility for cooperative building societies will now come under the direct supervision of the state in the manner I have just mentioned. I hope some relief can be expected by people who are suffering difficulties similar to those of my constituent.

The amendments will facilitate the growth of a strong and competitive financial system. The provisions will ensure consistency across the commonwealth and, above all, the appropriate policies and prudential regulation features of the bill will boost Australia’s attractiveness as a financial centre. I am pleased to support the bill and its passage through the house and I oppose the reasoned amendment.

Mr BRUMBY (Broadmeadows) — The opposition does not oppose the Financial Sector Reform (Victoria) Bill. The shadow Minister for Finance made that very clear. The honourable member moved a reasoned amendment that in the opposition’s view would open up the legislation and the complementary federal legislation to greater examination and scrutiny. The general thrust of the bill is to offer broad support for the commonwealth legislation, the establishment of the single regulatory authority, the implementation of the recommendations of the Wallis financial inquiry, and the detailed aspects associated with shifting responsibility for building societies, credit unions and so on to the commonwealth. The opposition supports those changes.

The background to the bill is the 1997 Wallis report, which recommended sweeping changes to the regulation of Australia’s financial system. I will not read the 765-page report but it is interesting to consider the principal ingredients that drove the conclusions of the Wallis inquiry.
The report identifies a number of forces that are driving change in the financial sector across Australia. The first driver of change identified by Mr Wallis is customer needs and profiles. He lists the ageing of the population, greater job mobility, and higher income of retirees in the future. The second aspect he identifies as driving change is changing skills and technologies, including innovations in technology and much greater use of electronic transactions. He makes the point that the costs of technology will continue to fall in the future.

The third major driver of change is the changing regulatory framework, the global marketplace, increasing globalisation of financial transactions, the introduction of compulsory superannuation, lifting the savings base and the consequence that has for the savings system, intermediaries and prudential regulation, and the fact that the government is no longer in the market as the owner of the Commonwealth Bank.

The fourth driver of change that Mr Wallis identifies is an increasing focus on efficiency and competition. His argument is that over time the banks will rationalise their costly branches and move towards eliminating cross-subsidies. His conclusions have been borne out by what has occurred over the past couple of years.

The fifth force driving change is the increasing globalisation of markets and with that the introduction of a global electronic network coverage. We are already seeing that, as people can ring from Australia and open a banking account in America or London and get 24-hour-a-day phone banking services.

As the sixth driver of change he refers to the concurrent conglomerisation and market widening. He is referring to the widening boundaries of financial markets that we have seen. Finally he notes the shift to intermediaries. He refers in his discussion to disintermediation in credit markets and securitisation.

He identifies all those forces as driving change, and hence the recommendations that he makes in the report. Those recommendations have driven the federal government’s response and, complementary to that, the response of the states, including the bill. As I said, in practical terms the legislation complements the federal legislation which puts into effect the main recommendations of the Wallis report, in particular the establishment of a single national prudential regulator, the Australian Prudential Regulation Authority (APRA) and the transfer of responsibilities for the corporate and prudential regulation of building societies, credit unions and friendly societies. APRA is, of course, up and running but the target date for the other aspects of the bill to be enacted is 1 July 1999, so we are dealing with the bill in this session of Parliament.

There has been a wide debate, widened by the honourable member for Bellarine, on the issues that arise from the bill. Firstly, the opposition generally supports the transfer to the Commonwealth of financial responsibilities for building societies, credit unions and friendly societies. It is a sensible and overdue approach. We could debate that but certainly I am on the record many years ago as supporting the transfer of regulatory arrangements for those state-based institutions to a single national regulator. It makes sense to have a single national financial market. There is little distinction between the activities of unions, building societies, and other financial providers including banks.

Having said that, the opposition has some concerns about the concurrent Commonwealth bill which removes the requirement for the federal Treasurer to consent under section 63 of the Banking Act before an amalgamation between banking institutions can occur. It is my view, as has been spelt out tonight by the honourable member for Footscray, that that poses a threat to the four-pillars policy and that an amalgamation of four banks into two would have a disastrous effect on banking provisions, service levels and employment in Victoria, particularly in regional Victoria. Tonight I listened carefully to the honourable member for Bellarine commenting on the closure of banks in his electorate. He expressed the view that if one bank closes there are opportunities in the marketplace for another to move in. In some respects I agree with him, but as I will point out, at the moment the market is not working as well as it might and should be working. The bill and the complementary federal legislation raise the issue of the four pillars and whether, if the four banks are reduced to two banks, that will accelerate the closure of local regionalised banking services, particularly in regional Victoria.

One of the reports into that aspect was prepared in 1996 by McIntosh Baring. Its conclusion was that a merger of the four banks in Australia into two would lead to the loss of 35,000 jobs. Already a significant number of those jobs have been lost. The report stated that if there were only two banks there would be a much more rapid loss of jobs and local banking facilities.

That view has been supported by many commentators. An article headed ‘Federal legislation makes bank mergers easier’ in the Australian Financial Review of 15 March of this year refers to the bill and the complementary federal legislation in the following terms:
Banks have gained a new and simplified way to merge with each other under new federal government legislation tabled in Parliament this week.

I will not dwell on the four-pillars policy, but everyone knows that four into two does not go, unless of course you are one of the big four banks. One of the big four banks, the NAB, has been pressuring the federal government to facilitate or allow further bank mergers. According to a report of the Financial Services Consumer Policy Centre, which is referred to in recent articles in the press, already the Australian banking system is one of the most concentrated in the world — indeed, it ranks as no. 5. According to that report, if we were left with just two major banks we would have the most concentrated financial system anywhere in the world, and arguably that would make us the least competitive.

There is very little support for more bank mergers. An *Age* editorial of December last year, headed ‘Four pillars make a firm foundation’, states:

Banks, like any business, will sometimes make miscalculations and errors of judgment. In a field of four, the need to be competitive helps decrease the likelihood of such errors, and if one bank does get into grave difficulties, a rescue by one of its competitors, perhaps with government support, is at least feasible. But a rescue would be much less likely to be feasible if there were only two banks in the field, because it would have to be conducted on a much greater scale. The best way to keep this prospect remote is to keep the four pillars intact.

At about the same time, on 2 December 1998, another story in the *Melbourne Age*, headed ‘No bank merger: Kennett’, states:

The Premier, Mr Jeff Kennett, yesterday declared his opposition to the four main banks being allowed to merge, saying it would lead to reduced competition and to less choice.

The opposition’s view that the essential basis of our banking system with its four pillars should not be eroded was supported by none other than the Premier last year when he publicly declared his opposition to the four main banks being allowed to merge.

