Mrs WADE (Kew) - Mr Speaker, I welcome the opportunity of participating in the debate on Supply; but first I wish to say that I am privileged to be here representing the electorate of Kew and to thank the electors who voted for me. I also thank the Liberal Party members who were prepared to put me forward as the candidate for Kew.

The electorate of Kew was established in 1927, and I am the fifth member for Kew. The first honourable member, Sir Wilfrid Kent Hughes, was a Rhodes scholar and an Olympic hurdler, but I am glad to say that those qualifications are no longer required to be the member for Kew. Sir Wilfrid is remembered for his outstanding service in the Army during the two world wars. He was Deputy Premier of Victoria and held a number of portfolios before going to Canberra as the honourable member for Chisholm in 1949.

I had the privilege of working with the next two honourable members for Kew; Sir Arthur Rylah and Sir Rupert Hamer. Sir Arthur Rylah was Deputy Premier and Chief Secretary when I first met him. Over a period of nearly five years I came to admire him for his great ability, his dedication, his energy and his capacity for work. I was also lucky enough to work with Sir Rupert Hamer when he was Minister for Local Government and later Premier. I am well aware of his commitment to improving the quality of life for all Victorians. It should not be forgotten that the Hamer government was in the forefront in introducing legislation to protect the environment. Sir Rupert Hamer also introduced legislation providing for equal opportunity for women in Victoria in 1977.

Prue Leggoe became the honourable member for Kew in 1981. She has given great support to many of the institutions in Kew and to the Kew council during the period when amalgamations were threatened. Many honourable members have told me of Prue Leggoe's valuable contribution to the work of the Parliamentary Social Development Committee. Prue Leggoe was strongly opposed to the Brunswick to Richmond powerline along a proposed route through one of the loveliest natural bush areas of Melbourne, along the Yarra River and Merri Creek. When I inspected the route of the proposed powerline, it was clear to me that it would be an issue, not just in the Kew by-election, but also in the next State election.

I understand that one should not be provocative in one's maiden speech, and I would wish to uphold that tradition. There are, however, two matters that should be recorded: firstly, our natural waterways and native parklands are major assets of the people of Melbourne and of our future generations. They will also be important considerations in attracting tourists to our city. Secondly, the people of Melbourne will require an answer on the future route of the proposed powerline before the next election. The reference to the Scott committee will not satisfy the community unless satisfactory recommendations of that committee have been made and accepted by the government before the next election. The powerline is an issue that will not go away.

I shall now comment on broader issues raised in the context of the Supply Bill; matters of concern to the people of Kew and to all Victorians. They are matters of basic government administration in a number of areas. As I spoke to the people of Kew during the byelection campaign, it was apparent that they were concerned not with the frills and extras that governments can provide, but with the basic services that governments should provide. The measure of good government is the delivery of basic services to the community at a reasonable cost.

Again, I do not wish to be controversial or in any way provocative. To avoid any hint of controversy, I have limited myself to areas where I find that, in principle, I am in agreement with at least one government Minister on a particular matter. I do not intend to try to cover all basic

services, but to examine several services of which I have some knowledge.

I begin with an area of particular concern to me and to many members of the public; the prevention and detection of crime. We are all very much aware of the increase in crimes of violence and the lack of resources and manpower in the Police Force. Action must be taken as a matter or urgency, And it will be taken by a Liberal government, but tonight I should like to talk about white-collar crime.

From 1979 to 1985 I was Commissioner for Corporate Affairs. In 1979 the honourable member for Bundoora, now the Premier, made a number of comments about the Corporate Affairs Office in a debate on an Appropriation Bill. I agree with those comments but, before I come to them, I remind you, Mr Speaker, of the importance of the work of the Investigations Section of the Corporate Affairs Office and of one aspect of that work in 1979.

That section of Corporate Affairs Victoria carries out work similar to that of the Fraud Squad. The Fraud Squad, on the whole, investigates fraud and theft of a fraudulent nature committed by individuals.

Corporate Affairs Victoria looks at similar offences in the corporate area. It looks at directors and officers of companies and frauds carried out within a corporate structure.

On the whole, these investigations tend to be more complicated than those carried out by the Fraud Squad and are carried out by investigating accountants. Charges are laid under the Crimes Act as well as under the companies and securities industry legislation.

In 1979 corporate affairs investigators, under the direction of a barrister, Mr Pat McCabe and a senior investigator of the office, Mr David Lafranchi, were involved in the investigation of the bottom-of-the-harbour tax schemes. From time to time the Costigan commission has received credit for exposing the bottom-of-the-harbour tax schemes but that is not correct. The Costigan commission was not established until after those investigations had been completed by the then Corporate Affairs Office.

