

**PARLIAMENT OF VICTORIA**

**PARLIAMENTARY DEBATES  
(HANSARD)**

**LEGISLATIVE ASSEMBLY**

**FIFTY-FOURTH PARLIAMENT**

**FIRST SESSION**

**16 October 2001**

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**FIFTY-FOURTH PARLIAMENT — FIRST SESSION**

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<sup>1</sup> Resigned 3 November 1999

<sup>2</sup> Elected 11 December 1999

<sup>3</sup> Resigned 12 April 2000

<sup>4</sup> Elected 13 May 2000



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## Tuesday, 16 October 2001

**The SPEAKER (Hon. Alex Andrianopoulos)** took the chair at 2.05 p.m. and read the prayer.

### PERSONAL EXPLANATION

**Mr HAMILTON (Minister for Agriculture)** — Honourable Speaker, I wish to correct an answer given in this place on Thursday, 11 October, to a question from the honourable member for Gippsland South.

The honourable member requested information on the productivity enhancement program (PEP), which was transferred from Treasury to the Department of Natural Resources and Environment (DNRE). I mistook the honourable member's question to be referring to another program focused on enhancing farm productivity — the Farmbis program. Farmbis has now merged with Farmsmart in DNRE. Farmbis and the PEP were transferred from Treasury to DNRE at the same time and as part of the same process.

I can inform the honourable member for Gippsland South that the PEP is under review and funding has been provided in the forward estimates for existing commitments to successful PEP applicants. I thank the honourable member for drawing this matter to my attention.

*Honourable members interjecting.*

**The SPEAKER** — Order! The latter part of that statement is out of order.

### QUESTIONS WITHOUT NOTICE

#### Infrastructure: government expenditure

**Dr NAPHTHINE (Leader of the Opposition)** — I refer the Premier to official Australian Bureau of Statistics figures which show that the Bracks Labor government spent just \$47.3 million on key infrastructure in the last financial year — the lowest figure Victoria has ever recorded, and significantly lower than the \$74 million spent for the same period on the same infrastructure by the Tasmanian government. Can the Premier explain to the house why this do-nothing government is spending less on vital infrastructure than Tasmania?

**Mr BRACKS (Premier)** — I welcome the opportunity to reiterate that this government is spending more on infrastructure than any previous government. In the last budget, out of the Growing Victoria reserve

we are spending more than \$1.5 billion in infrastructure, and we are also facilitating through government spending almost twice to three times that amount.

You only have to look at what happened just one week ago in the assessment from Access Economics, which reported in its report card on the state of the states. Access Economics reported that the pipeline projects for infrastructure in Victoria were greater than those in any other state in Australia.

Whether it is Spencer Street station, whether it is the fast rail, whether it is the studios, whether it is the Austin hospital or whether it is the County Court, this government is spending a record amount on infrastructure in this state.

#### Rail: regional links

**Mr RYAN (Leader of the National Party)** — I refer the Minister for Transport to his answer to my question on 27 September regarding private investment in the fast rail links to regional areas project, and I ask: if the required \$250 million is not forthcoming from the private sector for this project, will the government use taxpayers funds to make up the \$800 million cost?

**Mr BATCHELOR (Minister for Transport)** — The government has made a commitment of \$550 million to the regional fast rail project — —

**Mr Thwaites** — How much did they put in?

**Mr BATCHELOR** — The Deputy Premier wants to know how much they put in, meaning the previous administration. It put in zero. It did not care about country Victoria and did nothing to progress or improve transport services to regional Victoria. We are putting in excess of half a billion dollars into this project, and it is a project that will bring huge benefits to regional Victoria.

When feasibility studies were first carried out they identified the fact that to achieve its targets the project would cost around \$800 million. The government made a commitment of \$550 million. It is our assessment that that \$550 million will be able to achieve between 100 per cent and 94 per cent of the travel time savings originally desired.

We have gone to the private sector and have called for expressions of interest. Leading international and Australian companies have been short-listed and are currently going through a request-for-tender process. The amount of money the Bracks government has put in has been identified — it is \$550 million — and we

are asking the private sector, through the competitive bidding process, to take the opportunity to make creative bids that may be able to identify additional travel time savings on top of those we have identified. So the answer to the question is, 'The same'.

### **Bioterrorism**

**Mr VINEY** (Frankston East) — I ask the Premier to inform the house of the government's response to community concern regarding threats of bioterrorism and those incidents now considered hoaxes that caused disruption to Victorians yesterday.

**Mr BRACKS** (Premier) — I thank the honourable member for Frankston East for his question. These are difficult times internationally, and Australia, of course, is not immune from those problems. But Victorians can be assured that the best procedures are in place to ensure the safety and security of Victorian families and the general population.

There are two important facts that need to be reiterated in the house today which give some assurance to the Victorian public. Firstly, no credible threat has been identified in Victoria or Australia. These incidents must be seen in that context. Secondly, Victoria is protected by an outstanding group of people in the emergency services personnel, who are well placed and well prepared and have advanced plans for dealing with just such occurrences as there have been over the past few days.

Victoria's emergency services have developed a strong framework of coordination and planning that have been honed in events such as that at Longford and the emergency response to Longford; the World Economic Forum and the international security implications of that event; Y2K and our preparation for that; and also our participation in the Olympic Games in holding Olympic events in Victoria. They have well-planned and well-rehearsed steps for dealing with those sorts of incidents. We saw that demonstrated very well at two particular events which have occurred over the past two days, at the United States of America's consul's office and at the Herald and Weekly Times building at Southgate.

The work of the emergency services personnel — the fire, ambulance and police officers — was second to none, as was the case across Australia, where there have been some 50 incidents, all of which have proved to be hoaxes but nevertheless have been taken seriously, of course, by our emergency services personnel.

Of note is the fact that the steps taken over the past few days involved precautionary measures such as decontamination, which the public witnessed yesterday as part of the process. I stress that these are precautionary measures and part of normal procedure — the fail-safe procedures, if you like — to ensure that every step is taken to ensure that the safety of those individuals is assured. It is not appropriate to go into the full detail of operational matters in all these events, but I can assure Victorians that we have the staff, the skills and the equipment to do the job.

What is alarming to the government is the level of hoaxes that have been perpetrated — certainly in other states, but in Victoria as well — which are designed to further disrupt the lawful activity of Victorians, to create fear and to try to somehow prohibit Victorians from going about their normal course of business. We will not be cowed by this. The Victorian public will not be cowed by these hoaxes and threats; we will still go about our normal business in the very safe and secure environment that we have in this state.

I should say to those people who have perpetrated these crimes — and they are crimes, these hoaxes — that the full force of the law will be undertaken in finding these people who caused the hoaxes and the actions to be undertaken, and there are severe penalties available under state and federal law for anyone found guilty of perpetrating these hoaxes. The penalties range up to 10 years imprisonment. They are serious crimes under the Crimes Act and under the federal telecommunications and other laws.

However, the government wants to ensure that other penalties also are in place in the future. Therefore I have asked the Attorney-General to prepare legislation for this house to ensure that anyone who is convicted of such a crime will also pay the cost of the emergency services response for that crime — that is, the call-out, the investigation, the work that is undertaken as part of the clean-up activity and reassuring the public. We want to make sure the perpetrators of these crimes are fully responsible and fully paying for that cost as well. That can incur costs of at least \$50 000 to \$70 000 when you take the response that was required at the Herald and Weekly Times building. As well as penalties which incur up to 10 years imprisonment, they should be having their wages garnisheed or paying out of their assets to recompense the emergency services personnel for the work that has been undertaken.

Finally, could I reassure the Victorian public that there is no apparent threat. All of these occurrences have been examined properly and have proved to be hoaxes. Nevertheless, we are not taking it for granted that any

one of these matters could be of concern to the safety of Victorians. They will be investigated properly and appropriately by Victoria Police. People should be balanced and calm in their responses to this situation, but if there is genuine concern about a package or some such delivery then I urge Victorians to call 000 immediately. As has happened over the last two days, they will get an immediate response.

In the meantime I urge Victorians to go about their business knowing that the emergency services personnel in this state are coordinated and have planned and prepared for any potential threat.

### **Infrastructure: government expenditure**

**Ms ASHER** (Brighton) — Can the Premier advise the house why, according to Australian Bureau of Statistics data, the value of the key infrastructure projects that have actually started in Victoria has declined from an average of \$57 million each quarter under the previous government to a paltry \$14 million each quarter under the Bracks Labor government?

**Mr BRACKS** (Premier) — That's absolute rubbish! As you know, on all the indicators such as those Access Economics and all the reputable economic commentators have reported, Victoria is the best prepared for infrastructure spending of any state in Australia. For example, if I could go to an event I went to this morning down at the Queen Victoria hospital site, a site that stayed derelict for seven years under the previous government, everyone present could see —

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask the honourable member for Mordialloc to cease interjecting in that vein. I will not warn him again.

**Mr BRACKS** — As most honourable members would know, 3AW was broadcasting from the Queen Victoria Hospital site. We saw a project get up and running under this government in record time. The same site stayed fallow and barren for seven years under the previous government. Secondly, Mr Speaker —

**Dr Napthine** — On a point of order, Mr Speaker, the Premier is debating the question. The question related to Australian Bureau of Statistics figures on government expenditure on projects — not private expenditure. There isn't any government expenditure under this do-nothing government.

**The SPEAKER** — Order! I do not uphold the point of order raised by the Leader of the Opposition.

**Mr BRACKS** — Let's go from the Queen Victoria site, where development is up and running with BHP Billiton's head office, across to the Austin hospital development, which is being built right now. Under the Kennett government, of which the Leader of the Opposition was a member, it was going to be privatised. It is now the biggest hospital project in the southern hemisphere — a \$300 million project that is up and running right now. You can move from there to the County Court development, where again you will see a project that is up and running under this government. There is also the extension of the Eastern Freeway and the Princes Freeway. Victorians can be assured that as well as the existing spending on infrastructure, what this government has planned goes right across the state and is not just about projects in the centre of the city.

### **Schools: student achievement**

**Mr STENSHOLT** (Burwood) — I refer the Minister for Education to the massive boost given to education under the Bracks Labor government and ask her to inform the house of the impact on student achievement in Victorian secondary schools.

**Ms DELAHUNTY** (Minister for Education) — I thank the honourable member for his question and his interest in education.

*Honourable members interjecting.*

**The SPEAKER** — Order! The honourable member for Bentleigh is warned.

**Ms DELAHUNTY** — As the house well knows by now, the government has invested an extra \$2.2 billion in education and training. That has been targeted directly at student needs and has included an extra 2000 teachers and staff going directly into our schools. It is fair to say that the parents of Victorian students are now appreciating the dividends being reaped by that investment.

Today in Queen's Hall, Parents Victoria presented to the Premier a progress report card on what the government has been doing during the last two years and how those achievements are actually paying dividends for our schools and students, which is what parents care about even if the opposition is not so interested. The parents' progress report gave us a big tick for the extra 2000 teachers and for cutting class sizes. It gave the government a big tick for bringing down those class sizes, particularly in the P-2 years.

It gave us a big tick for the antibullying strategy that is making the environment safer for students at schools. It

certainly gave the government a big tick for its homework guidelines and for its clearer report cards to parents. I know most government members are interested to know that as a result of this investment parents have acknowledged that the literacy levels in our schools are going up; they were going down before we came into government.

I am delighted to further advise parents and to inform the house of improvements at the other end of that spectrum, particularly in secondary schools. Preliminary results from the August school census have shown that 73.7 per cent of our students who are starting year 7 are now staying at school to complete their year 12 — that is an increase of nearly 4 per cent on what the last government left us. Parents are very concerned that in the years of the Kennett government, when it was trying to run down education — the dark, dark days of education! — this state's retention rates plummeted nearly 10 per cent.

When the last Labor government was in power we were leading the nation in retention rates — that is, keeping our students at school to complete their education and training — but under the Kennett government those retention rates plummeted by 10 per cent.

*Honourable members interjecting.*

**The SPEAKER** — Order! I warn the honourable member for Bennettswood.

**Ms DELAHUNTY** — The preliminary figures show a 4 per cent increase in our retention rates. I am also pleased that the year 7–12 retention rates are improving: they have moved from 71.1 per cent in 2000 to 73.7 per cent in 2001. Our retention rates, particularly in the middle years, are also starting to flow into retention rates in the final years of school. With this significant investment the government is turning the state around when it comes to education.

### **Rural and regional Victoria: investment**

**Mr INGRAM** (Gippsland East) — I refer the Minister for State and Regional Development to the report 'Australian regional investment plan' prepared by Dr Greg Walsh for the regional cities group of councils, and in particular the proposal that would enable regional authorities to issue tax-advantaged local bonds to fund local projects. Does the government support this initiative, and what action does it propose to take to allow councils and local authorities to issue such bonds?

**Mr BRUMBY** (Minister for State and Regional Development) — I thank the honourable member for

Gippsland East for his question and say at the outset that he has been a very strong supporter of trying to get businesses and superannuation funds to increase their investment in regional Victoria.

The report to which he refers has been released by the Victorian Regional Cities Group. It is essentially a report which the group has released obviously in the context of the federal election campaign, wanting both the federal government and the federal opposition to commit to a range of initiatives to support investment in regional Australia. One of the proposals is that there should be regulatory approval for tax concessions for local authorities to issue superannuation bonds, which would encourage Victorian investment in regional areas. This is obviously a regulatory matter for the federal government, through the Australian Prudential Regulation Authority.

Certainly from the Bracks government's point of view we believe it is a matter which ought to be examined by the federal government. If you look at the measures which the Howard federal government has put in place there have been very few, if any, initiatives to assist regional Australia. Late last year and earlier this year the Premier and I met with the regional cities group. The matter was discussed and as a result of that the Premier and I wrote to all of the Victorian-based superannuation funds urging them to invest part of their savings in programs in regional Victoria.

I am pleased to say that that request met with success and the Local Authorities Superannuation Fund announced earlier this year that it would be establishing a regional development fund. In fact, that was launched in Mildura by the Minister for Environment and Conservation. In addition, in the private sector Bendigo Bank has subsequently established its regional investment fund, which is a fund designed to use superannuation savings to improve the equity — —

**Mr Spry** — It wasn't your idea.

**Mr BRUMBY** — It was, and I launched it, you dill! It was designed to increase the flows of — —

*Honourable members interjecting.*

**Mr BRUMBY** — It was designed to assist the superannuation funds invest through the Regional Infrastructure Development Fund to help capital constrained businesses so that small and medium-sized businesses that were capital constrained could be assisted to grow. I understand from the Bendigo Bank that in the near future it will be able to announce a range of projects which it funded under that.

In summary, as usual the Bracks government is taking the lead in this area. We are taking the lead in things like the regional — —

**Mr Rowe** interjected.

**The SPEAKER** — Order! The honourable member for Cranbourne is warned.

**Mr BRUMBY** — We are taking the lead in relation to the Regional Infrastructure Development Fund, where we have put aside \$180 million and where we have had groups like the National Farmers Federation, the Victorian Farmers Federation and the Victorian Employers Chamber of Commerce and Industry out there saying that the Howard federal government should copy what the Bracks government is doing in this state. They are saying that because it is working; it is actually delivering investment and delivering jobs. We have put in place a range of other initiatives to boost investment. I should say, too, that one of the other recommendations — —

**Dr Napthine** interjected.

**Mr BRUMBY** — You don't like the answer because it is about what we are doing to build up country Victoria, isn't it? You sit there like a jack-in-the-box — you are up and down all day.

**The SPEAKER** — Order! The minister should ignore interjections.

**Ms Asher** interjected.

**Mr BRUMBY** — You will go hoarse, you scream so much.

*Honourable members interjecting.*

**Mr BRUMBY** — There you go — you just scream across the chamber.

**Mr Ryan** — On a point of order, Mr Speaker, I ask you to direct the minister to make his comments through the Chair.

**The SPEAKER** — Order! I have already asked the minister to address his remarks through the Chair and to ignore interjections. However, it is disorderly to interject.

**Mr BRUMBY** — Another recommendation in the report was that the federal government should abolish the wine equalisation tax on small vineyards. I am pleased to say that since this report has been published, the Beazley Labor opposition has already announced

that a Beazley Labor government will abolish the wine equalisation tax on small vineyards.

**Mr Ryan** — On a further point of order, Mr Speaker, the minister is clearly debating the point. The question related to superannuation and not the wine equalisation tax. I ask you to bring him back to the question.

**The SPEAKER** — Order! I ask the minister to come back to answering the question and to conclude his answer.

**Mr BRUMBY** — The honourable member's question referred to the regional cities proposal, which is what I am commenting on.

In summary, at a state level we have taken initiatives in relation to superannuation. As a result both public sector and private sector organisations are addressing some of the infrastructure issues in country Victoria. The report said it wants the Howard government, after five years, to do something about getting investment into regional Australia. We say that the Howard government ought to examine these matters and put in place the sorts of initiatives we have put in place at a state level, such as the Regional Infrastructure Development Fund.

### **Attorney-General: conduct**

**Dr DEAN** (Berwick) — I refer the Attorney-General to his statements in February last year when he said he would publicly release his diaries in relation to travel as a federal member of Parliament. Given that it is now 18 months since the statement was made, does the Attorney-General intend to keep his promise, and when will the diaries be made public? Will he assure the Victorian public that all his diaries will be released?

**Mr HULLS** (Attorney-General) — About 10 minutes ago I received an extraordinary note, which is pertinent to this question. It states:

Hullsy —

that's me —

Robert Dean was just heard screaming down the phone to someone: 'That —

expletive deleted —

question you gave me — I think I've asked it before. Check immediately'.

**Mr Perton** interjected.

Questions interrupted.

### SUSPENSION OF MEMBERS

**The SPEAKER** — Order! Under sessional order 10 I ask the honourable member for Doncaster to vacate the chamber for half an hour.

**Mr Spry** interjected.

**The SPEAKER** — Order! Under sessional order 10 I ask the honourable member for Bellarine to vacate the chamber for half an hour.

Honourable members for Doncaster and Bellarine withdrew from chamber.

Questions resumed.

**Dr Dean** — On a point of order, Mr Speaker — —

**The SPEAKER** — Order! The Chair is on his feet. I ask the Attorney-General to come back to answering the question.

**Mr HULLS** — The note is right. It is absolutely clear that the shadow Attorney-General is staking his reputation on the specious and unfounded allegations made by the honourable member for Mordialloc, and that is good to see.

**Dr Napthine** — On a point of order, Mr Speaker, the Attorney-General is debating. I ask the Chair to bring him back to answering the question: will he release his diaries, yes or no?

**The SPEAKER** — Order! If the Leader of the Opposition expects me to rule on a point of order on debating he should not continue by repeating the question and asking for an answer. I ask the Attorney-General to come back to answering the question.

**Mr HULLS** — The question being very similar to questions that have been asked before, the answer is also very similar — that is, all the travel undertaken was within the relevant guidelines.

### GST: education

**Ms BARKER** (Oakleigh) — I refer the Treasurer to the recent claims made by the Prime Minister that the best thing that anybody has done for education in recent years is to bring in the GST and that the GST provides the states with more money to spend, and I ask him to advise the house of the accuracy of these claims with respect to Victoria.

**Mr BRUMBY** (Treasurer) — Anybody watching the great debate on Sunday night will have noted the remarkable comment made by the Prime Minister, who said:

The best thing that anybody's done for education in this country in recent years is to bring in the GST ...

Anybody who watched the analysis after the debate will have seen how the Channel Nine worm showing the studio audience response went into a nosedive when the Prime Minister made that comment. The Howard government claimed last year that education would be GST free, but we know that is absolutely not the case.

The Prime Minister has made that claim, but I will list some of the things across Australia, including Victoria, that are subject to the GST: new uniforms, schoolbags, sporting goods, second-hand books, calculators, photocopying, some canteen food, the hire of musical instruments, school photographs, fundraising events, sausage sizzles and students' Internet expenses, not to mention furniture, pens and pencils, computers, library books, Internet connections, contractors, electricity, gas and school cleaning. They are all purchased by local schools and they all attract John Howard's GST. So the Prime Minister's claim that this is the best thing that has ever happened to education is not just erroneous and a stupid thing to say, it is totally wrong — it is a lie.

The Prime Minister, after making one monumental blunder in relation to the GST, then went on to make another. He said:

... the states will have more money to spend on the things that they are responsible for ...

That is also totally untrue; it is just plain wrong. For every dollar — —

**Dr Napthine** interjected.

**Mr BRUMBY** — We know you support the GST on education. We know you support — —

**The SPEAKER** — Order! The Treasurer should address the Chair.

**Mr BRUMBY** — For every dollar that Victorians spend on the GST, we get back just 83 cents. We send a dollar up there to Canberra, but we get back just 83 cents. The opposition supports that; it thinks that is a good deal.

We have Peter Costello's report, entitled the *Heads of Treasuries Report*, which was presented to all the state treasurers when we met in Canberra in March to discuss the GST. The federal Treasurer's own table in

the report confirms that Victoria will not make any money at all from the GST until 2007–08. Yet the Prime Minister has said the states will have more money to spend on the things that they are responsible for. That is just a plain lie. The Prime Minister would know that it is untrue.