I hold that view not because I am by nature a regulator; nor dare I say is the Premier. We share that view because of concern that if four banks are allowed to collapse into two, the prospects of genuine competition will be diminished, the prospect of job losses will be heightened and accelerated and the services provided to consumers will unquestionably be terminated in less than profitable areas.

I could refer to further editorials on that subject but I will not go into detail, save for an editorial from the *Australian* of 11 January, which states:

The banks would have spared themselves much of the angry reaction from aggrieved customers had they thought more carefully — or even at all — about the social impact of departure. But the story of the banks over the past decade has been that of putting the shareholder ahead of the customer — a short-term focus, which can only work to the shareholders’ disadvantage in the longer run.

That goes to some of the points raised by the honourable members for Footscray and Bellarine. All members of Parliament are concerned about the extent of bank closures. They all have different views about what, if anything, can be done to prevent their closure to ensure that proper services are available to communities. Throughout Australia between 1995 and 1998 there were 153 bank closures. I have no figures for Victoria but there have been dozens of closures. In the past three years 102 country communities across Australia lost their last bank branch. Another 201 rural communities have a single surviving bank branch.

We all know what happens. I refer particularly to my responsibilities as shadow minister for primary industry and state and regional development. Bank closures mean job losses, locals spending less money in towns, population loss and often subsequent closure of other local facilities such as chemists, doctors and so on.

One bank closure that comes to mind occurred in the township of Dunolly, which I know well. It was once included in the federal electorate of Bendigo but is now in the electorate of Bendigo West. Dunolly’s bank closed three or four years ago when the former Shire of Bet Bet was amalgamated. The $18 million in shire business that was put through that bank was transferred by the new shire council to its head office in Maryborough. The bank closed, a number of shops closed and so it followed.

Bank closures have also occurred in non-regional areas. The honourable member for Bellarine mentioned a number of banks. In my electorate of Broadmeadows major concern arose last year about the closure of the Commonwealth Bank at Jacana. There has been a bank closure in Pascoe Vale just outside my electorate and another further down the road in Strathmore.

The Centre for Australian Financial Institutions found that when a bank is closed in a regional area the locals spend on average $320 less a year in that area than they would have previously spent. Therefore bank closures drag a fair bit of spending power out of the local area. As I said, all honourable members regret bank closures. Most honourable members have probably been trying...
to stop banks from closing so that local residents get good service.

However, if we want to stop or slow closures of regional banks or other financial institutions three things can be done. Firstly, the commonwealth and state governments could agree on a new charter of regional banking responsibility. The charter should guarantee access to basic banking services, which are fundamental to the survival of remote and rural communities. Such a charter is achievable. It would not introduce unnecessary regulation. It would set out in many ways, as governments do nowadays, a statement of objectives and a charter of responsibility to which the banks would be required to adhere. It could include a protocol defining the obligations and responsibility that banks should accept before closing branches. For example no longer —

The ACTING SPEAKER (Mr Perrin) — Order! I am having difficulty relating the honourable member’s remarks to the bill. Although it touches on banking it is certainly not exclusively about banking services, particularly branch closures. I ask that the honourable member for Broadmeadows come back to the bill before the house.

Mr BRUMBY — Bearing in mind your ruling, Mr Acting Speaker, I am referring to general policy for the financial sector, including banks, credit unions, building societies and so on.

Secondly, the commonwealth and state governments should work towards the establishment of one-stop shops in regional and rural communities, with which financial services could be co-located, to deliver commonwealth, state and local government advice and services. One example I have seen is in Chiltern in north-eastern Victoria. I visited that institution last year. In conjunction with a Wodonga-based credit union, the local council shares premises so that the town has a financial service provider. The council uses the same office to provide online electronic information about council services. It works very well and is a model that could be followed. I call it the one-stop shop option.

There is no state government support for the Chiltern example; it is a local government initiative. It does not subsidise financial services. It is just a sensible co-location arrangement, which means locals have somewhere they can bank. They have a credit union and financial services. The council also has an office and, using the latest information technology, ratepayers can get access to rates information and so on.

Thirdly, there should be increased support for some of the initiatives now being trailed by the Bendigo Bank. It was a building society. I worked for the Bendigo Building Society in 1990, helping to draft a forward strategic plan. One of the recommendations was that the society should become a bank and offer a wider range of services. I am pleased to see that the BBS did become the Bendigo Bank and is now leading the way in providing community banking facilities. I am certainly not saying that the state or anyone else should subsidise those facilities, but governments can take action such as easing regulatory red tape and so on to facilitate the establishment of community banks. I am pleased to say that across Victoria today the Bendigo Bank, previously the Bendigo Building Society, is poised to open at least 13 more community banks.

A Government Member — It is competition.

Mr BRUMBY — It is competition, and it is a sensible initiative.

The latest bank opened in Rupanyup with 500 or 600 townspeople in the main street punching the air with joy. I compliment the town on its initiative. The opposition generally supports this important piece of legislation. The move to have a single national regulatory authority is overdue and should have happened years ago.

The reasoned amendment moved by the honourable member for Footscray asks for greater examination of the prudential arrangements of bank mergers. I am sure I speak with the support of most honourable members and certainly the vast majority of the public when I say that the four-pillars banking policy is an important element of financial policy. The four major banks should not become two major banks. The transfer of responsibility is supported by the opposition. The charter of regional banking responsibility, one-stop shops and the Bendigo Bank’s community bank proposal should be embraced by the government because they unquestionably mean the provision of more broadly based geographic financial service institutions throughout regional Victoria, which should be welcomed by all.

Dr DEAN (Berwick) — I was surprised that the Labor Party dived into the waters of financial sector reform, and particularly as to whether policies being pursued by commonwealth and state governments may result, according to the reasoned amendment, in job losses or reduced service provision. The Labor Party’s record in this area is not one of which it should be proud. It has direct experience of job losses in the
financial sector with the loss of the former State Bank and the Pyramid Building Society.

My interest was increased when the Labor Party dived into these waters and said, through its reasoned amendment, that even though every other state government in Australia, the commonwealth government and the Wallis report, which the opposition believes is a good report, say that these reforms are necessary and should proceed — and all those persuasive reports and studies do that — the Victorian Labor Party believes they should not proceed because the government should think again about service provision and job losses.

My mind was further intrigued when there was a clear difference in the tenor of contributions of the honourable members for Footscray and Broadmeadows. The honourable member for Broadmeadows complimented the Wallis report because one of the first things it concentrated on — and which by tacit agreement he agrees with — is customer needs and incomes. The reasoned amendment says the legislation should not proceed because there could be some problems with service provision, but opposition members say one of the reasons they support the legislation is that the Wallis inquiry examined service provision and customer needs and they believe the inquiry got it right. Perhaps the Victorian Labor Party did not realise that all other Australian states and the commonwealth government have agreed to the legislation and have got it right. Perhaps the Labor opposition only realised what had occurred when government members advised opposition members of the true position. The New South Wales government will be extremely concerned because as a responsible government it wants to proceed with the legislation. The Wallis report and all the economic indicators say the legislation should proceed, yet the Victorian Labor Party says it should not proceed.