The connection between the two inquiries is just that painters and dockers were involved in the bottom-of-the-harbour schemes and their involvement was referred to in the Costigan Royal Commission report when it was made in 1984.

The McCabe-Lafranchi report was completed in 1981 and the public became aware that hundreds of companies, many of them well known, had paid no tax over the preceding years as a result of a scheme whereby companies and their tax liabilities-but not the businesses associated with them-had been transferred to new owners-often painters and dockers and sometimes prostitutes-who had no assets and were unable to pay the tax liability. Meanwhile, the original owners continued the business with a new company structure and that new company was transferred again to painters and dockers or prostitutes at the end of the next year.

The McCabe-Lafranchi report led to dramatic changes, in public perception of tax evasion and tax avoidance and it created a climate for major tax reform in Australia. It should be noted that the McCabe-Lafranchi investigation was established under a Liberal government and was specifically authorised by a Liberal Attorney-General - now Deputy Leader of the Opposition in another place.

Not all corporate affairs investigations have such an Australia-wide impact but they are all

important to someone. Nothing is more heartbreaking to a family than to lose all of its savings in some business or investment venture' and one can see that when one looks at this morning's newspaper. It is difficult, indeed, to tell people that they must join a waiting list for an investigation to take place and it may well be that no investigation will ever take place.

This brings me back to the comments made by the Premier in 1979. He pointed out that less than one--third of the fees collected by the Corporate Affairs Office were put back into its conduct and management. He contrasted the position in New South Wales where approximately 60 per cent of the fees collected were appropriated for the management and conduct of the New South Wales Corporate Affairs Office. He said:

The chances of being detected or prevented from committing a corporate crime are much less than they would be in the case of any other crime.

I must agree with the comments of the Premier. Despite the work of highly qualified and competent teams of investigating accountants and their outstanding success in many cases, the resources available to fight corporate crime were a matter of concern to me during the whole time that I was Commissioner for Corporate Affairs.

I should now like to direct attention to the present situation. In 1979 when the honourable member for Bundoora raised this matter he said that the income from the Corporate Affairs Office was $11.5 million to $12 million and that less than one-third of that figure was appropriated for the management and conduct of the office.

When I left the Corporate Affairs Office in 1985 the income of the office was more than $31 million and the amount appropriated for management and conduct of the office was approximately $10.5 million-still one-third of the amount collected, or thirty-three and one-third per cent. There had been no improvement over the three years of the present government.

In 1987-88 it is estimated that $46 million will be collected and expenditure on the conduct and management of the office is expected to be $14.3 million. Taking into account the transfer to Corporate Affairs Victoria of responsibility for cooperatives and building societies, the amount expended on traditional corporate affairs services has dropped to 28 per cent.

It is not surprising to find that there are fewer investigators now at Corporate Affairs Victoria than there were in 1979. In that year there were more than 50 investigators and, on 7 August 1982, the leading article on the front page of the Age reported that the Premier, in his then capacity as Attorney-General, had announced the appointment of a further 22 investigators, making a promised total of nearly 80 investigators.

Despite that promise, there are now only 34 investigators in Corporate Affairs Victoria, and substantially fewer investigations are being undertaken. I wondered, when I read this morning's newspapers, whether the promoters of the scheme which is said to have defrauded market gardeners of a large amount of money - $40 million in one report and $27 million in another-could have been stopped at an earlier stage, as they have been in the past, if Corporate Affairs Victoria had been properly staffed.

Of even more concern are the criteria instigated in 1985 by the Attorney-General - who is now the Minister for Transport-and now used to decide whether a matter will be investigated. Companies quite frequently go into liquidation owing several million dollars to creditors. These creditors may

be wholesalers, small business people or consumers - purchasers of building materials or services or other expensive items such as carpets. It is not unusual for companies to go into liquidation and within days to be re-established under the same management but with another name, often in the same premises and sometimes with the same stock. The assets of the company which should go to the creditors are often dispersed in favour of the proprietors.

No investigation will now take place unless, to quote the rules, "it appears probable that a serious offence has occurred." The mere chance that an offence has occurred is not enough, nor is the fact that the company has debts of several million dollars.

This is a catch-22 situation. These cases are not like bank robberies; one cannot know whether a serious offence has occurred without some investigation of the circumstances. However, we now have a situation where, instead of investigating where $1 million or $2 million or $3 million of other people's money has gone, a new policy has been adopted with much fanfare. Again quoting from the front page of the Age, that newspaper reported that such companies will not get away with such a scenario more than twice. After the second liquidation, directors and officers of a company can be debarred for up to five years from having a third go. Is it any wonder that corporate affairs investigators say they rarely interview suspects who appear to be short of money or assets?