Two billion dollars in total will have to be provided to Victoria for budget balancing assistance. This year we will have lost \$483 million; next year we will lose \$473 million; the year after that we will lose \$328 million; in 2004–05 we will lose \$155 million; in 2005–06 we will lose \$209 million; and in 2006–07 we will lose \$22 million. It is not until 2007–08 that we will get ahead.

So for the Prime Minister to say that education is doing well because of the GST is a monumental blunder, and to say that the states get more money — —

*Honourable members interjecting.*

**Mr BRUMBY** — We will give it back. We are giving up more than we are getting. Don't opposition members understand that about the GST? We are giving up financial institutions duty. We are giving up duty on quoted marketable securities. We have to pay for the first home owner scheme. We have to pay for the Australian Taxation Office costs.

**Ms Asher** interjected.

**Mr BRUMBY** — You dill! They come — —

**The SPEAKER** — Order! I ask the Deputy Leader of the Opposition and the Leader of the Opposition to cease interjecting, and I ask the Treasurer to cease responding to those interjections.

**Mr BRUMBY** — The opposition does not like it because it supports the GST and it supports the cost of the GST on education. The facts of the matter are that in the range of areas, in terms of uniforms, calculators, photocopying, photographs, fundraising events, school clothes — the whole lot — parents have to pay John Howard's GST. The cost of education has gone up, and from Victoria's point of view we make nothing out of the GST for at least six years — that is, until 2007–08.

### **Legal aid: funding**

**Dr DEAN** (Berwick) — I refer the Attorney-General to his answer in this house last year when he said that the 2000–01 legal aid budget had been increased by \$300 000. Given that Mr Harmsworth, the Secretary of the Department of Justice, has advised the Ombudsman that, and I quote,

'there was no change in the level of state budget funding provided to Victoria Legal Aid in the 2000–01 state budget', who is right: the Attorney-General or the Secretary of the Department of Justice?

**Mr HULLS** (Attorney-General) — Is it not extraordinary that the former government ripped the guts out of legal aid in this state and did not give a damn about disadvantaged Victorians who could not get access to justice, and when this government puts more resources into legal aid — more resources into community legal centres — the shadow Attorney-General criticises the government for putting more resources into legal aid. The government has put more funds into legal aid and will continue to put more focus on access to justice because the government believes in it and the opposition does not.

### **Tertiary education and training: funding**

**Mr LANGDON** (Ivanhoe) — In light of the recent report released by Australian university deans into commonwealth funding levels of Australian universities, will the Minister for Post Compulsory Education, Training and Employment. inform the house of the impact of such funding levels on Victorian universities?

**Ms KOSKY** (Minister for Post Compulsory Education, Training and Employment) — I thank the honourable member very much for the question and for his interest in the state of higher education in this nation, and particularly in Victoria. As many in this house are aware, in the last couple of weeks the Australian Council of Deans of Education put out a report attacking the state of education funding in Australia and focused particularly on the state of higher education funding. One of the figures stated in the report was that in 1989, 71 per cent of higher education funding came from government whereas in 1999 it had dropped to below 50 per cent. In 1999 less than 50 per cent of funding for higher education came from government. That is an appalling situation by any standards.

Last week Rupert Murdoch, while giving the Keith Murdoch memorial oration, criticised the lack of investment in higher education in this nation. He said that we risk being globally irrelevant if we do not increase our funding effort and our outcomes in higher education. The Business Council of Australia also supported this call saying that Australia should be increasing its investment in education and training to at least the Organisation for Economic Cooperation and Development average.

We in Victoria understand the absolute importance of education at primary, secondary, vocational and higher education levels, and many in this house are aware of the increased funding we have put into education and training — more than an additional \$2.2 billion since coming to office. We have also put significant amounts into higher education. Victorian universities participate through the science, technology and innovation fund, which provides \$310 million. We have provided up to \$100 million for a synchrotron, which will be well accessed by universities. We have provided postgraduate scholarships. We have provided \$2.6 million to the University of Ballarat, \$6.5 million to La Trobe University, \$3.2 million for a state-of-the-art information communications and technology centre in Bendigo, \$3.13 million for RMIT University and \$10.5 million for a campus at Churchill in Gippsland incorporating Monash University.

Compare that to what has happened with the severe cuts to higher education by the federal government. We have to look at the impact they have had on the state of higher education in Victoria. Between 1996 and 2000 the federal government cut over 6000 subsidised places in Victorian universities — almost 98 per cent of all the cuts around Australia were copped here in Victoria. But it gets worse still. We have only 45 of the regional places that have been recently funded and very much touted by the federal government — that is, less than 7 per cent of the national allocation.

For 2001–03, Victorian universities were provided with only 4.4 per cent of the commonwealth capital development pool, so Victoria has been very much penalised under the funding formula the federal government has in place. The federal government does not put in place enough money for all the universities around Australia, and Victoria has copped the worst situation. We have had our research, PhD and capital places slashed, and that means we do not get the best benefit in terms of higher education places in Victoria. It also means that it is much harder to get into higher education here than it is in any other state.

**Mr Honeywood** — Nothing's changed!

**Ms KOSKY** — 'Nothing's changed', the honourable member for Warrandyte has said. That is right, nothing has changed: the population has increased and federal government revenue has increased, but it will not put extra money into higher education so that we can have a clever country and lead the way globally in the investment, social and educational opportunities available in Victoria. We need a federal government that is committed to higher

education funding and is not for leaving everything as it was in the 1950s.

## PETITION

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

### **Libraries: funding**

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 respectfully requests:

that the Victorian government immediately invest substantially more in public library services for the benefit of all Victorians;

that the Victorian government increase funding to public libraries for the purchase of books;

that the Victorian government increase funding for the purchase and maintenance of mobile library services to ensure the removal of the barrier to access by Victorians in rural and remote areas.

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

**By Dr NAPHTHINE (Portland) (156 signatures)**

**Laid on table.**

## PAPERS

**Laid on table by Clerk:**

Dairy Food Safety Victoria — Report for the period 30 September 2000 to 30 June 2001

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

Central Goldfields Planning Scheme — No. C1

Macedon Ranges Planning Scheme — No. C6

Whitehorse Planning Scheme — No. C3 Part 2

Statutory Rules under the following Acts:

*Petroleum (Submerged Lands) Act 1982* — SR No. 98

*Subordinate Legislation Act 1994* — SR Nos 99, 100, 101, 102, 103

*Victorian Relief Committee Act 1958* — SR No. 104

*Subordinate Legislation Act 1994* — Minister's exemption certificate in relation to Statutory Rule No 104

Victorian Meat Authority — Report for the year 2000–2001

Victorian Multicultural Commission — Report for the year 2000–2001.

**ROYAL ASSENT****Message read advising royal assent to:**

**Agricultural and Veterinary Chemicals (Control of Use) (Further Amendment) Bill**  
**Business Investigations (Repeal) Bill**  
**Commonwealth Games Arrangements Bill**  
**Crimes (Validation of Orders) Bill**  
**Infertility Treatment (Amendment) Bill**  
**Trustee (Amendment) Bill**

**APPROPRIATION MESSAGES****Messages read recommending appropriations for:**

**Livestock Disease Control (Amendment) Bill**  
**State Taxation Legislation (Amendment) Bill**

**BUSINESS OF THE HOUSE****Program**

**Mr BATCHELOR (Minister for Transport)** — I move:

That, pursuant to sessional order 6(3), the orders of the day, government business, relating to the following bills be considered and completed by 4.00 p.m. on Thursday, 18 October 2001:

Unclaimed Moneys and Superannuation Legislation (Amendment) Bill  
 Statute Law Further Amendment (Relationships) Bill  
 Mineral Resources Development (Further Amendment) Bill  
 Building (Amendment) Bill  
 Retail Tenancies Reform (Amendment) Bill

The government puts forward this legislative program for this week. The program had been intended to also include the farm dams bill; however, that has been held over for a week in consideration of a request from the Liberal Party. The government is keen to try to bring about a legislative program that does have agreement, and we have acceded to that request.

**Mr McARTHUR (Monbulk)** — As the Leader of the House has mentioned, there has been some discussion about this business program, and clearly it is not an onerous one. If honourable members set their minds to it I am sure that this legislative program could be completed well inside 4.00 p.m. on Thursday, and the likelihood is that we will see a government filibuster in the house this week, just as we saw a government

filibuster in the house last week, and the reason for that is fairly simple.

I acknowledge the point that the Leader of the House made about the Water (Irrigation Farm Dams) Bill being held over for an additional week at the request of the Liberal Party, and I thank the government for that. However, there are five other pieces of legislation that the house could be dealing with this week if the government chose, as well as the long-lost amendments to the Victorian Environmental Assessment Council Bill and the apparently sunk-without-a-trace Commonwealth Powers (Industrial Relations) (Amendment) Bill, where I think the government was proposing to transfer some industrial powers to the commonwealth but forgot to write and contact the commonwealth and actually ask it if it was interested in administering those powers. So that one seems to have sunk without a trace.

I think we will see during the course of this week the spectacle of honourable member after honourable member on the government side attempting to talk for 20 minutes each on bills which they know very little about and which will have very little impact on the broad community just to fill out the business program until 4.00 p.m. on Thursday.

There are plenty of other things we could be dealing with. It will be an abuse of the time of the house if we see that sort of filibuster occurring. It is an example of the Premier being well and truly stuck in the sand with his program. He has four and a half bills to consider this week, because we started the retail tenancies legislation last week and there was some significant debate on it.

There is no great dispute about the Mineral Resources Development (Further Amendment) Bill, and I will be surprised if there are more than a couple of speakers on it. Unclaimed moneys legislation is generally supported in the community, because we would like to see unclaimed moneys going to the Victorian Treasury rather than disappearing into commonwealth hands. The Statute Law Further Amendment (Relationships) Bill seems to be just a carbon copy of the previous statute law legislation being imposed on other acts that the government did not manage to include in the initial legislation. The Building (Amendment) Bill changes the name of the Building Control Commission and not much else. There is not a lot of meat or controversy in any of these pieces of legislation. We could be dealing with something far more significant or with more bills.

But the reason we are not dealing with more bills is that the government does not have a lot in its legislative program for the final weeks of the spring session.

**Mr Cooper** — The government has gone on strike!

**Mr McARTHUR** — Yes, either the ministers have gone on strike and forgotten to get the legislation drafted or their departments have not been active enough in getting the work done to get the legislation ready for the house to deal with.

At the end of the session we look like having, yet again, a large number of bills brought in by the Leader of the House. He will want the house to deal with 14 or 15 bills in a normal week. Often when that happens the bills concern matters of importance to the community and normally require significant debate.

Yet again this do-nothing government has done nothing about its legislative program at the start or in the middle of the sessional period. It is stuck in the sand and is loading up the parliamentary, administrative and legislative program with a massive number of bills for the end of the session. That is a reflection of the ineffectiveness and inefficiency of the cabinet and the government, and it is a reflection of their contempt for the members of this house.

**Mr MAUGHAN** (Rodney) — The National Party will not be opposing the government's business program. We will romp through these five bills this week, none of which is of any great import. It is a repeat of last week's performance, where we had six bills before the house, and with the exception of the in-vitro fertilisation bill, none of them was of any major consequence. On the government side each speaker repeated the words of the previous speaker; and likewise on the opposition side we provided speakers to match that. Last week was a waste of time. We could have got through that legislation in much less time than we did, and we could do so this week too.

Where is this reforming government? What bills of major significance are we debating this week? What did we do last week? These are all relatively tiny pieces of legislation — a reflection yet again of the paucity of the government's legislative program. The National Party would like to be discussing the farm dams program this week; it is ready to debate that at any time. National Party members look forward to getting on to that, along with some other legislation that has some import and some meat in it.

**Mr Mulder** interjected.

**Mr MAUGHAN** — Yes, marine parks are another issue we would love to get on to. We would love to get on to the Victorian Environmental Assessment Council legislation too, along with other bills that have some consequence, particularly for country Victoria.

As I said, we will not be opposing the government's business program. We could knock it off by tomorrow night if we really set our minds to it. I am sure we will not; we will go right through until Thursday, repeat speeches as we did last week and waste our time. We should be getting on to things that are far more substantial than anything the government is putting forward.

This government was meant to be a reforming government, one that would do all sorts of things for the state and for country Victoria. What do we get? We get minor pieces of legislation coming through. You mark my words: at the end of the session the government will be crowing about how many pieces of legislation have gone through the session without really looking at the quality of the legislation and what has really been achieved towards making Victoria a better state and giving the people, particularly the people of country Victoria, a better deal.

That is a commentary on the government's lack of initiative and drive. It reflects the paucity of the government's legislative program.

**Mr LANGDON** (Ivanhoe) — The honourable member for Monbulk said there are not many bills to be debated this week, and the National Party Whip asked, 'Why aren't we debating farm dams?'. It was at the opposition's request that we are not debating farm dams this week.

**Mr Robinson** — Which opposition?

**Mr LANGDON** — Obviously there are several oppositions, but clearly it was at the opposition's request that we are not debating farm dams. The government is more than pleased — and I acknowledge that the National Party is also more than pleased — to debate that legislation. It is the opposition, however, that does not want to debate it this week. Unlike the previous government we like to oblige the opposition on the passage of bills.

The opposition, and to some degree the National Party, has said that the government intends to debate these bills for hours and what have you. But I recall other days during the last sessional period when the house sat from about 9 o'clock at night until about a quarter past 7 in the morning while the government allowed opposition members to speak on a bill — and they spoke endlessly, one after another until all hours. If that is not filibustering, I have no idea what is. The opposition cannot come in here and claim that the government does those things when what it did is the worst example of filibustering this session. I hope it

does not happen again, for all our sakes. I noted that the honourable member for Monbulk kept saying that the government is stuck in the sand.

**Mr McArthur** interjected.

**Mr LANGDON** — Obviously you're stuck in the mud — and the farm dams mud, at that!

**Mr COOPER** (Mornington) — I note that we have on the notice paper 15 bills and three ministerial statements under government business, orders of the day. Whilst I take the point that was made earlier that the opposition has sought more time for consultation on the Water (Irrigation Farm Dams) Bill, the reality is that if that is taken away from the total there are 14 bills and three ministerial statements honourable members could be dealing with.

Four bills and the hangover of the Retail Tenancies Reform (Amendment) Bill are listed for completion this week. As the honourable members for Monbulk and Rodney have pointed out, if members of the house put their minds to it the house could dispose very quickly of these pieces of legislation, which are fairly inconsequential. If that were to take place and we did not have a filibuster of the type we had last week I suggest to the government that honourable members could occupy their time quite well by dealing with at least one of the ministerial statements. I for one would be very interested to have a debate on the Premier's attendance at the World Economic Forum. It would be an interesting debate to have the Premier explain to honourable members, firstly, a bit more about his attendance at the forum, and secondly, how he sees that benefiting Victoria.

If the government and the Premier want to run away from that we could move on to a debate on a balanced approach to juvenile justice in Victoria. I notice that the adjournment of the debate on that was moved by the honourable member for Ivanhoe, so he could get to his feet and give us a dissertation for 20 minutes to half an hour on a balanced approach to juvenile justice in Victoria. I think the house would welcome that debate. The honourable member for Doncaster in particular — that is, when he is allowed to come back into this place — would welcome a debate on Connecting Victoria — the Victorian government's strategy for information and communication technologies. That would be a debate on something of great importance to the people of this state and one that should occur.

These three ministerial statements have been sitting at the bottom of the government's orders of the day for close to two years. It appears they are just there

occupying a little bit of space, as it would seem are so many of the bills that are on the notice paper now.

The government is really at a stretch to come to a conclusion about what it wants the house to debate. It appears to me that it is not only a do-nothing government but that the ministers have gone on strike — basically they are not bringing forward any legislation — and as a result this house is just being occupied with inconsequential legislation. It is about time government members re-read some of the speeches government members made when in opposition.

I particularly recommend to the Minister for Transport that he re-read some of the speeches he made as leader of opposition business, when every Tuesday he got to his feet and complained about the size of the legislative program of the then Kennett government. Then we had a government that was actually bringing in legislation that was to the benefit of the state. Now we have a government that is literally not bringing anything in here except housekeeping bills that are clearing up matters in regard to relationships between the commonwealth and the state. Honourable members have nothing else to do here.

If the government has nothing else to do perhaps it should think about proroguing the house for a period, going back to the drawing board and working out whether it has a plan about being in government and whether it is prepared to pursue that plan by producing decent legislation for the house to debate. At the moment the government condemns itself by its own inaction.

**Mr RICHARDSON** (Forest Hill) — I extend the theme established by the honourable member for Mornington to beyond the ministerial statements. I note there are a number of items of general business which could very well occupy the house most productively.

I should imagine that the honourable member for Monbulk would be happy to not proceed with his notice of motion, which is no. 1, but that he would wish it to remain upon the notice paper. That would allow the house to then consider the motion that would be moved by the Deputy Leader of the Opposition that the house notes the extremely strong financial position inherited by the present government and calls upon the government to take certain action to deliver on promises. That would be a good debate.

The honourable member for Benambra has given notice that he will condemn 'the minority Labor government on its decision to permit the use of condom-vending

machines in government secondary schools'. How many condom-vending machines have been installed? That would be a fascinating debate, and honourable members would be most anxious to hear the response of the Minister for Education.

The honourable member for Mordialloc is interested in the Dingley bypass. Why has that not been built? The honourable member for Doncaster would initiate a debate upon condemnation of this dreadful government 'for its failure to provide Victorians with leadership and opportunity in new technologies'.

The honourable member for Berwick could debate his notice of motion, in which he 'condemns the minority Labor government for placing the rights of Victorian citizens who are members of unions above the rights of those who are not'.

The honourable member for Wantirna would expose the failure of the minority Labor government in axing the Knox public hospital project. I am alerted to notice of motion 23 by the honourable member for Mildura, which states that 'this house congratulates the Leader of the Opposition on his leadership style, notably his inclusive and — —

**The SPEAKER** — Order! I ask the honourable member to make his remarks relevant to the motion before the house, which is the government business program.

**Mr RICHARDSON** — I am, indeed. Everything that I have said is pertinent and directly relevant to the government business program, which as has already been established is virtually nonexistent. It could be all over by lunchtime tomorrow, really. Somebody was extravagant enough to suggest that it might go until the dinner break tomorrow. We could knock it off by — I don't know — playtime in the morning, even. It could be done — that is the whole point — and then we could get into the sandpit and have some most constructive debates on matters of importance that have been raised not just by members of the opposition but by the highly distinguished honourable member for Mildura, who has given notice of what I must say is a quite surprising motion.

That is my point: that if the house is going to have its time wasted by pussyfooting around with these inconsequential proposals that are put forward by this do-nothing government and waste the taxpayers funds which keep this place open, then why not use the time constructively and go on to debate some of the other matters which are on the notice paper? The problem is that the do-nothing government just wants to run away

from it all, just as it wants to run away from all its responsibility to the people of Victoria!

**Mr SMITH** (Glen Waverley) — I wish to raise a few points apropos of the comments of the honourable member for Mornington. When members of the opposition were in government, week after week after week we had the current Minister for Transport and the current Attorney-General making impassioned speeches about the incredible hours and the incredible work pattern we were establishing within the house. They complained bitterly that they were worked to death and that there was nothing they could do to work this through.

Since this government has been in office — and this was at the behest of the honourable member for Mildura and his fellow Independents — it has said it wants a government business program that is open, honest and accountable. The Independents pursued this with the Honourable Jeff Kennett before he left office to the extent that they saw this as a return to democracy. What we have seen instead is a program that every honourable member who is worth his salt can deal with week after week. In other words, there are mechanical pieces of legislation that the bureaucrats bring on as a matter of course. In the days of the Kennett government, when there was proper legislation coming through this house, the bureaucrats were competing with each other — and they had to. I sat in the office of the Honourable Phil Gude, the former Minister for Education and Leader of the House, and we would work out what the work pattern would be for the week. We would see the bureaucrats competing to try to get their legislation up to fulfil the government's work program.

This government has a non-work program. From the moment it took office we have seen this government bring in only a few social welfare measures — to try to cause division within the community. But apart from that there has been nothing brought in by this government that has been of any benefit to the people of Victoria. That is the whole point of it. We have seen none of the democracy that the Independents talked about, and the government's business program for the week has not been enhanced by any piece of legislation that I have spoken on since this session began.

We need the media to see that this government is made properly accountable. We can do what we can in this house to try to achieve that, but we need to get the media to begin to do that. This morning's *Herald Sun* was probably a pretty good start with the story by John Ferguson on this do-nothing government — a government that is resting on its laurels and its

reputation. Ewin Hannan's story in Saturday's *Age* was another prod to this government. The government is doing nothing and getting away with it — but the people are beginning to wake up to them. The business program that opposition members have drawn attention to will I hope start to get the media saying to this government, 'What are you doing? When are you going to start a proper business program to get this house and this state back on the rails?'