But it gets worse, because two states have got together to draft the model legislation. Victoria is not just doing it alone — it is doing it with another state, Queensland. The Queensland government is enacting the same legislation right now. The opposition is saying to its colleagues in Queensland, 'Hang on, you are working hand in hand with the Victorian government, but the Victorian Labor Party does not want it to proceed'. It appears the nub of the opposition's concern relates to the four-pillars policy and the fact that somehow the legislation will interfere with that policy. Apparently the commonwealth legislation withdraws the capacity of the Treasurer to prevent an amalgamation of banks.

Given all those queries and strange things that appear not to be making sense, I decided I had better examine the commonwealth legislation. Division 2 of the commonwealth Financial Sector (Transfers of Business) Bill refers to the approval of voluntary transfers. Proposed section 11 details all the matters the Australian Prudential Regulation Authority must take into account when determining when to approve a transfer — and they are very onerous. APRA must consider the interests of the financial sector, of the customers, and so on. Proposed section 11(1) states in part:

\[
\text{(d) legislation to facilitate the transfer that satisfies the requirements of section 14 has been enacted in the State or Territory in which the transferring body is established and the State or Territory in which the receiving body is established: and}
\]

\[
\text{(e) either:}
\]

\[
\text{(i) the Minister has consented to the transfer; or}
\]

\[
\text{(ii) the Minister's consent to the transfer is not required (see section 15).}
\]

I thought that perhaps some part of the legislation may say the minister's consent is not required. I perused proposed section 15 and found when the minister's consent to a transfer is not required. The provision says in part, 'if the minister has, in writing, determined that his or her consent is not required'. So the minister's consent may not be required, but prior to that the minister must state in writing that his or her consent is not required.

Therefore, if the Treasurer is to ensure that his consent is required, all he does is not put in writing that it is not required. There is no suggestion that the Treasurer will put in writing that he believes either a particular transfer or class of transfer, which in this case would be the banks, does not require his consent. I do not want to take a punt on this, but if I were a betting man I would say that the Treasurer would not do such a thing and would maintain that control.

Let's guess what has happened within the Victorian Labor Party. The honourable member for Broadmeadows is contradicting the honourable member for Footscray. We have a series of suggestions about the financial sector that appear strange coming from the Labor Party. We have a reasoned amendment, the basis of which relates to consumer service, yet the Wallis inquiry, which the opposition agrees with, examined consumer service and believes it is fantastic. We have the four-pillars policy falling into disarray, but on reading the commonwealth legislation we find that the appropriate minister can keep control if he wishes. I
do not know where that leaves the reasoned amendment, except that it is unreasoned. Once again the Victorian Labor Party is swimming one way while all the states, the commonwealth government and its Labor Party colleagues are swimming another way. It is all to do with the states, the commonwealth and the opposition's Labor Party colleagues understanding that they must address the new world economy, be brave and make changes. Once again members of the Victorian Labor Party are putting their heads in the sand, saying, 'We do not want any of this. We do not want to be brave about this. We do not want to look into the future. We simply want to keep ourselves in our little cupboard of the past and try to hold up everything we possibly can'.

In 1949 the Labor government wanted to nationalise the banks. This is the party that wanted to have one bank — —

The ACTING SPEAKER (Mr Perrin) — Order! The honourable member for Berwick is now straying from the debate by talking about the 1949 nationalisation of the banks.

Dr DEAN — That is true, but it was Labor Party policy. Given all the strange things that have occurred, including the reasoned amendment, perhaps members opposite are not so much swimming in the opposite direction as swimming in a different stream altogether.

The left arm of the Labor Party does not appear to be speaking to the right arm. Perhaps the honourable member for Footscray and the honourable member for Thomastown should talk to each other to sort out what they believe in — or perhaps they should read the bill.

Debate adjourned on motion of Mr LANGDON (Ivanhoe).

Debate adjourned until next day.

Remaining business postponed on motion of Mr GUDGE (Minister for Education).

ADJOURNMENT

Mr GUDGE (Minister for Education) — I move:

That the house do now adjourn.

Western Region Environment Group

Ms GILLETT (Werribee) — I ask the Minister for Conservation and Land Management to provide financial support to an important new initiative in environmental protection.

The minister will be aware of an organisation in Werribee called the Werribee Residents Against the Toxic Dump. That organisation ran a successful community campaign opposing the proposal for a toxic dump in Werribee. Following its magnificent success in that campaign, the organisation has now developed into an organisation called the Western Region Environment Group. The members of the Werribee Residents Against the Toxic Dump learned some valuable lessons, including the need for organisations to be reborn constantly to make people aware of environmental issues — in this case, in the western suburbs. They believe those lessons should be passed on to other communities. As a consequence, the people involved in the formation of Werribee Residents Against the Toxic Dump developed the organisation to enable it to take up a range of environment protection matters for the future, not only in the western suburbs but also in those areas in which the handling waste is critical.

The Western Region Environment Group is in the process of talking to local councils about funding options. The minister will soon receive that organisation's submission, and I ask her to entertain it creatively and imaginatively in considering what can be done to resource and support such an important environment protection initiative, particularly for the western suburbs.

Freeza

Mr WELLS (Wantirna) — I raise for the attention of the Minister for Police and Emergency Services a matter concerning security at Freeza events. I ask him to clarify the role of security guards, including their authority to disperse crowds after those events.

In 1996 the Premier made a commitment to allocate funding for drug and alcohol-free events for young people around Victoria. Since that time the program has been very successful, and funding has been allocated to 102 different locations around Victoria, including Portland, Mallacoota, Wodonga and Mildura, and many in the metropolitan area. The Minister for Youth and Community Services does an exceptional job in administering the program.

From time to time the Freeza program is revisited to establish whether any issues need refining. One of the issues that has arisen recently concerns security. The problem is that once a Freeza event finishes on a Friday or Saturday at 12 midnight or 12.30 a.m., young people tend to mingle around the front of the venues. The people involved in running the Freeza program are proposing that security guards who work inside the
venues during the night should be allowed to walk the young people to public transport, including bus and tram stops or train stations, to move them away from the venues. They could also walk the young people to car parks so they could be picked up by their parents.

At present, security guards are permitted to control young people only within the venues and their immediate boundaries. Any further security arrangements have to be made by the police. A precedent has been set in New South Wales. If a licensed hotel is delicensed so it can hold an under-age event, one of the conditions is that the security people have to control the surrounding neighbourhood. If the minister clarified the situation to allow security guards to control young people in and around the neighbourhoods surrounding the Freeza venues, he would be popular with the local residents. I have seen security guards move crowds in Manly, after which the young people have been more inclined to go home.