If one steals $1000 in a bank robbery and is caught, one goes to gaol. If one steals $1 million, $2 million or $3 million from one's suppliers or customers one will be given two opportunities to make one's fortune. One may then be rapped on the knuckles and disqualified from adding to that fortune for a period of up to five years.

No-one objects to disqualification in these circumstances but, without a strong prosecution program, this is nothing less than a licence to defraud. I also point out that investigation into the bottom-of-the-harbour tax schemes would not now meet the criteria for investigation. At the time the then Attorney-General authorised the investigation to which I referred earlier, there had been no complaints from anyone outside the Corporate Affairs Office. The investigation was based on the observations of a clerk in the records section who had noted that certain companies ceased to lodge annual returns after a change of ownership and had noted that several of these companies were registered at the same addresses.

Subsequently, these addresses turned out to be vacant blocks of land or addresses that did not exist. Failure to lodge an annual return is not regarded as a serious offence and, at that stage, there was no suggestion of tax evasion. On the evidence available at that time there was no probability that a serious offence had been committed.

In 1979 the Premier said that the chances of being detected or prevented from committing corporate crime were less than for other crimes. In 1988 they are almost non-existent and, if any large-scale tax evasion is taking place in Victoria through company structures in 1988 the new investigation rules will prevent us from ever finding out. The system of investigating white-collar crime is unacceptable to the people of Victoria.

I should now like to turn to another line in the Attorney-General's vote in the Bill - administration of justice. Again, I should like to quote from the remarks of the honourable member for Bundoora, now the Premier, this time in a debate on the 1980-81 Appropriation Bill when he spoke of another basic government service-the legal system.

The Premier is reported as having said at that time:

As a member of the legal profession I am ashamed at the present legal system in Victoria that does not provide a speedy and economical system of criminal justice. It is a disgrace that year after year the State allows persons to be locked in the remand prison at Pentridge for nine or ten months although found guilty of nothing. As long as this system leaves people rotting away in the remand yard month after month because they are unable to be brought before the court, I am not satisfied; no member of the Opposition is satisfied; I hope no member of the government party is satisfied, and the public of Victoria is not satisfied. There are persons on bail who have been waiting two years for their trial to come on, with all the attendant anxiety and concern ... the situation is not good enough. The fundamental obligation of this and any government is to provide a system of justice in the community.

I quoted the Premier at length because I am unable to find words to better express the effects of delays in the courts.

I should like to direct attention to the following reports. In August last year the Law Institute Journal referred to gross delays in both the Supreme Court and the County court. It referred then to the number of cases awaiting hearing in the County Court increasing from 2554 in December 1984 to 13904 in May 1987.

The recent report of the County Court judges tabled in the House shows that the total number of accused persons awaiting trial on 1 July 1986 was 892. On 1 July 1987 the number was 1004. Civil cases awaiting trial had risen from 9214 on 1 July 1986 to 15614 on 1 July 1987. The report also states that 63 persons committed for trial before September 1984 were still awaiting trial at 30 June 1987. Those people had been awaiting trial at that time for at least two and three-quarters years.

On 11 March the Herald reported that a 29-year-old mother charged with murder had been in Fairlea Prison since July 1987. No arrangements had even been made for a committal hearing and the report stated that such a hearing could not take place before September, 1988 because the lists were so jammed. The newspaper report also referred to a case where a man charged with drug trafficking had to wait five and a half years for his case to come to court. He was then not committed on the trafficking charges but was given a six-months suspended sentence on a minor possession charge. To use the Premier's words - five and a half years of anxiety and concern.

Delays in the courts are not the only problem. There are also delays in forensic testing of six to twelve months and cases must wait until results of these tests are available before they can go ahead.

At least one Supreme Court judge has indicated that in the case of inordinate delays, accused persons cannot be held in custody without any assurance as to when committal proceedings will take place, notwithstanding the strength of the Crown case, the seriousness of the offence, and the likelihood of convictions. He said that such persons must be treated as innocent until they are proved guilty.

This is a clear indication that, unless the delays are substantially reduced, persons alleged to have committed serious offences will be released on bail for very lengthy periods while they are awaiting trial. The present situation in the courts is not accept-able to the people of Victoria.

I turn now to the part of the Supply Bill that refers to expenditure in the Treasurer's department. I find, looking back in the debates, that the Treasurer has made remarks in this House which are most interesting. Indeed, in his maiden speech as the honourable member for Dandenong, the Treasurer was more than a touch provocative - one might even say controversial