**Mr ROBINSON** (Mitcham) — The government's business program is eminently reasonable. It reflects the fact that this government is very fair minded and wants to give every member of this Parliament a chance to contribute to debates in the house. This might be something of a novelty for honourable members opposite, and it remains to be seen whether they actually want to take up the opportunity. However, under this government everyone in this house gets a fair go and a fair opportunity to contribute. This contrasts starkly with the rules that applied in this house prior to the last election.

When thinking of the system that applied under the former government I always recall the position of the former honourable member for Mitcham, the decent and honourable Roger Pescott. He was a victim of the cruel style of the previous government, which congested its business program with as much legislation as possible. He was a victim to the extent that, in the 11 months before he resigned, I do not think he spoke on one bill in this chamber. It is outrageous that he was gagged by the other side. He was not able to speak because he stood up on matters of principle, over which the previous government took him to task. He could never get his name onto a speaking list. Government members do not want that sort of thing happening in this chamber.

If like the Honourable Roger Pescott opposition members want to speak on bills, they ought to have the opportunity. We do not want it said at the next election that the rules that applied in this place prevented any honourable members opposite from getting up and representing their electorates on any piece of legislation that came before the chamber. For example, we would not want it said of the honourable member for South Barwon that his modest speaking record — if it should be modest at the time of the next election — was in any way due to the fact that we had an overly congested business program. We would like him and his contributions in this house to be measured fairly under a system — —

**Mr Paterson** interjected.

**Mr ROBINSON** — He has made more of a contribution by his interjection in the last minute than he has in the last six months. Nevertheless, we would like him to be judged fairly. Similarly the honourable member for Bayswater's speaking contribution might be said to be modest relative to those of other honourable members. The government would like him to have every opportunity to make a contribution, and he has an excellent opportunity this week with the five bills before the house.

When commenting on the government's business program it was presumptuous of the honourable member for Glen Waverley to refer to pieces of social welfare legislation that he alleged were designed to cause nothing but division. The record ought to show that, when it comes to any legislation, the Liberal Party is capable of creating massive amounts of division within its own ranks. In reference to the Statute Law Further Amendment (Relationships) Bill, it is absolutely presumptuous of the other side to even pretend that it might get through its internal workings and deliberations in under a week. On what we know of the debates within the Liberal Party, it could put aside the next month to allow a genuine, earnest and frank debate to occur. This is a very reasonable business program. It behoves all honourable members to make the most strenuous and vigorous effort to participate in the debate.

I know that life on the other side is difficult and that the circumstances in which opposition members find themselves are difficult, but for the honourable member for Glen Waverley to come into this place and start quoting the *Age* — my godfather! — shows how they have slipped. For him to come in here and start quoting writers from the *Age* proves that the Liberal Party has fallen on extremely hard times.

Nevertheless, we wait for the honourable member to expand his horizons with reading material that is sorely needed. It is a good business program and deserves the support of the house.

**Mr DELAHUNTY** (Wimmera) — The debate highlights the *Weekly Times* article in which the Labor Party got A for consultation and D for achievements. The government business program shows that that trend is continuing. I would like certain items on the notice paper brought on for debate, particularly the notice of motion on the Wimmera–Mallee pipeline. The government has spent only \$47 million in the last year; we could do with only \$15 million a year for the next 10 years and we would have it all done with enormous economic, social and environmental benefits for the Wimmera. I say to the government, 'Get on and do it!'.

I am looking forward to debate on the statute law legislation — and I hope it does not last all night as the last debate did. The Auction Sales (Repeal) Bill has not been debated because the government forgot to introduce legislation to protect stock diseases. That is why that bill needs to be debated. Again I say to the government, ‘Bring on the other bills for debate’, and I am sure we will have a great week in Parliament.

**Motion agreed to.**

## MEMBERS STATEMENTS

### Ministers: country journalist access

**Mr MULDER** (Polwarth) — I call on the Premier to take up the offer of the Victorian Country Newspapers Association to be a guest speaker at its annual conference to be held in Colac on 23 November. That function would give the Premier the ideal opportunity to understand the problems being experienced by country journalists in gaining comment or information from ministers or their departmental spokespersons.

In a previous 90-second statement in the house I raised the concerns of country newspaper journalists at being ignored totally by ministers and their spokespersons. Fortunately the Premier acted and the lines of communication opened up, but unfortunately communications have broken down again. Recently a country journalist contacted the office of the Minister for Transport on six occasions over two weeks to get a response on the delays to works at a dangerous intersection at Warncoort, but with no response. Further calls to the office of the Minister for State and Regional Development seeking the government’s reaction to a serious sewerage problem at Birregurra and its plans to solve the problem also received no response. So it goes on, again and again! It is not good enough for country journalist who want answers.

The Premier’s attendance at the Victorian Country Newspapers Association’s conference would give him the ideal opportunity to mend the damage being created for him by his ministers and advisers who refuse to return calls to country journalists. Even more embarrassing for the Premier, or the Minister for Transport, is the fact that information on delays to works at the Warncoort intersection was finally relayed to country media via Karl Liebach, a member of the Camperdown branch of the Labor Party.

### Kyabram and District Memorial Community Hospital

**Mr MAUGHAN** (Rodney) — Last night I attended the annual general meeting of the Kyabram and District Memorial Community Hospital. I congratulate the president, Mr Doug Crow; the chief executive officer, Mr Wayne Sullivan; and the board of management and staff on yet another year’s exceptional performance. During the last 12 months the hospital has completed its \$7.4 million redevelopment program, of which only \$1.2 million or about 15 per cent was provided by the government. The balance came from accumulated reserves and a magnificent public fundraising campaign.

The Kyabram community is very generous and supportive, and has a real sense of ownership of its hospital, which was evidenced last night when more than 200 people attended the annual general meeting. During the last year the hospital has achieved more than 3000 patient separations and a surplus of \$708 000. The hospital, quite rightly, prides itself on its caring, dedicated, professional and stable staff. Last night staff long service awards were presented to 3 people for completing 10 years service, to 11 for 15 years service, to 2 for 20 years, to 1 for 25 years and to 2 for 30 years.

I congratulate the board of management and staff on achieving the hospital’s organisational mission statement of ‘a commitment to excellence in health care’.

### ALP: Dunkley federal candidate

**Mr VINEY** (Frankston East) — I draw the attention of the house to today’s *Frankston and Hastings Independent* newspaper, which carries the headline ‘Phone records clear mayor’. The article states:

The records show no calls were made by Cr Conroy during a closed council meeting ... A copy of phone call records for the day in question were released by the Frankston chief executive officer.

It also states:

Gandel Retail Trust released a statement on Friday stating that the financial bid submitted on 20 August by council had not changed up to 1 October when council rejected both bids.

These allegations have now been exposed as part of a Liberal Party dirty tricks campaign that goes to the heart of the Liberal Party in Victoria. I call on the Liberal member for Dunkley to stop these despicable dirty tricks and to have the courage to debate the real issues of health, education and aged care in Frankston and on the peninsula.

The article clearly shows the allegations raised in this house are untrue. The allegations were raised by the shadow parliamentary secretary to the Leader of the Opposition, the Leader of the Opposition cheered them on and took points of order, and they were repeated by the honourable members for Frankston and Mornington, who should also stop participating in the disgraceful dirty tricks campaign. They should all stand up in the house and apologise. They should withdraw their accusations or they will stand condemned with the people who have been peddling the lies and pushing the dirty tricks as part of an orchestrated campaign in Dunkley.

### **Government: performance**

**Mr RICHARDSON** (Forest Hill) — I rise to express my concern at the do-nothing activities of this do-nothing government. It is difficult to be precise about what one is criticising because the government has not done anything that can be criticised. It has done absolutely nothing other than put in place programs that were already in the pipeline and inherited from the previous government.

It has adopted the proposition 'If we don't do anything, we will not get into trouble. While we are not doing anything we will have everything that we are thinking about having done and doing in the future reviewed before we actually do it'. It sends off that which might be done to a committee to advise it on whether something should be done. When it gets the report back from the committee it sends it off to another committee to analyse what the first committee has said so it can advise on what the first committee actually meant.

Then the government keeps reviewing those things until finally the problem has disappeared and it has become irrelevant. If you get really into trouble you get Bracksy to start smiling and waving. He is not actually waving, he is drowning — and before long he will not be smiling either.

### **Clemente Zammit**

**Mr LANGUILLER** (Sunshine) — It is my great pleasure to congratulate Mr Clemente Zammit, MQR, Consul-General of Malta in Victoria, on the occasion of his being awarded a degree of doctor honoris causa by the Victoria University of Technology (VUT).

Since his appointment as consul-general in 1989, Clemente has served the Maltese community in Victoria with dedication and distinction. He has committed himself, body and soul, to a productive and sustainable multiculturalism — a multiculturalism that

celebrates Australia's cultural diversity as a strength and as a means for productive engagement with the rest of the world. As a community leader he has fully appreciated the key role of education in facilitating adjustment and accommodation. Very early in his tenure as consul-general he anticipated the tremendous potential of an alliance with the newly established VUT. Not only was the dual-sector university located in the region of the community's greatest concentration in the western suburbs of Melbourne, but it was dedicated to bringing higher education to previously excluded groups, including, for a variety of reasons, the Maltese community.

Such relationships do not happen by accident. In the final analysis productive relationships depend on the support and vision of dedicated people. Clemente Zammit, with his boundless support and vision, has contributed very significantly to the wellbeing of his community and of the VUT. It is entirely appropriate that the VUT should be honouring him with the award of a doctor of the university honoris causa. I commend the VUT on its choice and offer Clemente Zammit the warmest congratulations on that well-deserved honour.

### **Glenys McKee**

**Mr SAVAGE** (Mildura) — I have been advised today that the National Heritage Trust Landcare funding for Murrayville has been cut. For the past two and a half years Glenys McKee, the recent winner of the Heather Mitchell award, has been doing an excellent job on Landcare in Murrayville. She has been the coordinator for 977 kilometres of road verge, 212 000 hectares of territory and 130 farming units. It has had partnerships with the Department of Natural Resources and Environment, Vicroads, the Mildura Rural City Council, and Greening Australia.

Current programs are promoting corridor revegetation, field days, pests and weed reduction, and water quality and monitoring. Landcare in Murrayville is a high priority for the Mallee Catchment Management Authority. Murrayville is a subgroup of the Mallee Landcare group, and the nearest management unit is at Ouyen, 120 kilometres away. This is a very isolated region. Glenys McKee is doing an excellent job, and I urge this government to urge the federal government to continue the funding.

### **Liberal Party: Dunkley federal candidate**

**Mr COOPER** (Mornington) — I welcome the funding that has been provided to Mornington Peninsula Youth Enterprises, which will enable it to continue its excellent work in training young people to

give them a much better opportunity to obtain full-time jobs. The funding was obtained from the federal government by the hardworking and effective local federal member of Parliament, Bruce Billson, the member for Dunkley. Bruce Billson has also delivered an extra 30 aged care beds for the Mornington Peninsula, following the announcement that these new beds have been allocated to the Andrew Kerr frail and aged care complex in Mornington.

These two important initiatives are an indication of why Bruce Billson is so highly regarded by the voters of Dunkley and why he will be re-elected on 10 November. Bruce actually achieves things for his electorate; he is a positive force for good in the Frankston and Mornington areas.

His performance is in stark contrast to the negative carping, outright lies and gross misrepresentations that characterise the campaign of his Labor Party opponent, Cr Mark Conroy. Over the past 12 months Cr Conroy has revealed himself as unworthy to receive the trust of Dunkley voters, and this has been exacerbated by the latest revelations that he has been involved in corrupting the tendering process of the Frankston City Council.

The re-election of Bruce Billson on 10 November will be good for the Dunkley electorate and reinforce the desire of all voters to have decent and honest people represent them in Parliament.

### **Aged care: places**

**Ms OVERINGTON** (Ballarat West) — I applaud Kim Beazley and the federal Labor opposition's plan to address Australia's and Victoria's chronic shortage of aged care beds. The federal opposition's \$467 million plan addresses the key issues of aged care bed shortages and the quality of care that is provided.

Frail aged people must be able to access aged care beds when they need them. The Bracks government has spent the past two years calling on the federal aged care minister, Bronwyn Bishop, to address the crisis in aged care places. The Howard government has ignored the pleas of the state government and the people of Victoria. They have been constantly overlooked, and the needs of aged people and their families have been totally ignored.

Catherine King, the federal Labor candidate for Ballarat, will ensure that the Beazley government's policies are fully implemented. This will ensure that more aged care beds are available in Ballarat and Victoria and that the quality of care is guaranteed.

We need to ensure that in their twilight years aged people are given care that is dignified and that they have aged care beds when they need them. It is absolutely disgusting and ironic that when these people are in their twilight years in many instances they cannot vote — and guess what happens? When you cannot vote you get ignored. This is what the Howard government has been continuing to do. As I said, a Beazley government will ensure the proper provision of aged care.

### **Essendon Airport: sale**

**Mr LEIGH** (Mordialloc) — The matter I raise concerns Essendon Airport and the federal Labor Party's policy decision to renegotiate the lease and then close the airport. Why has this decision been taken? The state government spent \$268 000 on a report — which, although it has good information, is nonsense — that shows that Moorabbin Airport, for example, will get massive increases in traffic and that country Victorians will ultimately be done a disservice. But apart from that, my information shows in particular that 13 Labor members of Parliament will benefit by the closure of Essendon Airport. They include the honourable member for Broadmeadows, the honourable member for Niddrie and the honourable member for Pascoe Vale — as well as their federal colleague the member for Wills, Kelvin Thomson, who happens to live right in the middle of the flight path. He will gain increased property prices and less noise.

This list shows the names of 13 members of Parliament, including a well-known property developer in the area — the honourable member for Coburg, who owns two properties — who are involved in this. So property prices in this area will go through the roof because these guys are going to close Essendon Airport. The electorate I represent will be disadvantaged, along with country Victorians.

What I would like to do today, if possible, is incorporate in *Hansard* the map that shows where all the Labor members live so Parliament can actually understand — —

**The SPEAKER** — Order! The honourable member's time has expired. He knows very well that he cannot incorporate it as he has not sought any such clearance from the Speaker.

### **Scouts and guides: Rowallan camp**

**Mrs MADDIGAN** (Essendon) — I congratulate the Essendon Scouts and the Essendon Rotary Club on the great work they have undertaken to establish the scouts

and guides camp at Rowallan. I was pleased to attend an event there on Sunday to celebrate 50 years since the lease was given to the scouts and guides at Essendon — now the scouts and guides at Moonee Valley — by the Essendon Rotary Club.

This camp at Riddells Creek has been established over many years. It was rebuilt after bushfires in 1983, but it is a shining example of the great work that voluntary organisations such as the scouts and guides and Rotary clubs can do. I think they should both be congratulated.

The land was actually purchased by a number of members of the Essendon Rotary Club in 1946, who showed great foresight. Then they very graciously gave the land to the scouts and guides at Essendon for camps to assist cubs, scouts, guides and brownies — and now, of course, rovers and the other organisations — not only with specific learning activities of the scouts but also with self-development programs. They should all be congratulated.

## UNCLAIMED MONEYS AND SUPERANNUATION LEGISLATION (AMENDMENT) BILL

### *Second reading*

**Debate resumed from 27 September; motion of Ms KOSKY (Minister for Finance).**

**Mr CLARK (Box Hill)** — This is a bill that has a limited number of small but significant provisions. The first purpose of this bill is to bring Victoria's unclaimed moneys legislation into conformity with the requirements of commonwealth legislation in relation to the handling of unclaimed superannuation moneys. The second purpose is to amend the provisions of superannuation legislation to ensure that superannuation beneficiaries who derive their entitlements from the Superannuation Act 1958 are able to participate in the beneficiary choice program which was implemented by legislation passed by this Parliament last year. The third purpose is to clarify the definition of 'commonwealth-funded pensioner' in various pieces of legislation for the purpose of establishing that commonwealth-funded pensioners are not eligible to take part in the beneficiary choice program.

The amendments to the Unclaimed Moneys Act follow 1999 commonwealth amendments to its legislation in relation to superannuation. Those amendments gave the states and territories two years in which to comply with those commonwealth requirements. The opposition was advised in the briefing it was given by the department

that the commonwealth legislation was introduced in October 1999, which implies that the two-year period for compliance will soon expire.

Certainly the information I was given by one of the industry bodies with which the opposition consulted was that Victoria is one of the last — if not the last — jurisdictions to comply with the commonwealth legislation. Indeed the industry body seemed surprised that it had taken until this point for the amendments to be introduced. Perhaps it is a reflection on the ability of the Bracks government to actually get things done, but at least it is welcome that these provisions have at last come to this house.

It is estimated that some \$4 million of unclaimed superannuation funds per annum will come to Victoria as a result of these amendments. Subject to the overriding requirement that the most important objective is to ensure that the persons legitimately entitled to their money are reunited with it, there is no reason why the state government should not continue to be the beneficiary of those funds until their rightful owner is identified.

Some of the provisions of the commonwealth legislation that are now reflected in this legislation include provisions for tax file numbers to be quoted by superannuation providers in lodgments of unclaimed moneys, and hopefully that and other measures will assist in the process of reuniting people with the money to which they are entitled. It is worth making the point that probably the bulk of the unclaimed superannuation money comes when a person accrues a deferred entitlement to a sum payable to them on their reaching age 55 or later, and when there is a period of time between when they leave an employer and lose contact with the superannuation fund to which their contributions were being paid, and when they become entitled to the money, and records get lost.

In some instances, when the superannuation payments are made on account of short-term employees and others who do not have time to build up a substantial sum, the amounts involved may be relatively modest. As I have said, those provisions of the bill are somewhat late in coming to this house, but they are welcome.

The other major provision of the legislation is to remedy a deficiency in the legislation that was passed last year. That legislation overlooked the fact that a number of superannuation beneficiaries to whom it was intended to extend offers under the beneficiary choice program derived their entitlements from the Superannuation Act 1958, and they derived those

entitlements, even though that act has been repealed for some time, by virtue of provisions in interpretation of legislation legislation which extended the operation of the repealed provisions.

When the opposition was briefed by the department on the legislation it was told that some 1100 people in this category received offers under the beneficiary choice program which, strictly speaking, they were not eligible to accept. The bill, with retrospective operation, will put beneficiaries under the Superannuation Act 1958 on equal footing with members of the state superannuation fund revised scheme.

In this debate it is probably not necessary to canvass all the provisions of the beneficiary choice program, but for the sake of completeness I make the point that this program is intended to extend to three main groups. I refer to a news release issued by the Government Superannuation Office (GSO) at the time the program was announced which succinctly summarises the position. The beneficiary choice program is available to three main groups of persons. The first category is pensioners — that is, those who are currently in receipt of a pension from one of the relevant superannuation funds. They are being provided with what is described as a one-off opportunity to commute either 50 per cent or 100 per cent of their pensions to a lump sum.

The second category of persons is deferred members who were to be given the opportunity to convert their deferred benefit to an immediate lump sum which would be rolled into a complying superannuation fund of their choice. Deferred members are persons who have accrued an entitlement to a benefit, but it has been deferred to an age at which they are entitled to take it under commonwealth superannuation legislation.

The third category of persons affected by the beneficiary choice program is described as active members of the relevant superannuation funds — that is, current employees — who are to be provided on an ongoing basis with the opportunity, as the news release described it:

... to convert either up to 50 per cent or 100 per cent of any pension component into an immediate lump sum at retirement.

Rights are also to be provided to future deferred members, who will have an opportunity to withdraw their deferred benefit as an immediate lump sum at the time of resignation or at any time before retirement age, and that lump sum is to be rolled into a complying superannuation fund.

The taking of a lump sum is, in all instances, intended to be a voluntary decision, and the government undertook to provide access to free financial advice through independent financial advisers, as they were described in the news release. The offer was intended to be made to approximately 54 000 pensioners and 50 000 deferred beneficiaries. Ongoing changes to the rules were to apply to approximately 73 000 active members.

The government has had two rounds of offers under the program. The program also was staged in a way that meant in April this year the initial offer was extended to deferred beneficiaries who I understand were not included in the offers initially made in mid-February. The second round of the beneficiary choice program was commenced on 17 September for eligible pensioners who could not participate in the previous offer. The election period was to be open for eight weeks and close on 9 November. The news release from the GSO also said that a small group of spouse pensioners had an extended election period that operates from 13 August until 9 November.

That is the program that the legislation amends. It is designed to give choice to superannuation beneficiaries. It is worth making some reference to one issue within it, and that is the nature of the investment advice that is being given to beneficiaries. As I mentioned earlier, the government has a program of providing free financial advice to people to whom these offers have been made. Last year, in speaking to the bill for the principal act, the Deputy Leader of the Opposition said that her understanding was that approximately 1 hour of advice each was to be provided to beneficiaries and potential acceptors of the offer on a free basis. Given that the government has a financial interest in the outcome of the decision that beneficiaries make, it is important to ensure that the advice they are provided with is both independent and of high quality.

The program has been structured in such a way, particularly those aspects of it which are to be a one-off offer, and with the government taking on the responsibility of making financial advice available, that in some senses the government assumes a greater duty and obligation to beneficiaries than it would if these rights to take lump sums were simply an integral and ongoing part of the respective schemes.