**Austin and Repatriation Medical Centre**

Ms GARBUIT (Bundoora) — I raise with the Minister for Health in another place, through the Minister for Conservation and Land Management, concern about a raffle being conducted by the Friends of the Austin and Repatriation Medical Centre to raise funds for the hospital. The prize is your choice of a Honda Civic or a Ford Mondeo, plus $1000 worth of petrol. The letter I received from one of my constituents, not unlike comments from others, states that:

Last year the money raised enabled us to purchase special wheelchairs and lifting machines for spinal patients, heart monitors, cancer equipment for palliative care patients, intensive care monitors, neurosurgery equipment for epilepsy sufferers and a lot more.

It goes on with details about the raffle draw.

Early this year the hospital had to be bailed out by the government to the tune of $7 million. Now it is being forced to conduct fundraising raffles to make up the difference. The government is forcing the hospital to repay most of that money and, as a result, no elective surgery has been available to my community for two months to enable the hospital to repay the money. Now the community, like a poor little organisation, is being asked to dip into its own pocket to raise money in a raffle to pay for basic hospital services that should be supplied as part of the government’s public health responsibility. The hospital was an excellent hospital, but now it is being forced to raffle off cars to raise money to make up for government cuts. The hospital has had a series of crises because the government is starving it of funds and running it down in readiness for privatisation. It had waiting lists of more than 2000 patients before elective surgery was closed. That would have blown out now by hundreds more.

Waiting times on trolleys are still outrageous. I regularly receive complaints from my constituents about the length of time spent trying to get into the hospital from the emergency area. That is not good enough. The government should fund the hospital properly and adequately. People should not need to stand on street corners rattling tins and selling raffle tickets so that the hospital has enough money for the most basic of health services.

**Bayside: planning overlays**

Mr THOMPSON (Sandringham) — I draw to the attention of the Minister for Planning and Local Government delays in the development and application of variations to the *Good Design Guide* and of appropriate vegetation overlays within the City of Bayside. This matter was raised with me by a local resident and councillor.

In the past five years interesting infill developments have occurred in a number of streets. Old seaside residences and shacks have been refurbished for medium-density housing.

At the turn of the century the City of Bayside had large areas of heathland which were used for expeditions by students from local schools such as Mentone Girls Grammar School. In the early history of that school students undertook expeditions to observe the flora and fauna of the area. Lesley Winning, a constituent, has also eloquently stated what was important to her in relation to the Beaumaris area and the area first settled last century by the Moyseys. Wattles, gums, heathland and a wide variety of fauna existed in native habitat. Ricketts Point, with its banksias and she-oaks, also determined in large part the ambience and amenity of the local area.

With the advent of more intensive development concern has been raised by a number of constituents regarding the amenity that underpinned their reason for residing in the locality: there was space, light and vegetation. Many people are anxious to preserve that level of local amenity. The City of Bayside could apply to have certain variations to the *Good Design Guide* made to limit the density of development and protect the vegetation overlays that are appropriate for the locality.

The time frame in which those variations and overlays can be developed is important. I ask the minister how
those processes might be expedited by way of interim overlays and the breadth of study necessary to satisfy the concerns and aspirations of members of the local community.

Aspendale Gardens primary school

Ms DELAHUNTY (Northcote) — I seek urgent attention by the Minister for Education to the matter of the vacant site at Aspendale Gardens. It was purchased by the Department of Education and has been nominated for use as a primary school, but nothing has happened in that regard. We waited with bated breath for the budget announcement, but capital funds for the Aspendale Gardens primary school were not mentioned.

I am sure the minister will look closely at this matter, since he knows that Aspendale Gardens is a growth suburb along Wells Road between Mordialloc and Chelsea Heights.

Mr Leigh interjected.

The ACTING SPEAKER (Mr Perrin) — Order! The honourable member for Mordialloc is testing the Chair.

Ms DELAHUNTY — And everyone’s knowledge of geography! Australian Bureau of Statistics (ABS) data shows that in 1996, 900 school-age children resided at the estate. Population increases and planning decisions by the Kingston City Council have brought about considerable residential development and more children require a primary school in their suburb.

Currently 110 students from Aspendale Gardens travel some 3¼ kilometres to Edithvale Primary School. A further 62 pupils attend Aspendale Primary School and travel by road some 7½ kilometres, which is some distance particularly for small children. Edithvale Primary School has an enrolment of more than 550 students on a site originally established to cater for only 300 students and has closed its books. Pressure is growing for a school to be built at Aspendale Gardens but the Department of Education remains uncommitted.

Aspendale Gardens kindergarten last year had an enrolment of 45 children who progressed on to 17 different schools. The situation is unfair on the people of Aspendale Gardens and I ask the Minister for Education whether a feasibility study has been conducted. If so, will the results be made public? If no study has been conducted, the residents of Aspendale Gardens look forward to receiving the minister’s guarantee about when a school will be built.

Moorabbin Airport: noise

Mr LEIGH (Mordialloc) — I refer the Minister for Conservation and Land Management to concerns of residents around Moorabbin Airport about noise. The Moorabbin Airport Corporation was recently privatised, which is good because the company appears to be interested in the residents’ views and is endeavouring to do its best under the circumstances. It has always staggered me that the only airport in which the federal Labor government has shown any interest is Sydney Airport, where mechanisms were installed to help residents.

I understand the issue is outside the parameters of the state government. However, the Minister for Planning and Local Government and the Minister for Industry, Science and Technology in another place have worked with consultative committees and on other aspects, and I am aware that the EPA has some involvement with the airport. It appears that simple and significant mechanisms can be applied. I hope the airport, through the EPA, will be encouraged to take action.

Firstly, there are some old aircraft on the field. Secondly, helicopter pilots often practise flying over people’s homes. Significant airspace exists over the airport but pilots do not appear to want to use that airspace for practice. Thirdly, on arrival at Moorabbin Airport after control hours aircraft must circle the airport to obtain the barometer reading and wind speed. A mechanism can be put in place that allows a pilot to ascertain those factors so that the aircraft can come straight in.

The Moorabbin Airport Corporation has been in control of the airport since June and I hope through the EPA it will be encouraged to install some of those mechanisms. Residents of my electorate, the electorates of Brighton and Sandringham and other areas including Parkdale and Aspendale have complained about the noise.

It is not a state government issue, but the two federal Labor members of Parliament who represent the area, the Honourable Simon Crean and Mr Gregory Wilton, are useless.