I have not had the opportunity to obtain a great deal of feedback on how the advice being provided has turned out in practice, but one person I spoke to who is very experienced and learned in this area and whose judgment I respect was critical of the calibre of advice being provided in at least one instance he was aware of.

He described the scenario to me and said that if the beneficiaries had taken the advice given to them it would have either turned out significantly worse than they expected or at the very least they would have accepted an option that was very substandard for their personal circumstances.

I put on the record the fact that the calibre of advice could become an important issue if it transpires that a number of people who have accepted offers following the advice given to them subsequently become disgruntled with that advice. It is also very important to point out that there should be no suggestion that those who are giving the financial advice stand to gain in a pecuniary sense — not so much from the immediate advice they have given but from the potential for the people taking that advice to come back to the same advisers with the proceeds of the election and ask them to assist with the investment. The potential for that could create a very difficult situation, and the government needs to be alert to it in order to ensure that the system of providing advice works properly and to a high standard.

They are the main issues relating to this legislation. The opposition does not oppose the bill; it welcomes the fact that the unclaimed moneys legislation has at last come before the house albeit near the expiration of the available time for amendment to comply with the 1999 commonwealth requirements that most, if not all, other jurisdictions have already complied with. However, we caution the government to keep a close eye on the way the beneficiary choice program is being implemented in practice.

**Mr RYAN** (Leader of the National Party) — It is my pleasure to join the debate on the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill. On the face of it this may seem to be a rather dry topic, but the issue of superannuation is of significant interest to and concern for all Victorians, indeed all Australians. I represent the interests of a country constituency, and it is a matter of particular interest and concern to the people who live in the parts of the state of Victoria that are outside metropolitan Melbourne.

Although the bill has a relatively narrow focus, to which I will return in just a moment, the opportunity presents itself to say something about the broader impact associated with superannuation schemes. I will comment briefly on that in a country Victorian context. This issue is of pivotal importance to country Victorians, because we find that increasingly the flow of money in relation to superannuation is away from country regions and into the metropolitan zones as opposed to it being returned, or indeed retained, for the

purposes of investment in our country centres. It is a matter of growing concern.

I am aware of material which highlights this issue having been published in the last few days on behalf of a group of seven municipalities in country Victoria. It is a paper based on work prepared by Dr Greg Walsh, who has an eminent reputation in this area. When you read it you see that it highlights on the one hand the difficulties faced by country centres because of this outflow of potential local capital, and on the other hand the opportunity presented in those same areas if we can devise mechanisms to attract that investment into country Victoria. Suffice it to say we have a raft of infrastructure projects which could be the beneficiaries of the moneys associated with the investment of these funds.

I was recently in Boort looking at some olive grove developments of immense proportions. I will not go into detail because it is not appropriate in the context of this bill, but the fact is that that investment is being funded in substantial part through the contributions of superannuation funds. You can roam around the state and see that happening with various forms of initiatives. It is pleasing to see, because it illustrates the fact that there are handsome initiatives that can be the beneficiaries of this style of input if we can devise the appropriate mechanisms to achieve it.

There is room in the public sector for this sort of investment to occur. I know the local authority superannuation board has a generalist policy of wanting to encourage this style of investment when it can find the appropriate ventures for this money to be placed. As I have said, there are any number of them. One that immediately comes to mind is the Wimmera–Mallee pipeline, which is a \$300 million venture that would return a handsome dividend not only to that part of Victoria but to Victoria generally. The municipalities associated with that enterprise have done an excellent job recently within the halls of this place to press the case for this style of investment. If my memory serves me correctly, they are seeking a contribution of about \$125 million from state sources. It may be that if that form of investment is able to be managed in what we in country Victoria would call an appropriate way, superannuation funds could become involved in that sort of venture. That is just one example of many whereby it would be very opportune if those funds could be returned to country Victoria.

Before leaving this point I pay particular regard to the work of the Bendigo Bank and the very innovative way in which that institution — which is now one of the great country institutions in Victoria — has been able to

reinvigorate the discussion about this important issue and make certain, as best it can, of talking positively about the notion of getting superannuation funds back into country Victoria.

The other issue I mention in passing reflects what I hear when I roam around the state. Employers are concerned about making increasing contributions to superannuation. That is a two-edged sword because through the proper use of superannuation we will better provide for the ageing structure within the community, but on the other hand business, and small business in particular, has to grapple with the problem of funding employer contributions as part of the on-costs of having staff. It is a difficult issue of balance, but one that we need to have regard to in this place.

The legislation is relatively narrow in scope. In the first instance it changes the Unclaimed Moneys Act 1962 to avoid a recent amendment to federal superannuation legislation having an unintended consequence of requiring the administrative responsibility for Victorian unclaimed superannuation moneys being transferred from the Department of Treasury and Finance to the Australian Taxation Office. Heaven forbid any such thing should eventuate. The very concept of money being transferred to the ATO in circumstances where it could be properly retained and used in Victoria is anathema and the government should take steps to ensure that does not occur. That is the first level of what the legislation does. The amendments mean that the \$4 million per annum will be retained under the control of the Department of Treasury and Finance.

In looking at the provisions of the bill, particularly section 17 of proposed new part 4 covering the definitions, which is substituted by clause 3, as a matter of consistency those definitions pick up the commentary within the Commonwealth Superannuation Act. Right through there is the fundamental intent in so many parts of the amendments to line up Victorian legislation with the commonwealth definitions to make sure the \$4 million is retained within the state of Victoria.

The second issue covered in the legislation is that under the proposed amendments there will now be a requirement that the superannuation providers quote the relevant tax file number when lodging any unclaimed moneys. The obvious intent is to increase the prospect of a claim eventually being made by the person to whom the benefit should properly devolve. That is a sensible amendment. No doubt there will be those who will refer to the Big Brother principle of tax file numbers being provided, but that is a discussion that can be had at another time and in another place. In the

context of the principal legislation it is a positive aspect of the bill, and on behalf of the National Party I indicate my support for the provision.

The third element of the bill is a requirement that the responsible Victorian minister remit to the ATO any tax payable on unclaimed moneys received. Again that is a necessary amendment that flows from the fact of the retention within Victoria of funds which approximate \$4 million. If that money is kept in Victoria the government will have to pay the tax on it, and the amendment is a necessary component of the first element.

The fourth area of the legislation will ensure that the rights of commutation recently introduced for members of the state revised superannuation scheme are extended to members of earlier schemes. This provision is particularly pertinent in the context that there are people — not lots of them but some — who are receiving benefits under the 1958 act. The intent of the bill is for those people under the beneficiary choice program to be offered the same rights of commutation as were offered to those subject to the legislation when it passed through this house last year. In effect it means that if those people are on pensions they can commute the pension to a lump sum, and that seems to be a fair and reasonable amendment which should have gone through the first time. In any event, the provision cleans up that deficiency.

The government has just made the cut. The commonwealth legislation was passed in 1999, so Victoria has just squeaked in by the barest of margins, as I understand the law. All jurisdictions were given two years in which to comply and Victoria has made it by a short half head in the context of the Spring Racing Carnival. Be that as it may, Victoria has fallen over the line, as is the wont of the current government. The fact is that the legislation is before the house and the National Party does not oppose it. In the totality of the legislation and the broader scheme to which it is to apply it is sensible, and the National Party wishes it a speedy passage.

**Ms DUNCAN** (Gisborne) — It gives me great pleasure to speak on the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill 2001. Before speaking on the bill, which is complementary to commonwealth legislation, I assure the honourable member for Box Hill and the Leader of the National Party, who both referred to the cut-off time for introducing the bill, the Leader of the National Party saying that the government does things at the last minute, that this is not the case. There are transitional processes in the commonwealth legislation for this to

be phased in, so this is hardly last-minute legislation and both honourable members can rest assured that there is absolutely no threat.

**Mr Perton** — I am sure they will be greatly comforted.

**Ms DUNCAN** — I know they will be greatly comforted by the knowledge. Regarding the bill I speak specifically about unclaimed superannuation moneys. As is noted in the second-reading speech, the main purpose of the bill is to amend Victoria's current laws relating to superannuation moneys. Honourable members will be aware that the state has administered unclaimed superannuation moneys since 1997. The introduction of the commonwealth Superannuation (Unclaimed Money and Lost Members) Act 1999 has required the Victorian government to respond to the legislation by passing the bill before us today.

A lot of people will find it hard to imagine that superannuation money would be unclaimed. However, people are changing employment more frequently so unclaimed superannuation moneys are likely to increase. As people move from one job to another it is often difficult to keep track of the various superannuation schemes they join. I support the comments made by the Leader of the National Party about superannuation being a critical issue. We know that while both employers and employees contribute to it many people will not have enough superannuation for them and their families to retire on.

So the issue of superannuation is one that I think we will continue to see before all levels of government seeking to improve our superannuation schemes in their various forms and to ensure that they keep up with the changing nature of the workplace and the increasing costs that will be necessary for people to receive a superannuation payout that is meaningful to them and will make a difference to their retirement.

As I said, this piece of legislation is in response to commonwealth government legislation of 1999, and the purpose of it is to enable the Victorian government to continue to administer unclaimed superannuation funds. If that is to continue then this legislation is absolutely critical. In terms of what will occur with unclaimed superannuation moneys that would be administered by the State Trustees — and it may be useful for people to be aware that they also deal with other unclaimed moneys, of which these funds will be part — I point out that the sorts of things that are in that unclaimed moneys pool are proceeds from unclaimed winning Tattsлото and racing bet tickets. I know the honourable member for Polwarth would never not claim on a

winning racing ticket, and in fact it is mind-boggling to think that someone would fail to claim, but that is no doubt the case, as it is with unclaimed superannuation.

Other sources of money include unclaimed share dividends and even unclaimed bonds from real estate agents. It is hard to imagine how they remain unclaimed, but nonetheless they do. For Victoria this represents approximately \$4 million a year that we have access to or that goes into consolidated revenue. Of course the ramifications of not passing this bill would be that that money would transfer to the Australian Taxation Office, and I think all Victorians would agree that they would rather see their money stay in and be used in this state. The last thing anyone would want to see is the Australian Taxation Office getting its hands on that superannuation money.

Referring to the Leader of the National Party's address, I agree with him wholeheartedly about superannuation money leaving parts of rural and regional Victoria and increasingly being spent in city areas. I support his comments, and in fact the Treasurer has made similar comments in regard to getting that superannuation money to work better for us and to work better in regional and rural Victoria. The Wimmera pipeline is a good example of the enormous projects that without doubt are absolutely necessary and must be carried out but are extremely expensive and will have to be done over time, and superannuation moneys would be an excellent investment, in my view, for that sort of project.

Clauses 1 to 4 of the bill contain the necessary amendments that will allow this unclaimed superannuation money to stay with the Victorian government and enable it to continue to administer that money. The commonwealth bill, among other things, amalgamated or consolidated a number of pieces of legislation, but one of its main purposes was to try to reconcile people with their superannuation. It has allowed the states to use tax file numbers and requires the fund to submit tax file numbers to increase the chances of that superannuation money no longer being classified as unclaimed.

That is really the purpose of this bill. While we want to make maximum use of that money, make sure that it stays in Victoria and continues to work for Victorians, the ideal situation for all of us is to enable those people who contribute to superannuation to gain access to and make use of it. With people chopping and changing jobs often they need all their bits of superannuation in various funds over the course of their working life to make sure that they have a useable amount of money to contribute to their retirement.

I point out that the purpose of the commonwealth legislation was to improve the effectiveness of reuniting people with their superannuation, which has been and continues to be a problem. In the process of doing that the commonwealth brought together several pieces of existing legislation, and this change allowed the states in their unclaimed moneys registers to use tax file numbers that were not previously available. So that is an improvement to the system.

It has also provided for the states to deduct any tax payable to the commonwealth from any unclaimed superannuation benefit payment. As has been said, it provided for a transitional period of two years for the states to change their legislation, otherwise unclaimed superannuation benefits could be required to be lodged with the ATO rather than the Victorian consolidated fund. However, as I pointed out earlier, there were transitional periods in that legislation that will allow this to go on beyond 13 October. I commend the bill to the house.

**Mr LUPTON (Knox)** — I would like to pick up a point mentioned by the honourable member for Gisborne, and that is that the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill was able to be phased in over a period of time.

I do not think the honourable member for Box Hill or the Leader of the National Party were querying that. What they were basically saying was that the process has been a bit tardy in that it took two years from the time the legislation was put through the federal Parliament until the bill was brought before this house. I am pleased to see that it has been brought here.

This situation has been allowed to develop. Compulsory superannuation involves everybody in the work force. Because there is no requirement on employees to deposit their own money into a superannuation fund, a lot of them do not realise that they have this money. As they change jobs they become removed from the whole situation. If employers do not bother to chase up those employees when they leave, the money just remains in a particular superannuation fund for quite a period of time. The trouble starts when the beneficiary, or the former employee, reaches 65 years of age.

As the administrator of a large superannuation fund some years ago I am aware that we did not have this sort of problem because everybody was required to pay money out of their pockets — that is, before compulsory superannuation became the norm. When a person decided to leave a place of employment one of the first things they did after writing a letter of

resignation or upon retirement was to ring the superannuation authority to find out what benefits were payable.

After former Prime Minister Keating got his hands on to superannuation in about 1983 and started getting involved in it things became rather different. You may recall that the tax file number was brought into being. It became necessary for employees to supply their tax file numbers to employers, otherwise the top marginal rate of tax would be deducted from their wages. The vast majority of employees always put in their tax file number to ensure that the correct rate of tax is deducted. With the superannuation system, when a person left an organisation it was required to supply the tax file number so that the correct amount of tax could be deducted in accordance with the Australian Tax Office regulations.

It was interesting to note that the employer and the superannuation trustee could not transpose tax file numbers between themselves. Although they might have been in the same organisation, they were considered by tax law to be two separate entities and it was not possible to transfer the tax file number between the superannuation trust fund, the superannuation administrators and the employer.

This has now been changed, and I find it rather interesting. In a system in which the federal government was so keen to ensure the privacy of tax file numbers, it now provides for the states to use tax file numbers that were previously not available in their unclaimed moneys registers. It has become a whole new ball game in the way in which the unclaimed moneys and the superannuation benefits are going to be administered.

I note the point in the second-reading speech — which I found rather humorous, while it is very true — that one of the reasons the government is going to introduce this system is that it is looking to make sure it can spend \$4 million a year and make use of that money until such time as the tax office gets it. I quote from the second-reading speech, which states:

... unclaimed superannuation benefits from Victorian superannuation funds would become the responsibility of the Australian Tax Office, thereby denying Victoria the use of \$4 million per annum in unclaimed funds.

That is very true, but it is a great way to put it. The government could have been a bit more blunt, I suppose, but I cannot imagine how. It certainly has come out and said exactly what it means.

I am pleased to see that this legislation now picks up over 1 100 beneficiaries who were bypassed when the amendments were put through, as I recall, in November last year. These 1 100 beneficiaries have slipped through the net and the proposed legislation will catch them. I hope it catches all the members who were not included in the legislation in November.

One of the main attributes of the November legislation was that beneficiaries were able to make application to transfer their pensions to lump sums. While that is certainly a way in which the government makes money — because it is far cheaper to pay a lump sum than it is to pay a pension — I hope as I indicated in my contribution to the debate on the Superannuation Acts (Beneficiary Choice) Bill in November 2000 that the advice that is provided on financial matters is professional.

I was involved in the downsizing of an organisation from about 26 000 to 14 000 people over two years when the Cain–Kirner government downsized the government authorities around here. It caused us — and especially me as administrator of the fund — a great deal of hardship in trying to ensure that the financial advice we provided was independent, free and given in such a way that time was not a constraint. We tried to ensure that if a person had a real problem they would be satisfied that when they went to a financial adviser they got the best possible advice and there were no constraints on their time. Time is money to financial advisers.

I note that the minister indicated in her summing up of the debate on the November legislation that, in order to ensure that members got the best possible financial advice, time would not be of the essence. I hope that remains true with the provisions in this legislation.

One part of the minister's second-reading speech causes me some concern. It is a matter I raised at the briefing, and I take this opportunity to thank the officers involved. The second-reading speech states:

The bill also inserts provisions for the minister to deduct any tax payable to the commonwealth from an unclaimed superannuation benefit payment.

The next part is the part that causes me concern:

This ensures that the same taxation arrangements apply to the state as currently apply to the commonwealth government and superannuation funds in relation to unclaimed superannuation benefit payments.

The concern I raised at the briefing was, as I said a moment ago, that although the same taxation arrangements apply to the state as currently apply to the

commonwealth, there is no state taxation payable in relation to superannuation funds. What I wanted to be assured of in the briefing was that the bill was not introducing some new tax. I accept what the officers told us at the briefing, and I thank them for being so honest. However, in all honesty the way it is worded has caused a number of people a great deal of anxiety because it does say that the same taxation arrangements apply to the state as currently apply to the commonwealth. But as I said, I am satisfied with the explanation that was given to us.

This is sensible legislation. I hope it catches all those people who were missed by the net cast by the amending legislation passed last November. It brings the unclaimed moneys legislation into the 21st century.

**Ms OVERINGTON** (Ballarat West) — I am pleased to speak to the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill. It has been said that although it is a small bill it is extremely important legislation. It will give a lot of people an opportunity to partake of the beneficiary choice program, and by making the legislation retrospective, more people will gain a benefit.

The primary purpose of the bill is to bring Victoria's legislation into line with recent amendments to commonwealth superannuation legislation and allow Victoria to continue to administer unclaimed moneys within the funds rather than, as has been said previously, letting them go to the Australian Taxation Office. I am sure all honourable members acknowledge and recognise the much-needed role of the taxation department, but those funds can be better spent in Victoria.

In the debate so far a couple of speakers have raised the issue of using superannuation funds in regional Victoria to build much-needed infrastructure. I know that millions of dollars exit areas of regional Victoria such as, for example, the City of Ballarat and that they are usually used in metropolitan areas or taken to other parts of the country or even overseas. That is a matter of concern. I strongly support the idea that moneys put into superannuation schemes at a local level should be used for infrastructure projects within the region in which they are raised.

One matter that has not been raised in previous contributions concerns the non-benefits of superannuation for self-funded retirees. We all aim to have enough financial backing to keep us in our retirement without having to rely on government, but the federal government of today is making it increasingly difficult for self-funded retirees to

maintain a decent lifestyle because of, for example, the GST. While the rest of us — particularly those of us who have a home loan — applaud the low interest rates that we are experiencing, for some self-funded retirees it can be quite devastating to see the interest on their investments shrink to such a level that they are in quite difficult circumstances.

I have touched on the use of superannuation funds in the regions in which they are collected. I consider the bill to be a sensible measure. It has been noted that it brings the state's provisions into the 21st century. I endorse that and I wish the bill a speedy passage.

**Mr LONEY** (Geelong North) — I welcome the opportunity to make a few remarks on this small but nevertheless significant bill.

**Mr Perton** — Mr Acting Speaker, I draw your attention to the state of the house.

**Quorum formed.**

**Mr LONEY** — I thank the honourable member for Doncaster for ensuring that there is an audience for what I am sure will be an enlightening speech for him and the rest of the members in the chamber. There is no-one in this chamber who deserves to be more enlightened than the honourable member for Doncaster.

**The ACTING SPEAKER (Mr Kilgour)** — Order! There is too much audible conversation in the house.

**Mr LONEY** — As has been remarked upon by other speakers, the bill is complementary to commonwealth superannuation legislation, and the state has been required to introduce it should it wish to retain control of unclaimed moneys in superannuation schemes. The state needs to pass this legislation effectively to ensure that the commonwealth government does not get its hands onto Victorian money that it may wish to spend.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member for Frankston East should take his seat.

**Mr LONEY** — It would indeed be sad if some of the \$4 million that comes into Victorian government coffers under the current legislation were not available to us and ended up being spent on roads in Queensland or something similar by virtue of the fact that it had been returned to the commonwealth government.

The legislation will allow Victoria to continue to administer unclaimed superannuation money, as it has since 1997. That is an important provision for the

government. The alternative if the government did not do that would be, of course, that the money would be heading off to the Australian Taxation Office. Certainly the commonwealth government does not need it. I know it does not need it because I was watching the debate on Sunday when the Prime Minister was telling us that now the commonwealth government had money swilling around everywhere in Canberra and that great times were coming for the states.

As I heard the Prime Minister speaking of the great times that were coming through the changed taxation regime, I was reminded of that well-known sign that is up in many country pubs: 'Free beer tomorrow'. The Prime Minister's promise of great times for the states is on about the same level as the 'Free beer tomorrow' sign. Nonetheless, in this particular instance the government will accept that he has more than enough money in Canberra and that the state should be entitled to pick up the money covered by the bill. I am sure that the state Treasurer would be very keen to ensure that the current provisions continue to operate.