Respite care: Wonthaggi

Ms DAVIES (Gippsland West) — I forewarned the Minister for Youth and Community Services that I would be raising this matter for his attention tonight. Will he outline his plan for the restoration of respite
I believe to be correct. I ask the minister to clarify the figures. I believe the credibility of the honourable member for Northcote has been shot to ribbons and is in tatters. She has insulted the people of Bendigo, who are extremely pleased with the good work done on education in my electorate by the government.

I call on the honourable member for Bendigo West to dissociate himself from the statements of the honourable member for Northcote, her incorrect figures and her blatant irresponsibility, and to come clean on class sizes in Bendigo schools. The honourable member for Bendigo West should be pleased that the government has done so much for schools in his electorate, as I am about what has been done in mine, in providing excellence in education in the Bendigo district.

In recent times some $800,000 was spent on Camp Hill Primary School and $1.25 million was spent on Strathfieldsaye Primary School. A short time ago I opened a new primary school at Spring Gully. New schools foreshadowed in the budget’s allocation include Huntly Primary School, with a commitment of $1.5 million, and Lockwood Primary School, in the electorate of Bendigo West, with a commitment of $1.3 million. Those figures represent massive works and are a great credit to the Minister for Education.

I ask the minister to provide the house with the correct class sizes.

National Water Sports Centre

Mr PANZAROPOULOS (Dandenong) — I refer the Minister for Sport to the National Water Sports Centre at Carrum, which was built as the state’s pre-eminent venue for water sports, including rowing.

Extra competition on the Yarra River and disruption caused by the City Link roadworks have meant that many inner suburban rowing clubs have been using the National Water Sports Centre. Although physically located in the City of Greater Dandenong, the centre is used significantly by people from across the south-eastern suburbs. Yesterday I visited the City of Kingston, where the issue was raised with me again.

I have been meeting with members of the Carrum Rowing Club, who are disappointed that for a long period of time they have been getting the run-around from the government when they have been seeking upgrades to and maintenance of the facility. There is no doubt that since the Kennett government came to office hardly any money has been spent on the facility. The starting gates need to be improved, and tree plantings and a sprinkler system are needed on the site. The club
got the run-around first from Melbourne Water, later from Melbourne Parks and Waterways, and most recently from Parks Victoria. I have been involved with the club for the past year. I provided advice on how to pursue the matter and suggested it contact the honourable member for Carrum. However, no progress has been made.

Recently $9.4 million was allocated for a water sports centre in Geelong, yet the local group I have referred to cannot get a couple of hundred thousand dollars to get its facility up to scratch to make sure it is suitably maintained, particularly as it is the facility that is used for training by the Awesome Foursome.

The Carrum Rowing Club is a progressive club that is used by a number of government schools. The club wants to use the centre in a bid to have the rowing events of the 2002 Masters Games held at the venue. That will not happen unless proper support is received from Parks Victoria and the minister.

I ask the Minister for Sport to do the right thing — that is, investigate the matter, consider how funding can be made available to upgrade the facility and make sure that not all the money goes to Geelong and Nagambie. I ask the minister to ensure that this pre-eminent sporting venue in Melbourne’s south-eastern suburbs is brought up to the standard originally intended in 1981 by former Liberal sport and recreation minister, Brian Dixon. It has not been properly maintained by the government during the past seven years.

Serrated tussock

Mr PATERSON (South Barwon) — I ask the Minister for Conservation and Land Management to continue her strenuous efforts in arriving at a range of solutions to the problem of serrated tussock.

Serrated tussock is an extremely invasive weed that is affecting my electorate and many others, including Ballarat and Tullamarine. It arrived from South America earlier this century and now infects approximately 130 hectares of the basalt plains of Victoria. Even worse, in New South Wales it has spread to nearly 870 000 hectares, and another 3 million hectares are at serious risk of being infested by the weed.

Serrated tussock can completely choke both native grasslands and improved pastures. It is unpalatable to livestock which virtually starve if left on areas dominated by it. It costs farmers and the country millions of dollars in lost production.

One of the great difficulties farmers have in trying to tackle this problem is the withdrawal of one of the most successful chemicals used, a chemical called Frenock which is imported into Australia by Cropcare, an Orica subsidiary. The company has stopped importing Frenock into Australia, which has led the Japanese producer Daiken to completely stop its production. It is now left to the government, the department and farmers to tackle the serrated tussock in a variety of different ways.

I ask the minister to continue to lend the government’s support, which certainly has been forthcoming in the past and which I would expect to continue, to finding ways of tackling serrated tussock which is affecting many areas of Victoria.

The ACTING SPEAKER (Mr Perrin) — Order! The honourable member for Ivanhoe has about 1 minute.

Schools: road safety

Mr LANGDON (Ivanhoe) — I ask the Minister for Education to assist schools in my local area, and I am sure schools across the state, to deal with safety around schools. Representatives of several schools in my electorate have contacted me about road safety problems in the area and they seem to be stuck between a rock and a hard place. Councils will not spend money on the roads because they believe it is an education problem, and the Department of Education is not into providing money for roads. Clearly, when children’s safety is at risk one cannot constantly be stuck between a rock and a hard place — something has to happen.

The issue affects many schools.

When many honourable members went to school 20 or 30 years ago, the number of parents driving kids to school was limited. These days the numbers are ever increasing. Therefore, the traffic flow around schools is increasing as well. I ask the minister to assist in some way to help relieve the problem.

Responses

Mr W. D. McGrath (Minister for Police and Emergency Services) — The honourable member for Wantirna raised a problem concerning Freezea events. I am well aware of the leadership role he has taken in the staging of many Freezea events around Victoria after it was decided that it should be an initiative under the Turning the Tide program and its associated funding. It is fair to say that those Freezea programs have proved very popular with young people. It is good to see they are able to enjoy recreational activity in an alcohol and
drug-free environment. The honourable member seeks my support in allowing security guards more rights in giving young people support and direction as they leave the venue and make their way to either car parks or to public transport.

The honourable member wrote to me about a week or two ago, and I have referred his correspondence to the Chief Commissioner of Police to ascertain whether the police will allow the security guards further options in giving support to young people and ensuring they have safe passage from the venue to car parks and their means of transport.

I am also aware that in the past there have been unruly young people outside the Freeze events who have caused disruption at the venues, which I have also discussed with the police. I believe the police will be very supportive of the proposal that the honourable member for Wantirna has raised, but I will give a full response to him in the very near future.

Mr GUDE (Minister for Education) — The honourable member for Northcote raised the possibility of a primary school being established in the Aspendale Gardens area. The house has become accustomed to the honourable member being wrong — she is usually late, usually has her facts inaccurately structured, and is generally way off the mark. I advise the house that nothing has changed tonight in the matter she has raised. She is late, yes. She referred specifically to developments that have taken place in the area. I refer to an article headed ‘School wins with Lean’ in the *Chelsea Independent*, which states:

‘Big boost for tradespeople, suppliers too’.