As I said, currently each year some \$4 million of unclaimed superannuation moneys comes into Victorian state government coffers. It may well be asked why so much money in superannuation schemes is unclaimed. It happens for a variety of reasons. Some people are perhaps not overly aware of their entitlements to superannuation when they leave a job, particularly if they do so prior to retiring and move on to another job. That superannuation entitlement just sits there until such time as they have reached the formal retirement age; it is not claimed and then goes to the state for administration. That can occur because we have a system by which in many instances the amounts going to the superannuation scheme are the employer contribution, as required under commonwealth law, and the employee is making no contribution. As a result of that, it could well be that employees overlook the fact that they have an entitlement to a superannuation payout. That could be one reason.

Another reason is that people shift from job to job and the people administering the original superannuation scheme lose track of where they are and are unable to locate them at the time of their 65th birthday or beyond to inform them of their entitlement. A number of industries are particularly prone to having people move on or change places. Honourable members know that in the building industry, for example, people move from job to job; they will not necessarily stay with one employer from the time they start working right through to the end of their working lives. A similar sort of thing seems to happen in many aspects of the information technology industry, where people will

move in, be there for a short while and then move on. There are all those sorts of things.

People can be lost track of for many and varied reasons, particularly if they work in an industry where there is a regular turnover of jobs. Another reason may be that a business has closed down and its employees have been made redundant. Those employees may not have been aware of the employer-funded component of their superannuation, that it is being held for them and that there has been no claim made at a later time. While it can also apply in cases where employee contributions have been made, it is probably true that in general terms it is more likely to occur where there are employer-only contributions made to that fund.

People do move around and it is not uncommon for people not to claim money that they are owed. We see it not just in superannuation but in many other areas. The TAB always has substantial unclaimed moneys at the end of any given year. Lotteries, including Tattsлото, is another area where you would tend to think that it is nigh impossible that, having won a substantial amount on the horses or the lotteries, you would forget to claim it. These things do occur.

I am reminded of what occurred — it may well be an urban myth — during a Sydney Opera House lottery. A person came up as a winner of that lottery on two or three occasions and never claimed the prize. At the time the theory going around was that the person may well have been a visiting seaman who had bought a ticket, gone back to sea — off to another land — and never bothered to find out whether he had won. These things do occur, so we have this — I was going to say problem, but I guess that is not right — amount of \$4 million a year that becomes available to the Victorian Treasury and hopefully is spent on a number of worthwhile projects.

The area we are talking about is important. I was surprised to hear the honourable member for Knox refer to the introduction of some of the aspects of the current commonwealth superannuation legislation by the previous Keating government. I am not sure whether this happened during the Keating government or whether he was the Treasurer at the time, but it certainly happened. The honourable member for Knox was somewhat critical of that, but I take a different view.

The extension of employer contributions for superannuation was very important for this country for a number of reasons and was done to achieve a number of objectives. Firstly, it was extended to look after people in retirement and to ensure that they provided

for their retirement. Secondly, it was introduced to reduce the commitment of the commonwealth purse in relation to pensions, which can be an ever-growing problem, particularly in a rapidly ageing society such as ours. Thirdly, and very importantly, it was introduced to increase our national savings.

As a country we have been criticised quite vigorously by governments of many colours for not being a great nation of savers. The use of superannuation schemes to increase our national savings was very important. It was also important to have a pool of investment, particularly for large infrastructure projects. That is an area where a lot of superannuation money is now being invested. Others have mentioned investment in regional areas, but I do not wish to go down that track. However, I do note the importance of having superannuation arrangements that are applied to and are accessible by all Australia workers. That is a very important national public policy.

I wish the current federal government were far more committed to the national superannuation scheme and its proper use than it has been. It has undermined the national scheme significantly by, for example, insisting that when people are retrenched from work they have to use their superannuation payments. That actually defeats the purpose of superannuation and detracts from its usefulness on all of the three points that I underlined before.

This piece of legislation also picks up a number of other things as well as the unclaimed moneys provision. One is the 1100 beneficiaries of state superannuation schemes who were inadvertently missed out in the November 2000 legislation to give choice to beneficiaries under that scheme, particularly those with deferred pension entitlements. At this point I declare that I am one of the people who is caught not within the provisions of this legislation but within the provisions of the legislation passed in November 2000. Some 1100 beneficiaries who missed out at that time have now been picked up within this legislation. It is commonsense to do that in this legislation because it gives those pensioners who were not picked up the ability to make the choices given to others — the ability to commute their pension to a lump sum and to make their own investments.

On this I do agree with the comments of the honourable member for Knox that before any superannuant or potential superannuant does that or intends to do that they should seek very good and independent financial advice — that is, before going down the path of commuting their pension to a lump sum and undertaking their own investments.

The investment climate is not always a rosy one; things can go up and down. If you become dependent on interest rates and the many shifts in the share market, your ability to produce the necessary income may well suffer. Although you may get greater flexibility from those arrangements, you also lose in relation to your pension. The advice of the honourable member for Knox, that people going down that path should get good independent financial advice, is sensible.

For some time a whole group of pensioners were not included in the beneficiary choice provisions of November 2000. They are generally those where superannuation is jointly funded by the commonwealth and the state. Many are in the university system. I could speak about the problems that arise with the auditing of the university system, as the parliamentary committee that I chair, the Public Accounts and Estimates Committee, has been looking at problems associated with the way in which the superannuation liabilities of universities are audited — but I will refrain from going down that path.

The bill will ensure that those people are absolutely in the clear, because the universities will be named in the schedule to the bill. It is a sensible provision, given the number of amalgamations and changes that have occurred in our higher education bodies in Victoria in the past few years. It is sensible to schedule those bodies according to the university they are attached to. The bill lists about nine universities in Victoria that are scheduled within the bill to ensure there is clarity. The bill is sensible, with good provisions for Victoria. I commend it to the house.

**Mr SEITZ (Keilor)** — The bill clarifies the situation with having three classes of retirees in Australia — those on superannuation, those on welfare payments and self-funded retirees. We have a problem with the terminology in our retirement funding schemes and with how people are supported. During my Commonwealth Parliamentary Association trip to England I obtained information that led me to believe that the system we have in Australia is not really a pension scheme, because people are actually receiving welfare payments. The use of the word ‘pension’ confuses people overseas.

We have people on superannuation. Historically they were government employees, because for many years superannuation was not available in private industry. When I started work, if you got a position in the private sector and you or the company contributed to a superannuation fund, it was considered a privileged position. Thanks to the Labor government, that has changed in the intervening years.

Some employers paid a percentage of their employees’ wages to superannuation schemes after such arrangements were negotiated by the Australian Council of Trade Unions. As honourable members are aware, the moneys paid from the employer’s contributions are not large enough and should be increased to maintain a nexus with inflation so that employees will enjoy a comfortable living when they finish in the work force.

In the farming community, when you became too old to work you sold your land to your son or your son-in-law, who got a loan from the bank to buy the property. Then you would move into a house in town and enjoy your retirement. These days some farmers cannot buy a town house, because many properties have become too expensive. Sometimes the older farmers are stuck on their properties with somebody who is share farming or the next-door neighbour has expanded his property through the establishment of a cooperative.

The media and others should dispel the myths about self-funded retirees, superannuants and what they used to call pensioners. In most places in the world ‘pension’ means something you are entitled to as a matter of right, no matter how much you have in the bank or how much you have saved. There you are not entitled to a pension fund payment, which is based on the personal taxation we in Australia continue to pay these days.

The legislation highlights that anomaly. Those important matters should be addressed. Constituents ask me, ‘Why do I have to fill out forms for the government and say what bank interest I have received and what assets I have?’. They may be only small amounts, but those people do not comprehend what needs to be done. Many postwar migrants in my area have troubling filling out the forms. They are continuously faced with supplying reviews of what is happening to their assets, yet the federal government has access to that information in their bank accounts, anyway.

No honourable member has mentioned retrospectivity. In most cases we do not write legislation that contains retrospective provisions, but in this case it is applicable because it will not assist anybody financially. It will assist the commonwealth and Victorian governments in handling lost moneys, particularly with the large number of superannuation funds receiving contributions from the many people in casual or temporary employment. Also many young people do not realise or care about the superannuation payments made for them. They may be engaged in work experience or in small jobs, but do not care where their

money goes. It is a good idea for them to declare that income on their tax returns; they need to declare where the superannuation money has been paid to.

That is important, because when somebody is young they say, 'There is a bit here and there, but it is not worth while filling out the forms or amalgamating the superannuation into one fund so we can keep track of where the money has gone'. There is merit in keeping those records and noting in which superannuation management fund the money is located.

Constituents come to me and say, 'I have received a letter from the superannuation fund saying that there is \$100 or \$150 from a small job I had over Christmas. Can I get that money?'. I say, 'No, you cannot, because there is a deeming clause and a restriction applies before you can cash it in'. They say, 'I can do with it now, but I suppose I'll just have to wait'. But then they often lose the documents and do not know which fund the money had been paid into — and then they lose their right to the money.

So having a tax file number recorded by the employer and keeping track of that money is very important for the future of these people. It is also important for the state to be able to access those funds, so that if nobody claims them and they are lost the funds become part of the state's revenue rather than the revenue of the federal government or the taxation department. I do not have any difficulty with the bill on those issues and support it on that basis.

Having said that, I point out that the bill highlights the need for our superannuation funds to be looked at again and again to ensure they are heading in the right direction, and particularly as we now have payroll deduction, computerisation and so on, which means that people get less documentation in their own hands to store, keep and follow through. This country is increasingly relying on documentation for evidence. People who have a working life of, say, 45 years do not in the early days appreciate or understand the importance of keeping their records. However, I urge every young person, or everybody entering the work force, to be meticulous in keeping a diary of their superannuation funds and where they are, and preferably to tell employers which funds they are using and to have just one superannuation fund rather than having small amounts in different funds — and legislation has been introduced in the past to let that happen. That is a very important direction to take.

Having made those few observations on the bill, I conclude by saying that this government is working in cooperation with the federal government by introducing

a number of pieces of legislation in order to bring about, hopefully, a uniform standard across the country. That will benefit people working interstate because they will be familiar with the rules and laws across all the Australian states and territories because they will be the same. I wish the bill a speedy passage through the house.

**Mr NARDELLA** (Melton) — I also rise to support the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill now before the house. It is important in that it brings together the state legislative framework for superannuation, especially in the area of unclaimed moneys, and also brings it into line with the commonwealth changes that have been occurring in the past few years.

The bill contains some retrospective elements. Clause 2 details that retrospectivity: amendments in part 3 are deemed to have come into operation on 6 December 2000; and amendments in clause 5 are deemed to have come into operation on 1 July 2001.

One of the most important aspects of any superannuation legislation is the protection of the rights of beneficiaries and their families and the way this legislature plays its role or part in maintaining that protection for them. The trustees of superannuation funds play an important role in maintaining the value of the investment, in both liquid and solid form, so that it is maintained, grows and provides the basis of a good retirement fund. The trustees also have a responsibility to make sure the beneficiaries are looked after by the particular fund for which they are responsible.

The number of funds that have been approved by the commonwealth government has been increased, and this bill looks after those funds and their beneficiaries. There has been a proliferation of vehicles or authorities that have had access to superannuation investments. The retirement savings accounts (RSAs) are a prime example of where the federal government has allowed for the superannuants — the workers or employees — to have some options in regard to superannuation. It is important to understand that in many instances the amounts of money in those RSAs are extremely small. The RSAs were basically a sop to the banking industry to encourage it to get involved in the superannuation industry, and massive amounts went into superannuation, and that continues to be the case today.

The honourable member for Geelong North talked about the amounts of money that are going into superannuation. It is important to understand that at this particular point in time superannuation in Australia has around \$500 billion in investments. When one

considers that the state budget is \$23 billion, one realises the amount of investment in the Australian superannuation industry is massive by comparison. And at the moment it is growing at an exponential rate because of a number of changes and decisions that have been made by the commonwealth government in conjunction with the trade union movement and employers, whereby the rate at which employers are to contribute to superannuation schemes has steadily increased — to 8 per cent at the moment, and, from memory, it will go up to 9 per cent over the course of the next year or so. That is increasing the amount of money going into superannuation schemes. In some instances, as is detailed in this bill, the money is then not claimed by the beneficiaries. But it is important to understand that this \$500 billion — \$0.5 trillion, in actual fact — is there supporting our economy. In fact it is part of what is starting to drive the economy into the future.

One of the realities of the Australian economy is that our savings rate has markedly decreased since the 1970s. I remember my mother getting a Bankcard back in the mid-1970s. It was sent to her in the mail and I think the limit was some \$200 or \$300, which was quite a lot of money back then. The introduction of things like Bankcard changed the savings patterns of Australian families and workers.

At the moment superannuation is developing into one of the drivers for the economy. The Treasurer in this place talks about how we manage or harness some of that economic potential in the Victorian economy, how we make sure the funding is available for various projects and how these things can be involved in the Victorian economy, but also how that money is used to benefit those beneficiaries — the superannuants, the employees — who are putting the money into the schemes.

Venture capital is an important area. I understand that around \$4 billion is available for venture capital through the Australian superannuation schemes. Obviously that will be one of the major drivers in the Australian economy of the knowledge nation and in providing the economic stimulus and the wherewithal to keep in Australia some of the biotechnological changes being developed here in order to employ workers. The legislation is important to understanding superannuation schemes, their effect on the Australian economy and how people use superannuation to look after their lives in retirement.

Another important aspect of the legislation deals with the unclaimed moneys that have been contributed to superannuation schemes by employers on behalf of

their employees. One of the major causes of this unclaimed superannuation is that people change jobs. For example, retirement savings accounts can be used by people to put money into a quasi-superannuation scheme, but they are not as good as the superannuation schemes that are available within our society. A lot of people on casual wages or with casual and transient jobs use RSAs as their vehicles to put away money. They might have a number of RSAs, which results in them losing track of where their superannuation money has gone. That is a problem, and the legislation tries to deal with that.

When I was on the tools back in the late 1970s and early 1980s — it is quite a while now —

**Mr Robinson** — You are good with your hands.

**Mr NARDELLA** — We will not go into that. When I was on the tools I saw the changes in the superannuation schemes. I started off at John Lysaght, which is now part of BHP Billiton. Lysaght's, which was on St Albans Road in Albion, was an extremely stable company, and when you worked there you joined the company superannuation fund. Unless you were there for 30 or 35 years of your working life, you did not get any benefit from that. But people knew about their superannuation scheme and would leave their money there. When I left after 18 months the money that I had put into the scheme was given back to me, plus I think 3 per cent. There was no continuum and no way that that money would stay in the fund. Once you left the company, the company then had no responsibility to look after your retirement.

The next job I went to was at V. P. Hawthorne in Wright Street, Sunshine, now called Simon Hawthorne. Workers at V. P. Hawthorne went into the company superannuation scheme, which Mercantile Mutual looked after. We contributed and the boss contributed to the fund. It was a superannuation scheme in the traditional sense.

Around 1979–81 a number of campaigns were put together by the metal workers union, which was known as the Amalgamated Metal Workers and Shipwrights Union at that stage, with the assistance of organisers such as Jimmy O'Neill and the state secretary, John Halfpenny, and others. They really pushed for the Building Unions Superannuation (BUS) scheme. We were part of the Altona agreement that looked after places such as Monsanto, BASF, Dow Chemicals and others, where people working in construction had their own portable superannuation scheme.

Within the construction industry superannuation became portable. So when you shifted from site to site or from company to company your superannuation went into the BUS scheme, which was handled by Jacques Martin. I do not know how I remember all this; I am just dredging it out of my memory! The important part is that when people shifted their money went with them, and they were able to accumulate that money as they went.

Obviously the legislation deals with some of those people who through the various transformations of the Construction and Building Unions Superannuation Scheme (C+BUS) and other superannuation transformations — —

**Ms Duncan** — The super for the future.

**Mr NARDELLA** — I cannot put the voice on, but that is right. Through those various transformations people have left the industry, but their money has remained within the funds.

It is interesting to see not only the changes within the BUS scheme but the changes in the way we see superannuation. I remember that back in the early 1980s we went out for a while, along with the Electrical Trades Union, the metalworkers, the Federated Ironworkers Association, the Australian Workers Union, the health services union and others, to make sure we got 3 per cent superannuation. That was a breakthrough. The 3 per cent superannuation contribution from the employers went into these schemes; then we matched it or put extra money in. Standard redundancy payments also came in around the same time — in 1981 and 1982 — although they are not the standard now. Amazingly Tony Abbott, the federal workplace relations minister, wants to revert back to the standard of 20 years ago.

I remember Jimmy O'Neill, who was our organiser at the time, saying that once we had the superannuation we had it forever, and it was true. That was built on through the wage accords. The trade union movement gave away a number of salary and wage rises so that that money could go into superannuation to make sure workers came out at the other end, at 60 or 65, with a reasonable amount of superannuation on which they could then survive.

A number of people retired when I was at V. P. Hawthorne. I remember little Jimmy — I have forgotten his surname — who was a trades assistant. He used to run around getting all the morning teas and looking after us, especially when we had the shutdowns. He went away with the grand sum of

\$7500, which was not enough to sustain him through his retirement. Even back then \$7500 was not a lot of money.

That was the genesis of the superannuation schemes which continue to be developed in Australia. In that sense it is extremely important to see where we have come from and why this bill is so important.

Our working patterns are changing. For example, a number of my parliamentary interns have two or three other jobs, and their employers put money into the superannuation schemes in their various working areas. One day the money may go into the catering or waitressing areas, another day it may go into the government's superannuation scheme when they work for me, and another day it may go into another scheme when they work for another employer. They work like that to keep the income flowing. However, it is easy to lose track of the money, which does not assist them in building up their superannuation for the long term. There have been changes in relation to portability under the Howard government — I will give credit where credit is due — —

**Mr Lenders** interjected.

**Mr NARDELLA** — Not too much, as the honourable member for Dandenong North has reminded me. There have been changes in relation to portability so that the money in the schemes can move with the individual. Those changes have been good.

Retirement planning is important for working people and working families. I said to my family the other day that time goes by very quickly and that once you hit retirement and go onto a fixed income, whatever assistance you can get through superannuation is extremely important. Retired workers are extremely important for the economy. On that basis, I conclude my speech by saying that I support the bill.

**Mr ROBINSON** (Mitcham) — I compliment the honourable member for Melton on the Bradmanesque timing of his contribution down to the last second. We are in awe of his skills in that area. I commence my contribution to the debate on the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill by expressing some regret that so far we have not seen the honourable member for Berwick in the chamber. Last week he gave a memorable and impassioned plea for omnibus legislation. Here we have a very good omnibus bill which aims to amend a number of bills — the Unclaimed Moneys Act 1962, the State Superannuation Act 1988 and the State Employees Retirement Benefits Act 1979.

It is disappointing to see the honourable member for Berwick being so impassioned about getting legislation of an omnibus character into this chamber one week only to see the following week that his ardour has suddenly deserted him. That is a very worrying sign in a man as young as the honourable member for Berwick. I have read in different men's magazines that this is a problem that can afflict males in early middle age, and if that is the explanation, help is only a phone call away.

This is a good piece of legislation. I compliment the honourable member for Knox on his contribution. He brought to the debate some extensive personal experience from his time with the State Electricity Commission of Victoria. I understand from his contribution that he was involved for a number of years in managing the SECV's well-developed superannuation scheme. As a former employee of the SECV who received a superannuation payout, I am no doubt indebted to the honourable member for Knox for his administration of that scheme and his work on my behalf. That brings me to the point that for many years some Victorians have been in a privileged position by virtue of their employment with statutory authorities or the public service, in that they are entitled to superannuation entitlements that until the 1980s were not extended to people who worked in the private sector or in other agencies.

As has been mentioned, the Labor Party can take great pride in the fact that throughout the 1980s superannuation legislation in this country was extended to the point where superannuation entitlements are now a matter of course and are approaching universality in the Australian work force. That is a very good thing.

This bill seeks to amend state superannuation arrangements as a result of legislative changes to commonwealth superannuation. There is a great need for superannuation universality given the estimate that retirement income benefits under superannuation schemes will be of the order of 75 per cent higher than the indexed aged pension. Someone expecting to work for 30 years while contributing to an industry superannuation scheme at a rate of about 9 per cent can expect to have a substantially higher retirement income. That has to be a good thing.

On that point, and while bearing in mind that it has been a wide-ranging debate, I note that some years ago one of the senior managers of National Mutual made the claim that superannuation contribution rates and eventual entitlements needed to grow rapidly, because as a country we are approaching a point where with an ageing population the need for health services will grow significantly.

In that presentation he made a number of significant points, but I thought the most telling was, and I stand to be corrected, that someone who lives to 80 years can on average expect to consume about four times the health services of someone who lives to 70 years, who in turn will consume about double the services of someone who lives to 60 years. As more Australians grow older it will be vital that their real income is sufficient to support the health services they can reasonably expect to consume. That is a serious issue and one we ought not ignore.

It is my sincere hope that the legislation does not have to be used that often, because people who have entitlements to superannuation, especially in their latter years, ought to be encouraged at all times to access it. After all, someone who can access the entitlements of a superannuation scheme is presumably less reliant on the age pension. That has to be a good thing, because it puts them more in charge of their own circumstances.