The member for Carrum, David Lean, has announced a $379 000 grant for Edithvale Primary School. The grant is part of the Victorian government’s commitment to building new and better schools.

The honourable member would perhaps be aware that a little more than a week ago the Premier, as is his wont across the state, was in company with local members at a public meeting in the area. There has never been a Premier in the history of this state who has made himself as available and accessible as this one and who has been prepared to meet with the community. The Premier received a rousing cheer as a consequence when he advised the local residents that, as minister, he had appointed the honourable members for Mordialloc and Carrum to undertake a review of school needs in that area.

I am sure that has been drawn to the honourable member’s attention, yet she comes into the house and raises these matters. If one reads what she says in *Hansard*, one would think that a new and wonderful revelation had just occurred in this area. The exact opposite is the case. As all honourable members know, the government has made an unprecedented commitment to the functioning of schools and has undertaken it in a way that provides the very best accommodation. The figure of $1 billion — that is $1000 million — that the government committed to the upgrade of school facilities across Victoria during the course of this four-year term will be exceeded. In addition, Victoria enjoys more schools per head of population than any other state. It is not as if the area is gloriously underskilled.

An honourable member interjected.

Mr GUDE — The honourable member is probably right; the honourable member for Northcote probably has not been there. I believe she was in that general area a week or so ago and probably picked up a snippet, which was about a month old, and frivolously — petulantly, one might even suggest — has at this late hour tried to gain some ground for the Labor Party in an area where it has no representation. Labor was thrown out of office in the area because of its lack of representation and its neglect of schools. That is clearly evidenced by the headline ‘School wins with Lean’.

I also understand the principal of the school said to the honourable member for Carrum, ‘Our dream’s come true’. He lamented the neglect of 10 years of Labor. Now there is a high-quality development because of the tremendous representations of the honourable members for Carrum and Mordialloc, who are looking after the needs of their constituents, including the youngsters who are seeking good educational outcomes. The president of the school said, ‘You’ve made a lot of people happy’. Of course he has — because he has worked hard and produced a quality outcome, unlike the honourable member for Northcote, who has come into this house late at night and tried to score a cheap political point.

The honourable member for Bendigo East raised a serious matter for my attention — and the honourable member for Northcote should not leave the chamber, because it is serious. The honourable member for Bendigo East said the honourable member for Northcote, who is the shadow Minister for Education, misled the people of Bendigo — and I believe it was done deliberately.

Ms Delahunty interjected.

Mr GUDE — The honourable member interjects, ‘Don’t believe everything you read in newspapers’.
Honourable members interjecting.

The ACTING SPEAKER (Mr Perrin) — Order! The government benches will come to order.

Mr Gude — I can only assume from that remark that the honourable member is blaming the journalist concerned and claiming the journalist deliberately misled the public of Bendigo.

Ms Delahunty interjected.

Mr Gude — Do you believe 29 is right?

The ACTING SPEAKER (Mr Perrin) — Order! The Minister for Education will address the Chair.

Mr Gude — The honourable member for Northcote interjects, 'It's right though, Phil, isn't it?'. Before I come to that, I will not be diverted from her first interjection, in which she blamed the journalist, saying the journalist had misreported her. I have checked with the newspapers and they do not believe they misreported the honourable member one iota. I know it is too much to expect the honourable member to have visited the schools, but if she had contacted them she would know that the average size of classes in prep to year 2 in the 19 government schools in Bendigo is 22.7 — not 29, a misrepresentation she has deliberately sought to spread throughout the community. Her face may well be red now, but it is nothing to what it will be when she sees the Bendigo Advertiser tomorrow.

The opposition spokesperson on education has sold out schools in general, but sadly and sorely she has sold out Bendigo schools. She has given a false impression of large class sizes. While all that was going on, where was the member for Bendigo West? One might ask where he is now, because he is not in the house.

Honourable members interjecting.

Mr Gude — Who does care? I call on the honourable member for Bendigo West to stand up for the schools in his electorate, stand up for the kids and the electors of Bendigo, repudiate the false statements made by his colleague the honourable member Northcote and have the courage and integrity to be a real member. I will bet he does not. Those honourable members have collectively betrayed the children and the electors of Bendigo with their false and deliberately misleading statements. He ought to stop the honourable member for Northcote from sullying the good reputation of Bendigo schools; it is an absolute disgrace.

It again poses the question for the broader community. Because we have heard her performance in question time and generally in the house we know how inept, incompetent and uncaring she is. We know how out of touch and irrelevant she is. We know she does not like the work and that whatever she says cannot be taken as truthful and decent.

I call on the honourable member for Bendigo West to place some trust in his community and join with his colleague the honourable member for Bendigo East, who has integrity, who has worked hard for his schools and who has seen an enormous amount of government funds being spent in the area to assist his school community.

The honourable member for Northcote bleats about class sizes. Goodness me! The last budget put $102 million into recurrent expenditure for literacy programs and roughly 1000 equivalent full-time jobs in primary settings across the state. From March last year to March this year full-time places in our primary schools have increased by 1023. She should not bleat about jobs not having been created and people not being employed in schools. She should not tell untruths when an additional 1023 places have been filled in primary schools alone. That is the reality. She should not go into school communities without checking her facts first; she should not denigrate the teachers, the schools and the principals who run them because they provide quality educational outcomes second to none in Australia.

The honourable member for Ivanhoe, God bless his socks — he is a fine and caring man — raised a broad issue in his attempt to do his duty as whip and fill in the final minute. He made an unspecified request about road safety right across the state of Victoria. Such is the generosity of the honourable member that he was not speaking just on behalf of his own electorate. He rightly pointed out that kids have to travel to school, whether in the family vehicle, by foot or by school bus, and that from time to time there may be difficulties as youngsters cross the road. I share those concerns. I do not believe anything in our school system is more important than the safety and wellbeing of our students, whether it be during their travels from home to school or the reverse — or indeed while they are in the care of the school. Nothing is more important than the solemn duty of trust that schools exercise.

I can only say to the honourable gentleman, who did not have enough time and was therefore raising the issue in the broad, that if he has any specific issues he would like to draw to my attention, I will be only too
pleased to act on them as quickly and effectively as I am permitted to do given my portfolio responsibility.

Mr MACLELLAN (Minister for Planning and Local Government) — It might be worth Hansard recording that the honourable member for Northcote has just left the chamber.

Ms Davies interjected.

Mr MACLELLAN — And that the honourable member for Gippsland West is again interjecting!

The matter I respond to was raised by the honourable member for Sandringham, who has been a persistent representative in raising issues on behalf of the Bayside community in general and the Sandringham and Beaumaris communities in particular. The honourable member has made a significant contribution to the government's abolishing the Labor Party policy on as-of-right dual occupancy. Whereas the Labor Party said its as-of-right dual occupancy could be implemented, with almost every corner being vulnerable, the honourable member was, as a persistent representative of his community, one of a number of members who said that policy on as-of-right dual occupancy was not appropriate.

He has also been active in drawing attention to the difficulties, which were clearly established, where councils were not getting sufficient notice in regard to demolitions. The government has made a clear statement of the rule that requires demolition permits to be advised to the relevant councils before demolitions can occur. The honourable member was active in drawing attention to that requirement.

In relation to the Good Design Guide, I hope the honourable member is well aware that local variations are not only encouraged but invited. I have to say with some reluctance that at last Bayside council is undertaking the preliminary steps towards local variations to the Good Design Guide. I have drawn the council's attention to the panel report in relation to Monash, which gave good and clear indications as to how Bayside council might successfully introduce local variations to the Good Design Guide.

The honourable member was anxious to raise with me on behalf of the community the need for appropriate heritage controls. One of the sadnesses in the Beaumaris—Sandringham area was that, despite having received reports in respect of some areas in that council's responsibility, it had not acted on the heritage issue. However, it is now approaching the community. It is a controversial matter. It is not easy. People do not always welcome being told they have heritage properties and that they will need permission to make substantial changes. However, if we do not protect the heritage buildings in that area we will lose them. The honourable member has brought a balanced view to those issues.

The honourable member referred to appropriate vegetation controls. I could not think of anything more appropriate for the Beaumaris area. The honourable member has made representation to me and I have seen the area. The housing might be undistinguished but the vegetation of the area is of high importance. The mutuality of the vegetation is all important — in other words, one block depends upon another block and another block and another block. The vegetation is the glory of Beaumaris rather than its built heritage. I therefore believe the Bayside council needs to consider appropriate vegetation controls. I do not think it has done so yet.

I understand from the honourable member that the council is suggesting that the Department of Infrastructure advised it would have to do a wide-ranging study before it could introduce controls. I perfectly understand his position and the position of the people of Beaumaris. They are not willing to see block after block levelled and vegetation removed simply because the council has not begun the necessary work to implement appropriate vegetation controls. If the Beaumaris or Bayside communities on a wider level are prepared to support some interim controls, I am perfectly prepared to see them brought in. That might be for one or two years.

I know it will be difficult for some people who might wish to sell their properties for development. However, it is also difficult to see areas losing all the vegetation on which people have relied for many years so that the whole character of the area is changed. Perhaps during the interim while the controls are in place, appropriate studies and community consultation can be undertaken on a more consistent basis, block by block and area by area, to get community views about the appropriate way to introduce vegetation controls.

Following visits to the area it is my opinion that the Beaumaris area would be the place in which to start. Areas of Beaumaris are so entirely dependent on vegetation for their character, value and appearance and the mutual support properties get from each other that those areas are clearly appropriate for some interim protection in heritage matters. I do not think the Bayside council needs to leave that for the never-never or two or three years down the track. It can approach the matter much more thoughtfully and persistently, as does the honourable member.
I would certainly support a view expressed by the council. If the former mayor had spent less time worrying about Nillumbik and a little more time worrying about Bayside the studies would have been further down the track. The heritage studies would have been finished, the vegetation study would have been under way and the *Good Design Guide* variations would be in place. If the council genuinely on a vote states it does not want heritage controls, that is fine. I will understand if that is what it recommends on behalf of the community. If it says it does not want a variation to the *Good Design Guide*, that is fine. If that is what it says, that is its response. However, it seems to me that the Bayside council wants variations to the *Good Design Guide*, heritage controls and appropriate vegetation controls, but it does not want them yet. It wants the state government to take responsibility for the fact that they are not yet in place. The council has to take responsibility. The honourable member has performed his role in drawing it to my attention. I am prepared to support him and his community. I thank him for the representations he has made and for the energy he has applied to the issues that affect the Beaumaris and Bayside areas of Sandringham.

Mr REYNOLDS (Minister for Sport) — The honourable member for Dandenong raised the matter of the National Water Sports Centre, which he suggested was in his electorate, but it is not. It is in the electorate of the honourable member for Springvale. But that is a minor issue. He suggested that the Carrum Rowing Club and the City of Kingston, representatives of which he has recently met, want tree planting, maintenance and a watering system. He said they are getting the run-around from Parks Victoria and the government should do the right thing and upgrade the facilities.

I shall give the honourable member for Dandenong a history lesson. Draw breath, sonny! The honourable member for Dandenong has a lot to say when he knows not what he is talking about. The point is this: in 1980–81 the government of the day undertook a study to ascertain where the water sport centre should be and whether it should include facilities for rowing, canoeing, water skiing and other sports. The report was presented and the government changed in 1982. The new government, which was of the persuasion of the former Labor government, decided that it would review the report. The Cain government built the water sports centre at Carrum, not the previous Liberal government, which you said in your earlier response — —

The ACTING SPEAKER (Mr Perrin) — Order! The minister will address his remarks through the Chair.

Mr REYNOLDS — Then sports minister Trezise made the decision that the government should proceed with the facility. During the building of the National Water Sports Centre at Carrum heavy rain and winds caused $1 million worth of damage to the facility, so the initial $3.5 million cost of the centre increased to $4.5 million.

When I was appointed Minister for Sport upon the election of the Kennett government in 1992, I was advised of a number of problems by the department arising from the administration of the former Labor government. Not only did Victoria have $32 billion of debt, but the National Water Sports Centre should never have been built at that site because if the wind was blowing from the wrong direction the course was unfair. Further proof of that came when the then world champion rower, Peter Antonie, was beaten in a state championship competition because he drew the wrong lane. After discussions with a number of people I decided that the government should not spend any more money on that centre. I have maintained that stance publicly and in this place for the past six and a half years. The fact that the Australian Rowing Association decided it would not hold the national rowing championships or the Kings Cup in Victoria if the venue were to be at Carrum is proof that the facility does not measure up to national or international standards.

In his own way the honourable member for Dandenong raves on about these things, but he knows that the former Labor government built a facility that is not working and is inappropriate for the site. I have no doubt that the many user groups — the water skiers, the jet skiers, the dragon group, the rowing clubs and the many schools that use the facility for training — should work with Parks Victoria to ascertain the needs of the groups and arrange for the facility to be managed by the users, as occurs at Werribee Park. I am sure the centre has some further use. I am delighted that the government has allocated $9.4 million for the Geelong facility and I am sure the honourable member for Werribee is also pleased about that.

Ms Gillett interjected.

Mr REYNOLDS — The user groups at Carrum should meet with Parks Victoria and arrange to manage the facility themselves; otherwise the centre will have no future.