We know there has been an explosion in the number of superannuation accounts. I heard the honourable member for Melton refer to the superannuation accounts that had been established in his name in the early 1970s and 1980s. In my case, when I last examined it, I had four or five superannuation accounts. The question is often asked: why do we not have full portability in superannuation accounts? It is a good question. The answer is that superannuation schemes differ in their structure — some are fully funded and some are not.

The bill refers to the beneficiaries choice program and ongoing commutation entitlements. I congratulate the Minister for Finance on undertaking this massive project through the beneficiaries choice program. It is a program by which members of state superannuation schemes were given the option of transferring an entitlement that was not funded into alternative schemes that were funded. That transfer was possible through a calculation of the member's entitlement, working backwards from a point in the future at which they retire.

I am happy to declare to the house that as someone who spent a short time in the public service I took up the offer in the beneficiaries choice program. It is an outstanding program that has provided an opportunity for people to consolidate their various superannuation accounts and save large amounts of administrative paperwork in the years to come. It has also assisted people as they approach retirement age in managing their entitlements more readily.

The beneficiaries choice program, and the legislation which underpins it, some of which is being amended by this bill, offers a contrast between what has happened in Victoria and what has happened elsewhere. I put it to the house that the superannuation arrangements in this state are far superior to what we see at the federal level. The state government could have pursued what the federal government pretends is a cohesive and coherent superannuation policy, but when it comes to its own public servants, the federal government is nothing less than a fiscal bandit.

In contrast to Victoria, where the state superannuation scheme is now 40 per cent funded — I stand to be corrected on that — the situation in Canberra is that the commonwealth superannuation scheme has a debt of \$80 billion and has not 1 cent in assets. So while the Prime Minister, the Honourable John Howard, and the Treasurer, the Honourable Peter Costello, preach fiscal conservatism and skills in managing the economy, this time bomb called the commonwealth superannuation scheme has not had one dollar of assets built up alongside it. That will come back to haunt the federal government, and it gives the lie to any claims by the federal government about its proficiency in financial management.

As I said, this is good legislation, because in line with the procedures that apply to unclaimed moneys it gives people who by dint of circumstance have lost track of the various superannuation entitlements they have built up the opportunity of being notified about those outstanding entitlements and to take the necessary steps so they are not lost. That should be encouraged. We should see greater efforts by state governments — the federal government has done little — to preserve entitlements as the number of superannuation accounts mushroom, with people now working on average five or six jobs through their working life.

This does the minister great credit, in that she has followed up the beneficiaries choice program with legislation of this kind. I am pleased to add my name to the list of members who support the bill.

**Mr HOLDING** (Springvale) — It gives me great pleasure to join the honourable member for Mitcham and other honourable members in contributing to the debate on the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill. There are few areas of public policy more complex than superannuation, and there are few areas of law in Australia where one is more likely to find different parliaments at different levels of government debating constant changes to the legislation. One of the constant frustrations of ordinary Australians is finding their superannuation

arrangements constantly subjected to change. It sometimes generates uncertainty among citizens in the community about what their future rights and entitlements will be.

Superannuation is an important area of public policy. As much as possible we ought to encourage certainty in superannuation so people are aware of their entitlements, rights and obligations. Superannuation is a sensitive issue. It is an area of law whose importance is growing all the time. It is also an area that provides people with some financial security and certainty. It is no secret that Victoria is an ageing community, and as the community ages debates about the appropriate way to provide for a secure entitlement incomes system becomes more pertinent.

It is true that in the decades ahead the current tax-paying population will probably be unable to support, through the traditional age pension, the growing number of Australians who will retire on reaching the end of their working lives. Therefore superannuation will become an important mechanism for ensuring people provide for the years they will enjoy once they cease working.

As the number of people needing support from the shrinking tax base grows, so too does the number of years for which people are living post-retirement, and that also creates its complexities and uncertainties. It is important that we make sure people are able to enjoy a fulfilling and full retirement, and superannuation arrangements ensure that that takes place.

This brings us to the bill before the house — the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill. This bill seeks to amend the Unclaimed Moneys Act 1962, which is a piece of state legislation, and comes about as a consequence of amendments to the commonwealth superannuation legislation. It is important that the Parliament debate and pass this legislation because were it not to do so, as a consequence of the requirements of section 18 of the commonwealth Superannuation (Unclaimed Money and Lost Members) Act 1999 the collection of unclaimed superannuation benefits from Victorian superannuation funds would become the responsibility of the Australian Taxation Office, and this would have the consequence of denying Victorians the use of \$4 million per annum in unclaimed funds.

It is important that this legislation be passed as quickly as possible to make sure that Victorians enjoy certainty and are not disadvantaged as a consequence of the amendments that have been made to the commonwealth scheme via the commonwealth act. It is

very important that this legislation be supported. As well as the honourable member for Mitcham, who preceded me, I know that other honourable members will be keen to contribute to this debate and make sure that Victoria enjoys the best and most comprehensive possible set of arrangements for superannuation. I know that other honourable members will join with me in supporting this legislation and wishing this bill an expeditious and speedy passage through this chamber — and not only through this house but also through the Legislative Council.

**Mr Wilson** interjected.

**Mr HOLDING** — I thank the honourable member for Bennettswood for his helpful interjection on that matter.

I think I have said enough. I want to provide an opportunity for other honourable members to contribute to this important debate so they can help ensure that the superannuation scheme in Victoria, like the national scheme, is as comprehensive and as fulsome as can appropriately be done by this Parliament. I commend the bill to the house and look forward to the contribution of other honourable members as the debate continues.

**The ACTING SPEAKER (Mrs Peulich)** — Order! Before calling the next speaker I remind the honourable member for Bennettswood and the honourable member for Caulfield that interjections are disorderly, and interjections made out of one's place are doubly so.

**Mr MAXFIELD** (Narracan) — I rise today with great pleasure to speak on the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill. I acknowledge the tremendous contribution of the honourable member for Springvale to this debate. He is a man who has put a lot of effort into this bill, and I know it is close to his heart. Superannuation, of course, is close to the heart of many honourable members here who are concerned about the future and security of those in our community.

Not so many years ago the only few who were able to access superannuation were the wealthy and the elite. Sadly the Liberal Party, which is the party for the wealthy and the elite, supported the position where superannuation was only to be accessed by those who were in the money, those who came from the landed gentry and those who were wealthy. However, we have the advent of the union movement's decision to make a move forward on the issue of superannuation because it realised that to provide for the future of our

community — the future of the workers and the battlers — we needed to have superannuation for all. Certainly we must today acknowledge the work of the union movement ably assisted by the Labor governments of the 1980s — the Cain state government and the Hawke federal government. We saw leadership in superannuation in our community when in partnership with the trade union movement the move was made to provide superannuation for the community.

That superannuation would provide the security that is deserved by all members in our community, not just the wealthy few but also those who need to have provisions made for their retirement — that is, the ordinary workers and ordinary citizens of Australia. I know myself, as someone who has been very active in the union movement — —

**The ACTING SPEAKER (Mrs Peulich)** — Order! I remind the honourable member for Narracan that the parameters of the bill are not as wide as he is currently traversing, and perhaps he could return to the provisions of the proposed legislation.

**Mr MAXFIELD** — I was just preparing my remarks around the superannuation issue. I was trying to explain that with the advent of the industry superannuation funds that is where a lot of the unclaimed moneys have come from. People have moved from job to job but their superannuation has remained attached to their various places of employment by law and the awards that were put in place by previous Labor governments. We must acknowledge how we got to the point where we are at today with a huge number of people having superannuation. As people have moved from job to job their superannuation may not necessarily have followed them, and as a result we have ended up with unclaimed moneys.

The fact that we have such tremendous superannuation can certainly be attributed to the union movement. In my own job I was active in the Shop, Distributive and Allied Employees Association in ensuring that there was a Retail Employees Superannuation Trust (REST) Fund which looked after people in the retail industry. I must acknowledge some of my predecessors in the union, such as Jim Maher, who was at the forefront of establishing industry superannuation funds such as REST in this country, certainly within the retail industry. I acknowledge the ongoing support that REST is providing for the retail industry. The fund will provide security in retirement for those who work in the retail industry. It is a tremendous fund that provides the

security that workers in this state certainly need and deserve.

Unfortunately there is not time to speak in depth on this immense bill, however — —

**The ACTING SPEAKER (Mrs Peulich)** —

Order! I encourage the honourable member for Narracan to speak on the bill and its provisions. He does have another 15 minutes.

**Mr MAXFIELD** — In the short time available to me I support the bill the government has put in place to ensure there is proper control of unclaimed moneys generated because of the changes to federal legislation. It requires this Bracks government to correspond by introducing appropriate state legislation. With those brief comments I will allow others to continue debating this issue.

**Mr MILDENHALL (Footscray)** — It is a pleasure to make a few brief comments on the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill, which rectifies some serious gaps in the legislative framework left by the Kennett government in its term in office.

Only the Bracks government could have anticipated the situation that arose and the need for this legislation. If the Kennett government's record on superannuation reflected that of the Howard government we would have seen not only a lack of anticipation but full speed in reverse. The federal twist to this is that if the proposed legislation is not passed we have the dreadful prospect of losing control of some \$4 million per annum to the federal government, and that is generally not a desirable thing.

Despite the national agreement that the general supervision of the superannuation industry should come under the auspices of Australian Prudential Regulation Authority in this particular instance it is appropriate, and I am sure each state government would regard it as appropriate, that moneys that are still able to be administered in this way by the state should remain in the state. It was only as a result of some technical changes to some federal legislation that it has become necessary to introduce this bill to our Parliament.

Superannuation is a very interesting area of policy in which one can distinguish between those administrations that one would regard as progressive, forward thinking and having an eye for the long term as against those that are generally happy to either tread water or watch the world go by. The latter description would be an accurate description of the Howard government's approach to superannuation in recent

years. You can see from the bill that the Victorian government's approach is anticipatory, scanning and strategic. One would have hoped that the federal reforms would have kept pace — that instead of freezing the superannuation contribution scheme at 9 per cent they would have moved to the 12 per cent and 15 per cent that were originally anticipated by the Keating government.

It is all very well for spokespeople from the federal government and the many national agencies who continually remind us of and question our ability as a nation and a society to afford to support ourselves in retirement without the need for a disproportionate level of taxpayer support — —

**Mr Clark** — On a point of order, Madam Acting Speaker, much as we enjoy hearing the honourable member for Footscray canvassing current election issues I draw to your attention that this is a narrow bill, as you have advised previous speakers. I ask you to invite the honourable member to return to the bill.

**The ACTING SPEAKER (Mrs Peulich)** —

Order! I do uphold the point of order. The debate has been far broader than the provisions of the bill, and the honourable member for Footscray is advised to try and conform to the provisions of the bill before the house.

**Mr MILDENHALL** — If I talked a bit about the State Electricity Commission, which apparently — —

**The ACTING SPEAKER (Mrs Peulich)** —

Order! You would be flouting my ruling.

**An Honourable Member** — Who sold the SEC?

**Mr MILDENHALL** — That was us, was it?

There are a number of minor technical but sensible provisions in this small omnibus bill that provide for little renovations of the relevant acts and assist in the streamlining and coherent administration of the area. I wish the bill a speedy passage through both houses.

**Ms LINDELL (Carrum)** — I am pleased to join the debate on the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill. While there has been a degree of frivolity from other speakers, I point out that it is an important bill — particularly for women who through their working years undergo many changes in employment. I will expand on that point later on in my contribution.

The bill arises from the commonwealth's Superannuation (Unclaimed Money and Lost Members) Act 1999. If the Victorian legislation is not

passed the commonwealth will lay claim to some \$4 million a year in unclaimed superannuation funds.

Clause 3 substitutes part 4 the Unclaimed Moneys Act 1962 with proposed new part 4, which deals with the requirements relating to unclaimed superannuation benefits and unclaimed money in retirement savings accounts. It is a very important clause — for example, it inserts a requirement for tax file numbers to be quoted by superannuation providers in all lodgments of unclaimed moneys. That is entirely consistent with the commonwealth legislation and will provide a much more efficient system of reuniting members of the public with their lost superannuation moneys.

I have been in a number of different employment areas and followed a number of different career paths. As a result I have been in about six different work-related superannuation schemes, some of which have very small amounts of money in them. Members on this side of the house will understand when I say that during the dark years of the Kennett government I worked as a radiographer for a public hospital and as a private provider of radiology services, and I also worked as an electorate officer. In an effort to keep myself and my house together I had three superannuation policies to which I was contributing.

As time goes on these small amounts of money add up, as they do in the lives of many Victorians. Substantial sums of money can be lost and forgotten as people continue their working lives. After having made compulsory payments people lose track of the paperwork, especially when the amounts are small. That is indicative of women's working lives. Their careers are often interrupted by part-time and small-hours work when their children are little, and sometimes they work just to bring a second income into the house for a bit of support.

I again stress the importance of the bill to many Victorians who have small amounts of money in superannuation schemes. The more simplification and efficiency the bill generates in order to reconcile people with their moneys, the better it will be. I commend the bill to the house.

**Mr TREZISE** (Geelong) — I also take pleasure — —

**The ACTING SPEAKER (Mrs Peulich)** — Order! The honourable member for Geelong now has the call.

**Mr TREZISE** — That is 15 or 20 seconds more for me. Thank you, Madam Acting Speaker. As the honourable member for Geelong — —

**The ACTING SPEAKER (Mrs Peulich)** — Order! You may carry on.

**Mr TREZISE** — I will carry on as the member for Geelong for a number of years, rest assured of that. I will be the member for Geelong — —

**Mr Mulder** interjected.

**Mr TREZISE** — Don't you worry about the Stonehaven power station.

**Mr Mulder** interjected.

**Mr TREZISE** — You have been nowhere near the Stonehaven power station.

**The ACTING SPEAKER (Mrs Peulich)** — Order! Through the Chair.

**Mr TREZISE** — Even though it happens to be in the electorate of Polwarth, he goes nowhere near there.

As I was about to say, Madam Acting Speaker, I am proud to stand in support of the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill, in full knowledge of the fact that superannuation is a very important issue to this state, to the nation and, of course, to all Australian workers.

Only eight years ago, back in 1993, I had to leave a job because I was Jeffed out of the old Department of Labour office in Geelong. It was a valuable job, but because we had no compulsory superannuation I frittered away the entitlements I had built up over the eight years of employment, and they went down the drain. For that reason I am well aware of the importance of superannuation to Australian workers, and I am more than happy to support the legislation.

The bill addresses the issue of unclaimed superannuation moneys in the state of Victoria. As I understand it, the Victorian government has administered unclaimed superannuation moneys since 1997. Following the passage in 1999 of commonwealth legislation the state Parliament must pass this legislation to ensure that Victoria continues to administer unclaimed moneys under state legislation. That is important because if the Victorian government does not administer it the money goes to the Australian Taxation Office. I could not think of a worse body for it to go back to. To confirm that I only have to hark back to Sunday night, when I listened to our Prime Minister, John Howard, basically paint a picture of the ATO and the commonwealth government awash with funds. Therefore, as far as I am concerned, I would rather see this money spent by a responsible and transparent

Bracks government, ensuring that the money is going to our schools, roads and health system and not into the coffers of the Australian Taxation Office.

As I said, it is important legislation. It is important that the state retain administration of the money because it is far better administered by the Bracks government than the federal government of John Howard, who will not be around for too much longer anyway.

**Mr Clark** — So you don't trust Beazley, either!

**Mr TREZISE** — I do trust Kim Beazley, who as we saw on Sunday night will be a magnificent leader for this nation. As I understand it, this is important legislation. It is important that the state government continue to administer the \$4 million in unclaimed moneys that is available each year. I therefore commend the bill to the house.

**Ms GILLETT** (Werribee) — It is with pleasure that I make a brief contribution on the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill. As is noted in the second-reading speech, the primary purpose of this legislation is to amend Victoria's current laws as they relate to unclaimed superannuation moneys. The state government has administered unclaimed superannuation moneys in Victoria since 1997. Following the passage of the commonwealth Superannuation (Unclaimed Money and Lost Members) Act 1999, if the Victorian government wishes to continue to administer unclaimed superannuation moneys in this state, amendments to the state legislation are necessary.

Clauses 1 to 4 of the bill contain the necessary amendments. They will ensure that the Victorian government can continue to administer unclaimed superannuation funds in the state. It is critical for the state. It is critical too that efforts are made for those people to whom numerous members on this side of the house have referred in their very fine contributions — mostly good working people who over the course of their lives have a number of different jobs and can find it difficult to keep track of those superannuation funds. Often those administering the funds do not make the effort to follow up with those members, so the funds are either dissipated or are lost permanently.

The bill also amends the State Superannuation Act 1988, with clauses 5 to 7 containing retrospective amendments to that act. The amendments are largely definitional and are designed to ensure that members of the State Superannuation Fund whose benefits are still governed by the Superannuation Act of 1958 — a great year — have the same commutation options as

members of the fund's revised scheme. The amendments provide the so-called 1958 act pensioners and beneficiaries with the same one-off and ongoing commutation rights as those bestowed on other categories of state superannuation fund members by the Superannuation Acts (Beneficiary Choice) Act 2000. The amendments in this bill operate from the same date as corresponding amendments to the act that established the beneficiary choice program.

As honourable members know, the Scrutiny of Acts and Regulations Committee is very interested in retrospective pieces of legislation, but when the committee examined this bill it found that the retrospectivity was justified on a number of different grounds — it does not take away rights from people and it establishes an entitlement in a fair and equitable way so that people covered by the two acts would be treated in the same way — so no adverse comment was made on the retrospectivity aspects of this part of the bill.

The bill contains identical amendments to those made to the definitions of 'commonwealth-funded pensioner' in both the State Superannuation Act 1988 and the State Employees Retirement Benefits Act 1979. Unfortunately those pensioners were not included in the beneficiary choice program because the commonwealth government was unwilling to fund its share of any lump sums that would have become payable to those pensioners. The current definition of 'commonwealth-funded pensioner' uses a schedule that attempts to list by name every relevant tertiary education institution at which those pensioners may have been employed. However, because there has been significant reorganisation in tertiary education over the past 25 years and numerous changes have been made to names, the new definition adopts a different approach. It defines the institutions by reference to the universities into which they were subsumed. That provides a more concise and robust definition.

It would be remiss of me if in talking about superannuation and improvements to assist working Victorians I did not make a passing comment on the magnificent effort of previous state and federal Labor governments and my own union, the National Union of Workers — at the time it was the Federated Storemen and Packers Union — which combined and separately did so much work to establish the notions of portable superannuation funds for working people. That portability meant that pieces of legislation such as this did not have to be passed.

Portability is critical for working people so they can take their superannuation with them. The other critical

aspect that was established by the work of not just my own union — I will not be parochial — but by the trade union movement combined in its strength and wisdom was freedom of choice for many people who work in Australia. That freedom of choice does not exist throughout the Australian economy, but it is growing in its importance and relevance to working people. With those few short remarks, I commend the bill to the house.

**Mr HARDMAN** (Seymour) — It is a pleasure to speak on the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill. As honourable members know, superannuation is very important to the Labor cause in general because it is about our lifestyles and living standards as we become part of the older generation. As honourable members know, currently the birth rate is 1.7 children per woman so there will be fewer people in the work force and paying taxes to look after us when we retire. Superannuation is important, because there will not be the necessary taxpayers funds to provide us with pensions to enable us to have a reasonable lifestyle. Honourable members therefore consider superannuation important to ensure not only that we do well while we are working but that we have a reasonable income when we retire.

Obviously the bill goes further in protecting the moneys in superannuation funds. Honourable members know from listening to other speakers that at this time about \$4 million of unclaimed moneys is being looked after each year in Victoria. That money must be well looked after. As the honourable member for Geelong rightly pointed out, it is far better that that money is looked after by a decent, caring Bracks Labor government than by an uncaring, mean and tricky Howard coalition government. That was a very well-made point. I hope that a caring Bracks government will be here to look after it for many years into the future.

The bill is introduced to amend the Unclaimed Moneys Act 1962 as a result of amendments to commonwealth superannuation legislation and to amend the State Superannuation Act 1988 and the State Employees Retirement Benefits Act 1979 regarding the beneficiary choice program and ongoing commutation entitlements and for other purposes.

Although it is a minor bill — I have heard honourable members use the term omnibus — by the same token, as the honourable member for Seymour, I take seriously anything to do with superannuation, because my constituents value their superannuation entitlements. It is also important to point out that superannuation is part of the Labor cause; we have fought very hard for it over time. People on the other

side of the house do not understand it, except when it is for their own benefit. That is just greed.

Superannuation is an important part of saving for the future. It is a system that works in Australia, and provided it does not get messed up too much by federal Liberal governments, it will provide for the wealth of our nation. I wish the bill a speedy passage and thank all honourable members for their wonderful contributions. It has been enlightening to hear of the experiences of other honourable members. I commend the bill to the house.

**Mr STENSHOLT** (Burwood) — I rise to support the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill. Obviously I support a bill that is about superannuation claims and entitlements, but I must admit that this bill caught my eye, particularly when I looked through to the back of the bill and saw mention of universities. Monash University, the university I came from, is included in schedule 2, which is referred to in one of the final clauses in the bill. There have been quite a few changes to superannuation arrangements and the names of the universities and the funds, et cetera. One fund of which I was a member amalgamated with another only a couple of years ago, so it is important that this bill provides clarification.