Mrs TEHAN (Minister for Conservation and Land Management) — The honourable member for Werribee raises with me a matter she will address further in writing relating to possible financial assistance or grants...
ADJOURNMENT

Tuesday, 11 May 1999

FOR THE newly formed Western Region Environment Centre, which has grown out of the Werribee toxic waste group that was active last year. The main spokesperson for that group, Harry Van Moorst, is playing a major role in the government’s bipartisan consultative committee, chaired by the honourable member for Bennettswood, which is examining waste reduction measures and the dumping of waste.

I am pleased with the progress of that committee, but in the meantime the newly formed Western Region Environment Centre, no doubt encouraged by its work during the past 18 months, is considering a broader base in terms of other environmental issues in the western region. The government cannot fund groups per se just for administrative purposes, but I am more than happy to examine any submission the centre makes through Parks Victoria, which funds groundworks, or grants from Ecorecycle Victoria, which works with waste minimisation programs or opportunities. I am happy to receive and consider those submissions positively, but they should concentrate on the community grants that are available for organisations such as the Western Region Environment Centre.

The honourable member for Mordialloc raised with me the noise factor at Moorabbin Airport. The honourable member suggests the issue is primarily a federal responsibility, but the airport is privatised and handles up to 1000 aircraft movements a day, many by single-engine light aircraft. As the honourable member said, a small proportion of those are likely to be older and noisy aircraft. The honourable member is rightly concerned for his constituents and other residents living close to the airport. He has raised his concerns with Airservices Australia, a federal body, but has not had much assistance. He has not been supported by the federal members representing that area, the Honourable Simon Crean and Mr Greg Wilton, neither of whom has done anything to address the needs of the communities surrounding the airport.

Unfortunately many of the programs were set back by the decision of the distributors of a chemical known as Frenock not to seek its re-registration and to stop importing its active ingredients. As the chairman of the Environment and Natural Resources Committee, which examined the problem of weeds, you would understand, Mr Acting Speaker, that this is a serious problem. The government is still trying to expedite a substitute for Frenock. I wrote to the former federal Minister for Primary Industries and Energy in August last year and asked him to find a means of expediting the supply of the chemical under the national registration authority. As I told the then minister, the Honourable John Anderson, serrated tussock is a significant threat to agriculture and the environments of Victoria and New South Wales.

Unfortunately the incidence of serrated tussock is increasing. It is particularly bad in the south-west area the honourable member so ably represents. I know the honourable member for Narracan is similarly concerned about its impact. The government has been well served over the past two or three years by a good report from the serrated tussock task force, which established a strong strategy. Through the government’s weed initiative that strategy is now being implemented. More than $200 000 has been allocated over the past year to adopt a strategic approach to the problem.

The Victorian department is investing nearly $1 million per annum to manage and reduce the serrated tussock threat. However, its efforts have been limited by the decision not to re-register Frenock. I asked the federal minister to examine alternative applications for registration or research other companies that may have an alternative chemical. I asked him to ensure the national registration authority regards any applications for the registration of suitable chemicals for dealing with serrated tussock as an extremely high priority so that a substitute can be found as soon as possible. I believe a couple of companies are looking at
alternatives, and the government will address that as quickly as possible.

In the meantime the Cooperative Research Centre for Weed Management Systems is leading a national research project to find a biological control agent for serrated tussock. It is identifying potential pathogens already in Australia and South America, where the weed originated. I have a great deal of sympathy for and share the concern of the honourable member for South Barwon. The government is doing everything it can to manage, fund and find alternatives to chemicals. The government is hopeful of a breakthrough in biological control methods.

The honourable member for Bundoora, who is no longer in the chamber so is obviously not too concerned about the answer to her query on the Austin and Repatriation Medical Centre, raised two issues for consideration by the Minister for Health in another place. However, I think I can reply on his behalf. She was concerned about action taken by the medical centre to minimise its overspending. The honourable member suggested that the government should give the hospital more money, as Labor did in the 1980s when the Labor Party was funding hospitals across the state. When hospitals had spent their allocated funds they just went into debt. The Labor government then topped up the amount at the end of each financial year. At the end of the 1980s and during the early 1990s spending by the hospital sector over and above the funds allocated in the budget rose to approximately $60 million for any one year. The allocation was topped up in the following year’s budget, so the hospitals got deeper into debt. Because of the way Labor funded hospitals Victoria ended up with a debt of $32 billion, of which health funding was a significant component.

The Kennett government instituted changes and hospitals are no longer funded so that they can spend whatever they want, however they want, leaving the government to pick up the tab at the end of the financial year. The government now funds hospitals for the work they do and available funding will always be limited. Hospitals must live within their funding regimes. Fortunately the Austin and Repatriation Medical Centre has a capable CEO, Jennifer Williams, who is one of the most able women administrators in the government sector and, I suggest, in the private sector. She is doing an excellent job bringing a sense of reality back to the spending of the Austin and Repatriation Medical Centre.

The honourable member for Bundoora was concerned about a car raffle to raise money to buy special equipment. That does not worry me in the slightest.

That seems to be a suitable arrangement. People want to assist in any way they can to fund hospitals in their areas so that they can buy additional equipment. Funds can be raised by grants, donations, raffles or from people’s wills. It adds to the community support for hospitals and assists them to buy equipment. The honourable member for Bundoora should ensure that the Austin and Repatriation Medical Centre, which is a very good hospital that provides a wide range of services in the general area. It is becoming more focused in terms of management and that will ensure it will live within its financial means and continue to provide excellent services.

The honourable member for Gippsland West, who is in the chamber, raised a matter for the consideration of the Minister for Youth and Community Services. She raised a number of examples where respite care should be restored at the Wonthaggi and District Hospital. I am sure the Minister for Youth and Community Services is aware of the need for respite care in places across Victoria, including Wonthaggi. He is fully supportive of the principle that respite care is cost effective and plays an effective role in assisting volunteers, usually family members, to take on the strong role of carers.

The honourable member for Gippsland West should not forget that in 1996 the government allocated over $100 million in assistance for carers. That was the first time any government had specifically provided such funding — certainly at that level. Part of that program was for respite services. I am sure the Minister for Youth and Community Services will ensure that that $100 million is spent and that respite care to assist carers along the lines indicated by the honourable member for Gippsland West will be made available for persons in need.

The ACTING SPEAKER (Mr Perrin) — Order! The question is that the house do now adjourn.

Ms Davies — Excuse me, Mr Acting Speaker, I am on my feet.

The ACTING SPEAKER (Mr Perrin) — Order! You cannot raise a matter at this point.

Ms Davies — I seek instruction from the Chair.

The ACTING SPEAKER (Mr Perrin) — Order! The question is that the house do now adjourn.

Motion agreed to.

House adjourned 12.19 a.m. (Wednesday).