As I said, this bill is about superannuation claims and entitlements. Superannuation is important to everybody: as we all know from the advertisements, it is ‘the super of the future’. We have to thank federal Labor for having the foresight and the vision to introduce a comprehensive scheme of superannuation. Yet again it shows the strong economic management credentials of Labor. It ensures that people save for their retirement and old age by having an increasing percentage of their salaries set aside in superannuation funds. This legislation even makes sure that we can find them if they happen to get lost.

This economic foresight and fiscal good management is the hallmark of the Bracks Labor government, and it has also been the hallmark of federal Labor governments over the past 25 years.

Some honourable members have spoken about scorecards. I noticed this week in the *Australian Financial Review* a discussion on the comparative economic management scorecards of coalition and Labor governments over the last 25 years. The results show that Labor governments have been better on fiscal surpluses and that coalition budgets have averaged deficits of 0.5 per cent of gross domestic product. Labor governments have been better on lower unemployment, lowering inflation and lowering current account

deficits, and they have been better on superannuation issues. This bill reinforces the credentials of the Bracks Labor government — and indeed the Labor movement as a whole — in focusing on economic and fiscal management and looking after people through vision and foresight. This is what Labor is all about.

This bill deals with unclaimed Victorian superannuation benefits, and as has been said by other honourable members, these amount to some \$4 million per annum. Since 1997, when unclaimed superannuation legislation was introduced, these moneys have been the responsibility of the Victorian government. We all know why superannuation funds are unclaimed: people move house without leaving forwarding addresses, forget to keep contact with their superannuation funds, and change jobs. These factors are important to remember in the cases of older persons in certain trades and professions who find that keeping a job can be a struggle. There is a bias against employing people over 45 or 50 years of age. These people tend to be made redundant, which forces them to change jobs again and again — and this means changing superannuation funds.

Recently I was impressed by the efforts of the cities of Boroondara and Maroondah and Jobs East in supporting a program aimed at unemployed people over 45 years of age. It is organised by people over 45 who help others of the same age to get back into employment, and it provides them with advice on matters such as superannuation. I will point this bill out to them to make sure that the people they help do not lose contact with their superannuation funds as they change from one job to another, particularly under circumstances that can be quite trying. When this happens people may have to move house and change jobs, and sometimes they get depressed. Therefore they need to make sure they keep in control of their financial circumstances, which increasingly includes superannuation.

As I said, this bill has been introduced to meet the requirements of section 18 of the commonwealth Superannuation (Unclaimed Money and Lost Members) Act. There are a wide range of provisions in the bill. I will not repeat them all, because other honourable members have already set out what they require of the providers, what the responsibility of the minister is to make sure that the money is paid back at appropriate times, and how tax file numbers can be used so people can be traced, which ensures that money will get back to them when the time comes for them to claim it.

As I said at the beginning of my speech, the back of the bill contains some minor amendments to definitions relating to commutation options and beneficiary choice, particularly in respect of universities. Naturally I commend and support these amendments. In summary, I commend this bill to the house.

**Mr LANGDON** (Ivanhoe) — It is a great pleasure to contribute to the debate on this bill. Before I start I thank the honourable member for Dandenong North, who has organised the speakers list beautifully. Honourable members on this side of the house have made great and interesting contributions. I also thank the honourable member for Burwood for pointing out the clauses in the bill that list universities, because La Trobe University is mentioned there. While it is not in my electorate, my electorate borders it, so I will mention it.

**An Honourable Member** — A fine university!

**Mr LANGDON** — Indeed! It services my electorate very nicely.

The Unclaimed Moneys and Superannuation Legislation (Amendment) Bill 2001 is very important. I note from the second-reading speech that the main purpose of the bill is to amend the current Unclaimed Moneys Act 1962 in relation to unclaimed superannuation funds that have been administered by the state since 1997. The federal government's amendments were included in its Superannuation (Unclaimed Money and Lost Members) Act 1999.

If we wish to continue administering the act we must pass this legislation. If something is not done to amend the act, the state government will be denied access to \$4 million of unclaimed funds. That is important enough to have the legislation before the house and to have honourable members contribute to debate on the bill. I am sure all government members could easily and wisely spend \$4 million in their electorates; therefore why should the money be sent back to the federal government, whose spending criteria are slightly different from ours?

That was best summed up when the Prime Minister said that the GST is the best thing that could happen to education. I am sure \$4 million would do wonders for education in Victorian electorates, and I am sure the minister agrees with me.

I know other honourable members wish to speak on the bill and the honourable member for Dandenong North wishes to summarise the debate. Therefore I commend the bill to the house.

**Mr WYNNE** (Richmond) — I support the Unclaimed Moneys and Superannuation Legislation (Amendment) Bill 2001. I am pleased to follow the contributions of my colleagues on this side of the house. As has been noted by other honourable members, the primary purpose of the bill is to amend Victoria's current laws relating to unclaimed superannuation moneys. As the honourable member for Ivanhoe said, the government has administered unclaimed superannuation moneys in Victoria since 1997.

I record and acknowledge the contribution of the former Hawke Labor government, which was the instigator of compulsory superannuation on behalf of workers, because it was clear that that reforming federal government understood the importance of workers rightly feeling comfortable in their retirement and wanted to ensure that their superannuation and retirement needs would be taken care of. In that respect the house owes a debt of gratitude to the Hawke government for instigating commonwealth legislation to protect the retirement income, particularly of low-paid workers.

In that respect unclaimed superannuation moneys most significantly affect women workers, because women move in and out of the work force over their working lives, particularly when they choose to have children and move out of the work force for certain periods. That often has a deleterious effect on their superannuation entitlements. It is not uncommon to find circumstances where women may move from job to job, and in some cases they may have 5, 6 or 7 superannuation schemes which, if not appropriately bundled together, may diminish in value over time because of the administrative fees charged for the superannuation funds.

In that respect it is important that we work towards a streamlined system, particularly for people who move in and out of work, so their superannuation contributions are not effectively diminished over time. The bill is important for that reason.

If Victoria does not meet the requirements of section 18 of the commonwealth's Superannuation (Unclaimed Money and Lost Members) Act 1999 the collection of unclaimed superannuation benefits from Victorian superannuation funds would become the responsibility of the Australian Taxation Office, thereby denying Victoria, as has been said by other honourable members, the use of \$4 million a year in unclaimed funds. The bill has the support of both sides of the house.

In my short contribution it is important that I acknowledge the groundbreaking work done by the former Hawke government in ensuring the future long-term retirement benefits to workers, particularly to low-paid workers, are protected. I commend the bill to the house.

**Mr LENDERS** (Dandenong North) — The debate that I will wind up has been significant. The house has heard 20 speakers on the bill, so I do not have a lot of new material to add to the debate. However, I would like to go through a number of the issues raised.

The lead opposition speaker, the honourable member for Box Hill, made a number of comments. It is not our intention to have a rigid time limit on financial adviser consultations. The firm of Arthur Andersen has been engaged to supervise the financial advisers and a quality assurance program has been devised. The contents of financial plans must be approved. Also training will be reviewed, and the program includes a sample audit of any completed financial plans.

The members survey that has been conducted indicated a satisfaction level of 4.3 out of a possible 5 points for financial advice provided. We would be more than happy to continue discussions with the honourable member because it is an important issue and a commitment made by the government.

The Leader of the National Party also contributed to the debate. The honourable member for Knox talked about a previous life of his as a superannuation adviser. From the government benches the honourable member for Gisborne wonderfully led for the government in the debate; the house also heard from the honourable members for Ballarat West, Geelong North, Keilor, Melton, Mitcham, Springvale, Narracan, Footscray, Carrum, Werribee, Geelong, Seymour, Ivanhoe, Burwood and Richmond.

The house has heard a full debate and it is clear that a lot of honourable members feel strongly about the issue. The legislation may not appear to be massive, but it is omnibus legislation and tightens up odds and ends. More importantly, it struck a chord in that it affects everybody in the community and it is an important long-term planning issue.

As the house would be aware from the Bracks budget, the government is committed over time to fully funded superannuation, which is a contrast to the situation of the commonwealth. It is something the previous government was also committed to, and the present government is moving forward to that. Change needs to be brought in slowly. People in the community often

are suspicious of any changes to the superannuation system. It is not helpful for government policy to change too often on the subject because people become frightened of it. Financial planning and security are important.

The bill is part of an ongoing series of changes to superannuation. The legislation has bipartisan support and it is an important bill as we approach 1 July next when the superannuation guarantee levy increases to 9 per cent, which will be important in putting financial certainty for the future in place.

Fully funded superannuation is an important concept for the government as it plans for the future. It is a critical part of any community planning for the future. In the early years — in the 1950s and 1960s — when we had a much larger ratio of young people entering the work force than those in retirement, assisted by a large immigration scheme, fully funded superannuation was not an issue for the community.

Not a lot of people then had superannuation. Fully funded retirement benefits were not a big issue. When I entered the work force some years ago, five people were employed for every person on an age pension or benefit. When I leave the work force that ratio will be three for every one. That is typical for every member of this place and fairly typical of the issue now being debated — that is, governments need to plan for the future and superannuation needs to be fully funded if we are to be fiscally prudent and socially responsible. The hallmark of this government's policy — as was its last budget — is fiscal responsibility and social progress.

The bill deals with issues that are important to my constituents and to people of an entire generation looking to a fully funded retirement. The legislation is necessary and appropriate, and has the full support of both sides of the chamber.

A number of people in this debate have wished the bill a speedy passage, and it has been speedily passed through this chamber by people curtailing their comments to short periods of time. I was heartened to see that because it showed their commitment to its speedy passage. Hopefully we will also see a speedy passage of the bill in the Legislative Council, where honourable members will be equally persuaded of its importance. I commend the bill to the house.

**Motion agreed to.**

**Read second time.**

*Remaining stages*

**Passed remaining stages.**

**Sitting suspended 6.28 p.m. until 8.03 p.m.**

**MINERAL RESOURCES DEVELOPMENT  
(FURTHER AMENDMENT) BILL**

*Second reading*

**Debate resumed from 27 September; motion of Ms GARBUTT (Minister for Environment and Conservation).**

**Mr PLOWMAN (Benambra)** — The Mineral Resources Development (Further Amendment) Bill is one of those bills you could take lightly, but in fact if you are a primary producer and you have this resource on your property you will think it is most important that it be dealt with in the way that this bill actually deals with it.

The reason for the bill is to take peat from the ambit of one section of the industry into another. The bill actually takes it away from the mining industry and puts it into the extractive industry. It provides the opportunity for farmers who own the land on which a peat reserve is located to better utilise that reserve and in fact to be in a position where they can negotiate the value of that peat reserve on their land better than they could under a mining situation. Under a mining situation clearly the miner has most of the rights and a landowner is subject to the issues that miners have at their disposal in order to take out an exploration licence, explore and then mine; in this situation the bill transfers it to an extractive industry. In fact, it is very much like extracting gravel. Anyone who owns land from which gravel is extracted knows that a negotiation process occurs between the owner of the property and the body which wishes to extract the gravel. Exactly the same situation arises in the case of peat.

I think there is only one existing licence where peat is being extracted, and that is in the Colac area. There are another four licences under exploration involving quite a big area. I think the area of extraction is around 60 hectares, but I am sure the honourable member for Polwarth will expound on that and give us greater detail as to the existing arrangements.

The opposition does not oppose the bill on the basis that it is sensible legislation. It gives farmers the opportunity to have better control over the peat body that exists on their land. It is interesting that historically peat was used as a source of fuel for heating, and certainly in

Europe and in the United Kingdom it is still used for that purpose. In Australia and Victoria peat is used largely for potting mix and agricultural purposes. It is also used for pharmaceuticals, and I think that is probably the biggest opportunity for peat as a product. There is a great future for the development of this product.

All who are involved with peat on their property and who wish to extract peat will probably have their circumstances improved by this bill.

**Mr Wells** interjected.

**Mr PLOWMAN** — In answer to the honourable member for Wantirna's question, as far as I know there is no peat at Walwa. I know my electorate well, but I know of no peat bodies in that part of the state at all. I treat the question very seriously, but as I understand it most of the extractable peat that exists in Victoria is in that western part of Victoria, largely in the electorate of Polwarth. There are probably other peat areas outside that electorate that the four exploration licences currently under way will be looking for, and maybe under this bill extractive licences will be introduced into some of those areas.

I suggest this will be a growing industry. I fear it is not now because it has limited means at the moment, but as is the case with so many other industries, given the opportunity — I believe this bill gives it that opportunity — the industry may grow. I therefore fully support the government in introducing this bill. As I said, it has the support of the opposition. The honourable member for Polwarth may identify some debatable issues, but fundamentally the opposition supports the bill.

Other areas of peat exist in the state, largely in the high country. There are sphagnum moss beds which are peatbog beds in the high country. A large part of the debate about them concerns whether they are free of the possibility of being burnt out in an extreme fire situation, because when a fire gets into those moss beds they can burn for months and months, which destroys the environment in which they exist, and it would probably take hundreds of years for them to re-create themselves. There are peat beds outside those areas of western Victoria in the high country. They are in significant areas, they are different, and they are certainly not in a position where they could be extracted, nor would we want to extract them. I refer to them purely to point out that these peat beds exist.

This legislation is sensible and would have been introduced by the opposition had it been in government.

Therefore I have no hesitation in supporting the legislation.

**Mr KILGOUR** (Shepparton) — I am pleased to join the debate on the Mineral Resources Development (Further Amendment) Bill. Not only does the National Party support the bill, but I inform the house that when an amendment to the act was last before the house in November 2000 it was the National Party that pointed out an anomaly that needed to be changed in the legislation. At that time I was pleased that the minister gave an undertaking that the government would look at what could be done to solve the existing problem. Some people on the land were concerned about having peat on their properties because peat was treated as a mineral, and someone could come in and extract the peat from the property without the landowner being able to do anything about it. I am pleased that the government has introduced this amendment to the legislation.

The legislation will not mean anything to most Victorians and would seem futile in many people's minds. However, someone who owns a property with peat available for extraction thinks very differently from those who do not understand the situation in Victoria's agricultural areas. Most importantly, the amendment deals with making things right for people who own properties with peat.

The peat industry in this country is different from that in places such as Ireland and England where, as the honourable member for Benambra mentioned, peat is extracted for fuel and is a big industry. It is not a large industry in Victoria. The honourable member for Polwarth will no doubt talk about his own electorate, where peat is an important and growing industry. I am not aware of any peat in the Goulburn Valley or in the Shepparton electorate. The area provides food for the rest of the world and grows peaches, apricots and apples, and of course the dairy industry is the major industry of the Goulburn Valley, which is why it is called the food bowl of Victoria.

Getting away from that, I return to the Polwarth electorate and Colac. The people who own land where peat can be extracted need to be protected. The amendment deals with the extraction of peat. I understand there are only one mining licence and three exploration licences for peat in Victoria. The legislation provides for transitional arrangements to protect the various interests, and no doubt the honourable member for Polwarth will talk about that. The licences are held by a subsidiary of a company known as Biogreen Ltd, which is developing an industry based on peat in the Colac region, is currently marketing and processing

peat, and is constructing a new processing plant. That is good for Colac, and it is good that the resources are able to be used.

The transitional arrangements that are being developed protect the company's existing rights and allow the mining licence to continue and to be renewed, and will allow the exploration licences to be renewed for up to 10 years. These arrangements protect the company's investments but do not allow the company to mine beyond the area covered by its mining licence.

Basically we are saying that we know the company is established and that it can continue to mine the peat in that area, but once it has completed that, if it wants to mine peat in any other areas it has to be done under different arrangements. I understand the Victorian Farmers Federation (VFF) and Biogreen have confirmed their support for the legislation, which will mean that everybody involved is happy.

The amendment defines peat as a stone. Land-holders legally own the material and can demand payment for the material if it is extracted. At the moment, of course, peat is defined as a mineral under the Mineral Resources Development Act. The bill takes peat out of that act and puts it into the Extractive Industries Development Act. That is sensible and is what the people involved want. Because it is defined as a mineral — and we all know that the state owns minerals — peat is currently treated similarly to gold, which means that if there is peat on the land people can stake a claim and can go in and mine the peat. The landowner can do nothing about it, or at least there is no ability to veto that situation. The owner gets no payment for the product. A payment is made to farmers for some use of the land to make sure it is restored, et cetera, but it is important to note that it is a bit like having gold under your property — somebody can come along and stake a claim and mine the gold, just as they can mine the peat.

The amendment takes peat out of the Mineral Resources Development Act and places it under the control of the Extractive Industries Development Act so that it will be treated in the same way as gravel or sand. It is a great advantage for Victorian farmers to be able to sell what is on their property if it can be extracted and used for road making and other things. Many farmers have been able to get through worrying times because they have been able to sell the gravel or sand on their properties.

I understand that the VFF considers peat to be a part of a farmer's agricultural land, as does the National Party. The bill makes it clear that peat is part of a farmer's agricultural land and therefore it is vital that the farmer

controls access to it. If a farmer has peat on his or her land and a company comes along wanting to extract the peat from the land, the farmer is able to say, 'No, this is not what I want'. The farmer is also able to say, 'I would be happy for you to do this, but under these circumstances. We need to come to an arrangement', and the company can do that. If the company finds it profitable to pay the farmer for the peat, for the use of the land and for restoration of the property, then that arrangement can go ahead. It is most important that the farmer controls the land which contains the peat, a right which does not exist at the moment. The farmer can say yes or no to any company that wants to come along and extract the peat.

It is a very good piece of legislation that ensures that the owner of the agricultural land continues to control it. Farmers should always be able to control access to their land so they do not have to give the okay for anybody to come onto it to take gravel, peat or whatever from it.

Once this legislation is passed the material we know as peat will no longer belong to the state as a mineral but will revert to the landowner. Removing peat from the ambit of the Mineral Resources Development Act and placing it under the control of the Extractive Industries Development Act will ensure that landowners will be able to extract peat when and if they require it. Most importantly, no searching for or extraction of peat will be able to take place without the land-holder's consent. So it is not surprising that the Victorian Farmers Federation (VFF) and the National Party want this to happen, and it is not surprising that the opposition is supporting this bill. As I said, when the legislation came before the Parliament in December 2000 the National Party told the Labor government there was a problem that needed to be addressed. I congratulate the minister on ensuring that the commitment the federal government gave was adhered to, and I am pleased to see that this bill is now before the house.

The bill also removes the anomaly which made it extremely difficult to differentiate between peat and soils that have a high organic content. No doubt the honourable member for Polwarth will extol the virtues of the peat in his area. We must understand that it has been very hard for farmers to work out whether their property was earth with high organic content or peat, which was deemed to be a mineral that could have a claim staked on it. It is now clear that all the soils are owned by the landowner, and peat will not be treated as stone or gravel. It is a commonsense piece of legislation. It gives landowners certainty that the land belongs to them and that nobody will be able to extract

gravel, peat or anything else from it unless the landowners wish that to happen.

I very much support the bill, as do other National Party members. It is nice to see it before the house, and I hope it has a speedy passage. I also hope we see industries like those in the electorate of the honourable member for Polwarth continuing to grow. Extracting peat from the soil will ensure the growth of another industry for country Victoria. Country Victorians will see the bill as a good amendment to the legislation. I am sure that VFF members and farmers around Victoria will be happy to know that they control the land they live on and believe they own. The important thing is to keep control in the farmers' hands. I have pleasure in supporting the bill.

**Mr HOWARD** (Ballarat East) — It is my pleasure to speak on the Mineral Resources Development (Further Amendment) Bill. It should be reasonably easy for people to understand. When we were younger we all played the game of animal, vegetable and mineral, and this concept is a variation on that. The bill classifies peat into one of those categories. As we have heard, until now peat has been declared a mineral. But this government has accepted advice, discussed the matter with others and has recognised that peat should no longer be declared a mineral. The issue of whether peat is therefore an animal or vegetable is up for debate.

Who is this Pete we are talking about? Is it perhaps a vegetable? Is it Pete Reith, the federal minister for defence? Is it Pete Costello, the federal Treasurer? No, this Pete — —

**Mr Plowman** — Madam Acting Speaker, this is a most important debate, and I call your attention to the state of the house.

**Quorum formed.**

**Mr HOWARD** — It is good to have so many additional members in the house now, but it is a little bit of a shame that there are not that many opposition members here to learn more about peat. Before the bells were rung, we were discussing the issue of whether a material is animal, vegetable or mineral and determining where peat fits in. This bill determines that peat is no longer a mineral but a vegetable. I have pointed out to the house that peat the vegetable is not Pete Reith or Pete Costello. Instead it is a black material that is found under the ground. It is a form of decomposed vegetation, which if left long enough will become brown coal. But before it gets to the stage of becoming brown coal it is really a type of organic soil. Although no large deposits of peat are found in

Victoria, there are nonetheless some significant deposits, and I will talk about where those deposits are found later.

Peat is found extensively in parts of Europe, normally in colder climates, where it is used for a range of purposes. It is used in the horticultural industry, for soil and for growing mushrooms. Historically, in parts of the Northern Hemisphere it was used as a heat source. Peat was dug out of the ground, dried and eventually used to burn in fires over the winter. In fact, when I went to Ireland I found there were places where you could still see peat being dug out by a spade, turned over each winter, allowed to dry over the summer and then used as a heating fuel.

In Australia peat is not used as a heat source. It is not an ideal heat source because it takes a long time to dry and makes a lot of smoke. Hence many homes where peat was used as a heat source to keep people warm and for cooking quickly became dark and dingy as a result of the smoke produced by the peat.

In Australia peat is used more in the horticultural industry, in farming and extensively to grow mushrooms. For a short period I had the pleasure of working in a mushroom farm developed from a converted dairy where the mushrooms grew well. Mushrooms thrive in the dark, and many stories can be told about mushrooms being likened to certain individuals who thrive in the dark as long as they are provided with plenty of organic matter!

Worms are grown extensively with peat used as a substratum to enable the worms to grow. I can see that there are relationships that we could draw with some members of the Liberal Party. Peat is also put on soil in broadacre farming to enrich it, and newer uses are being developed such as mixing peat with herbicides and insecticides to spread over broadacre farms. It is now also being investigated for use as a filter bed on the edge of landfill sites.

Peat has a range of uses. As we have heard, it was commonsense to take references to peat out of the Mineral Resources Development Act, which recognises that peat is owned by the government as a mineral and is administered under that act.

**The ACTING SPEAKER (Mrs Peulich)** — Order! I am sorry to interrupt the honourable member for Ballarat East, but honourable members wishing to carry on a conversation should leave the chamber.

**Mr HOWARD** — It is now recognised that it is more appropriate to have peat brought under the Extractive Industries Development Act. As we have

heard, the control of the land under which peat is mined is left in the hands of the landowner and the ownership of the peat reverts to the landowner and is no longer in the ownership of the Crown.

A number of issues are raised by removing peat from the Mineral Resources Development Act and placing it in the Extractive Industries Development Act. One of the key issues we need to look at is the effect on economic development in the regional areas of Victoria where peat is mined. Peat is not a significant industry in Victoria and is not mined on a large scale. In fact, it is mined or extracted by one company, Peat Holdings Pty Ltd, a subsidiary of Biogreen Ltd. As I am sure the honourable member for Polwarth will tell us later, the only mining lease in existence is in the Colac–Otway area. Something like 100 square kilometres of land — most of which is in the Colac–Otway area, but about 12 square kilometres is in the Portland area — is reserved for exploration licences.

The government needed to be certain, when moving peat out of the Mineral Resources Development Act into the Extractive Industries Development Act, that it would not unfairly affect Biogreen operating in the field, so it needed to put in place transitional arrangements by which Biogreen maintained its present licences for up to 10 years and continued to have security over its licences. That is entirely appropriate to make sure the company continues to invest in the area over coming years, ensuring new opportunities for the use of peat and that it makes the best of its opportunities for investment. That will not only benefit the company but also ensure there is an economic return and significant value to the people in those areas where it is mined — in the Colac–Otway area and in the Portland area, presuming it is mined.

The bill recognises the value of peat as a regional resource and ensures it will continue to be developed as a mineral resource while returning the ownership to the landowner. Extensive consultation has taken place both with the company involved in the mining and the five landowners. The main landowner and the other landowners are supporters of the bill. The government is well recognised for consulting and working through issues. The Victorian Farmers Federation has been consulted and is satisfied, as are the opposition parties. Consulting is something the government has done well. The minister, in following her commitment to look at the issue, has consulted widely and developed the bill which, we have heard from the opposition, is well supported because it recognises commonsense and the reality of the issue — that peat should never have been declared a mineral because it is not one and should be under the Extractive Industries Development Act. The

bill also recognises that there are issues to follow through such as the transitional arrangements.

Other issues of concern are the environmental impacts of the legislation, but there are none, because in changing the ownership from the Crown to the land-holders no significant change or environmental issues need to be dealt with. Environmental issues under the old act have to be dealt with, and there are no significant changes in those areas. What has happened is that land-holders' rights have increased and they now know that once the licences have concluded they will have full ownership of the land. They can then determine whether they allow the peat on their properties to be harvested, who can harvest it and under what circumstances the harvesting takes place. Those land-holders recognise there is a great opportunity ahead for them. This is commonsense legislation and no doubt other speakers on the bill will raise many other issues of significance relating to it.

As I have said, regional development is something that is significant in the mind of the government and something that I as a regional member am pleased to support. The government works in every area it can to maximise opportunities for regional Victoria, and this bill is another example of that.

Another issue raised about the bill is whether compensation will be payable as a result of the change.

**Mr Plowman** — It is a good word and I am glad you raised it.

**Mr HOWARD** — That is right, many people have stopped me in the street to ask me about compensation issues. I have been pleased to inform those people who have asked me about this significant bill not to worry.

I have been able to tell them, 'Do not worry about the compensation', because the transitional arrangements have been agreed to by Biogreen, the company that is involved in extracting the peat at the moment. It is satisfied with this and therefore those people who have asked me in the street about this matter can be satisfied that it is not going to be an issue.

*Honourable members interjecting.*

**Mr HOWARD** — That is right; I would be very pleased to, but time may not permit me to go into those details.

**An honourable member** interjected.

**Mr HOWARD** — That is right; there is no need to put it in the bill. It is the question that people are asking,

and on legal advice the minister has been totally satisfied that those issues have been addressed through the transition measures that have been put in place. There is therefore no need to put it in the bill. However, some people have also stopped me in the street to ask, 'What about the effects on competition policy?'. Again the bill will have no effect on competition policy.

**Mr Plowman** — On a point of order on relevance, Madam Acting Speaker, the honourable member has talked about compensation, but there is no compensation in the bill; he has talked about transition, but there is no transition in the bill; and the last segment the honourable member talked about is not in the bill either. I would like you to draw him back to the bill.

**The ACTING SPEAKER (Ms Barker)** — Order! I do uphold the point of order and remind the honourable member for Ballarat East to speak on the bill.

**Mr HOWARD** — I am a little bit stunned by the point of order raised by the honourable member for Benambra, because in talking about a bill there are always questions raised about its effects, and I think it is always very important when talking about a bill to satisfy people about the issues that are relevant to it. No doubt in speeches the honourable member for Benambra has made in the past — I will continue to note the speeches he makes in the future, and I will be looking to see how strictly he keeps to the detail of the bill — and I have not bothered — —

*Honourable members interjecting.*

**Mr HOWARD** — I will not in fact be rushing off to read *Hansard* in future to check on that matter.

**The ACTING SPEAKER (Ms Barker)** — Order! The honourable member for Ballarat East, on the bill!

**Mr HOWARD** — With regard to this bill there are a number of significant issues that people who are involved in this area want to know about, and I am pleased to be able to explain those through my speech. As we have also heard, the reality is that not many people in Victoria will be greatly concerned about this bill, but for those who are affected it is an important bill. It is a commonsense bill which this minister has again worked through in a sensible manner with thorough consultation. As we have heard from previous speakers, for that the bill and the minister are due for high praise.

My last word is that we shall hear more about peat as the industry is able to develop as a result of the passing of this bill. I am sure we will hear from the honourable

member for Polwarth about the benefit of this bill to his electorate. We are pleased to assist that electorate, which I travel in regularly for a range of reasons. I am certainly pleased to support this bill.

**Mr MULDER (Polwarth)** — I rise to make some brief comments on the Mineral Resources Development (Further Amendment) Bill. I could also call it the Swan Marsh bill, because this piece of legislation relates to a hamlet in the Polwarth electorate in the Swan Marsh–Pirron Yallock area. For honourable members, Swan Marsh is now one of those tiny townships about which you would say if you blink you are through it and would not know you had been there, but many years ago it would have been a thriving community.

**An Honourable Member** — They are fantastic people.

**Mr MULDER** — They are fantastic, salt-of-the-earth people. You will go through there and still find the original settler families — the McGuanes, the Melvilles, the Carmodys, the Gibsons and the Devines — the same people who originally settled that area. The children and grandchildren have stayed on and have created an enormous sense of community throughout those areas.

To have a piece of legislation in Parliament that deals with an industry that is being developed in the little hamlet of Swan Marsh is very significant, and I must say it is very important to me. It is great to be able to rise to support this legislation and the people who live in that community.

More importantly, as I said, Swan Marsh is in the electorate of Polwarth, which has had tremendous representation over a number of years. The diverse industry that is being developed there is reflective of what is happening in the electorate — and indeed all electorates that have had strong Liberal representation over a long period of time.

The announcement by the company Biogreen of its intention to invest of the order of \$1.2 million in developing the peat mine at Swan Marsh, south-west of Colac, was received with an enormous amount of enthusiasm within the community. No-one understood the potential value of this resource as the basis for developing a tremendous industry to add to the great and diverse number of food processing and agricultural industries that operate through the electorate. To have a peat extraction industry appear on the top of all of that came out of the blue. It was discussed at length before Biogreen decided to pursue the investigative process.

As we now know, this piece of legislation has come about as a result of those investigations.

The bill will change the peat business from a mining operation to an extraction industry. I had several representations from people in Swan Marsh who were initially concerned when Biogreen announced that it was going to commence its operation. Given that the mining industry is controlled by the Crown, people in the community felt that their interests would not be well served, that they had been left out of the negotiating process and that with the mining industry moving in they would have no say in where they stood with their land-holdings.

I was fortunate to have on board the Honourable Philip Davis, the shadow minister for natural resources and energy in another place, whose services I engaged. I asked him to come to Colac to have extensive consultations with the people from Swan Marsh, who had the opportunity to discuss a huge number of concerns. Those concerns were relayed back to government and to the Victorian Farmers Federation. As a result of those strong representations by the Liberal Party, in particular the Honourable Philip Davis — —

**Mr Plowman** — A very good man!

**Mr MULDER** — Yes, he is a very good representative. The people within the Swan Marsh community were very grateful to have access to the shadow minister. I must say that the Labor Party showed a genuine lack of interest in this regard. There was no presence of Labor Party ministers and no consultation with the people from Swan Marsh. All the consultation in that area was undertaken by the Honourable Philip Davis. I believe his representations have had a huge input into this piece of legislation.

The work that has been carried out by Biogreen in this development involves the setting up of a \$400 000 processing plant. You have to appreciate what that means to the people of a small hamlet the size of Swan Marsh. Many of them have been on farms for many years. Because of the margins that are involved, farmers these days are always looking for additional income for their farming enterprises. They all have sons and daughters who are looking to pick up additional work around the area. To have an industry such as this spring up at their doorsteps has made a huge impact on the community, and it will serve them well for a great period of time.

Interestingly the current Labor government promised a piece of infrastructure for a small hamlet adjoining

Swan Marsh. Some \$38 000 has been committed by the government to upgrade the Pirron Yallock railway station, which has been its contribution to that area.

I do not know if honourable members can find it, but I would advise them to drive into Pirron Yallock, turn left, go about 5 kilometres down the road, turn left at the railway line, go past about 3000 jersey cows and about 400 Friesian cows, and turn left behind some — —

**An honourable member** interjected.

**Mr MULDER** — That's one of their names — they all have ear tags. Anyway, the farmers all know the names. When you turn in behind a series of pine trees you will find a dilapidated, run down old pile of rubble on the side of the railway mounting that no train has stopped at for decades. Irrespective of all that, the Labor Party's contribution to that area is to rebuild the Pirron Yallock railway station. The \$47-odd million of infrastructure — —

**The ACTING SPEAKER (Ms Barker)** — Order! The honourable member, on the bill.

**Mr MULDER** — I am talking about the Pirron Yallock–Swan Marsh area. The \$47 million of infrastructure that the government is putting into Victoria, if it were to proceed with the project, could perhaps be used as a siding for the peat mine to transport its product via rail rather than other means. It is there for the opening. The government has decided it is going to spend money at Pirron Yallock — and very well spent it will be too, if anyone can find the station!

It is also interesting to note that out of this development a father-and-son operation has started working with the company involved building pallets to transport the peat. As the operation has continued to grow that family has moved into the old Swan Marsh dairy and cranked up their operations. They have started to employ additional people in the area to build pallets. In the down season, when it cannot extract the peat, that company makes furniture from disused and second-hand timber in the area. It goes to show that if you are prepared to take half a risk, with the smallest amount of initiative getting a business development up in rural or regional Victoria is not all that hard. I point out that operation to a Labor government as a way of saying, 'For heaven's sake, take a few risks!'.

For heaven's sake get out there and out of the committee mode and start to look at some of the industries in rural Victoria that can develop and get up and running. Really start to look at how it can develop from a small beginning such as the peat mining

company had and as all the other industries that are going to start to develop around it have — like that father-and-son pallet manufacturing company, for example, or the transport operator who is starting to cart peat from the site into Melbourne.

**Mr Plowman** — This would have started earlier under the Kennett government.

**Mr MULDER** — It would have. The honourable member for Benambra raised the matter of peat not just at Swan Marsh, the subject is also relevant in the Otways.

**Mr Wilson** interjected.

**Mr MULDER** — We have got to mention the Otways. The Otways always get a mention in my contributions.

**Mr Wilson** — They have got a great local member.

**Mr MULDER** — They have got a great local member, who is always pushing for it.

Fires are always an issue. The area called Murroon between Colac and Deans Marsh has for a number of years had a peat fire that starts every now and again and needs continual monitoring by the local fire brigades

**An Honourable Member** — The Minehans came from Murroon.

**Mr MULDER** — Yes, the Minehans came from Murroon. There are some great people out in the Murroon area. There are peat deposits throughout that area that cause significant problems for the local fire brigades in fire seasons, because however much they try to put the fires out you cannot totally extinguish a peat fire — there is always a smoulder under the pile and a chance of it reigniting.

To give honourable members an idea of the size of the industry, 13 million tonnes are extracted over 377 hectares to a depth of 2 metres. Honourable members have spoken about whether or not peat is a mined or extracted material. It is rotting vegetation.

**An honourable member** interjected.

**Mr MULDER** — I know, there is a bit of it around. It is hard to understand how peat ever ended up under the Mines Act. All farming properties work with rotting vegetation, so bringing the substance under the extractive industries is sensible and is the result of strong representation by the Liberal Party, including me as the local member and the Honourable Philip Davis,

who did an enormous amount of work on the matter. I think the party has served the Swan Marsh area well.

The company initially applied for a 20-year licence. It says there is enough peat in the Swan Marsh area to last 100 years, and it will be able to extract peat from that area for more than 100 years. A matter not yet raised in this debate is that the company plans to expand its operation not only within extraction activities but also in aquaculture and the re-establishment of the wetlands at the site. Honourable members stated earlier in the debate that there is no detriment or advantage to the environment, but I assure you the work the company is looking at has huge advantages both for the environment and for the development of further industries. It is looking at farming yabbies and the types of native and other fish that may be suitable for growing and harvesting in the area.

**Ms Duncan** — Cod?

**Mr MULDER** — Cod? We might bring the odd cod in, we have heaps of cod up there — they are everywhere!

**Mr Plowman** interjected.

**Mr MULDER** — The honourable member for Benambra suggests whisky. We could look at whisky; there are some good drinkers at Pirron Yallock.

The peat is taken out in huge rows down to a depth of about 2.5 metres. That manner of extraction of the peat creates huge gorges and the resulting formations are ideal for water catchment and collection, which creates opportunities to pursue other industries and processes. That is why things like yabby farming and fisheries are being considered. The company has also identified different areas in the Swan Marsh region that it could return to natural wetlands. It needs to be understood that the peat in the area goes back some thousands of years. It would all have been wetlands initially, because it is very low-lying country. It would be an enormous advantage to return some parts of the area to wetlands.

It is great being the member for Polwarth. I have spoken at various times to the Gippsland members and they say, 'What is it about the south-west? We try everything. We work hard in our electorates and we get things up, but gee, you seem to have things happening there all the time. All of a sudden out of the blue you have got a peat extraction industry that came from nowhere. You have got deep-sea fishing, tourism, timber, dairying, beef, sheep, an eel fishing industry running at Lake Colac. You have food processing. You just seem to have the whole lot up there'.

**An honourable member** interjected.

**Mr MULDER** — Well, we have got most things. I say to the local people, ‘What have you got more than anyone else has got? You have had strong Liberal representation for decade after decade’. We do not sit down, we are out there working. Lazy Labor members could take a huge page out of our book and understand what it takes to get an area working. Our federal members out there — the honourable member for Corangamite, Stewart MacArthur, and the honourable member for Wannon, David Hawker — and our state members, including the honourable member for Warrnambool — —

**Mr Maxfield** — On a point of order, Acting Speaker, I am disturbed that the honourable member is misleading the house. We all know that the Liberals have fallen asleep — —

**The ACTING SPEAKER (Ms Barker)** — Order! On the point of order, please.

**Mr Maxfield** — The suggestion that somehow we have been asleep on the job when — —

**The ACTING SPEAKER (Ms Barker)** — Order! I ask the honourable member for Narracan to sit down. There is no point of order.

**Mr MULDER** — There is also our leader, the honourable member for Portland. There is no accident about the south-west of Victoria. I assure honourable members that it is no coincidence. The simple fact of the matter is that the best performing region in Victoria has had strong Liberal representation on a federal and state level for decades. That is why we are where we are today.

**The ACTING SPEAKER (Ms Barker)** — Order! The honourable member for Polwarth, on the bill.

**Ms Lindell** — On a point of order, Acting Speaker, I draw your attention to the lack of relevance of the matters the delusional member for Polwarth is ranting on about.

**The ACTING SPEAKER (Ms Barker)** — Order! I remind the honourable member for Polwarth to speak on the bill.

**Mr MULDER** — All honourable members are interested in the peat extraction industry and the industries that surround it in rural Victoria, including the south-west of Victoria and the Swan Marsh area.

In summing up, can I just say that spin, spin, spin will not be enough for you people. You will have to get out there and work a little bit harder, taking as a great example what is happening in south-west Victoria.

**The ACTING SPEAKER (Ms Barker)** — Order! The honourable member for Polwarth should address his remarks through the Chair.

**Mr MULDER** — I have made an enormous contribution to the debate. The Chair has been more than fair in allowing me to cover a range of issues in relation to Swan Marsh, south-west Victoria and the strong representation by Liberal members in the south-west. On that note, I commend the bill to the house.

**Mr MAXFIELD** (Narracan) — I rise to talk on the Mineral Resources Development (Further Amendment) Bill. I must confess that when I was elected to Parliament in that wonderful election held two years ago, when the people in rural Victoria gave their verdict on what they thought of the Kennett Liberal–National Party administration, I thought I would be speaking on a range of issues. I must confess that at no stage did the thought cross my mind that I would be talking about peat.

However, honourable members are debating a bill that obviously has a great deal of relevance to a section of our community that is involved in the extraction of peat. The extraction of ‘Pete’ is something that many of us have close to our hearts: for example, the extraction of Pete Reith, the federal defence minister, Pete Costello, the federal Treasurer, and of course in Gippsland Pete McGauran, the local federal member, who is affectionately known as ‘Pokie Pete’.

**The ACTING SPEAKER (Ms Barker)** — Order! The honourable member for Narracan, on the bill.

**Mr MAXFIELD** — I thought I was joining a wide-ranging debate on peat. The bill is an example of the fact that the Bracks government does not merely think about the big picture — what is important for the whole of regional Victoria or how Victoria stands in the affairs of Australia or internationally — but is also willing to consider things at the small and local level. In a case such as that addressed by the bill, with peat extraction being undertaken in only one spot, we could have expected the Kennett government to say about the people involved in the industry, ‘They’re of no importance; they’re not relevant; they don’t count’.

However, Victorians can rest assured that the Bracks government is really switched on to the needs of the rural community. At this point I indicate my admiration

for the Minister for Energy and Resources in another place, who has ensured that the bill has come before both houses of Parliament. I work very closely with the minister. She clearly understands the needs not only of the mining industry but also of the rural community and the conflicting demands between them. Whether we extract peat, minerals or stone, it raises a range of issues about the impact of mining and other activities on the community. In my community in Gippsland, coalmining is obviously engaged in. Even there, where there have been coalmines for many years, there is the potential for conflict as open-cut mines have to expand and people with conflicting needs must continue to have their needs met. The government supports the peat industry.

Given that this is the second time I have stood to speak today, it is a disappointment to realise that the opposition has not shown much interest in the operation of this Parliament. Very sadly, members of the opposition are not interested — —

**Mr Wells** — On point of order, Mr Acting Speaker, this is a very narrow bill, providing for peat to be removed from the definition of ‘mineral’. I ask you to bring the honourable member for Narracan back to being relevant to the bill.

**The ACTING SPEAKER (Mr Lupton)** — Order! I uphold the point of order, and I ask the honourable member for Narracan to come back to the bill.

**Mr MAXFIELD** — The bill may be narrow, and it certainly does remind me of the narrow minds opposite.

The government has had discussions and negotiated with the Victorian Farmers Federation, whose members have indicated that they strongly support the removal of peat from the definition of ‘mineral’ under the Mineral Resources Development Act. The bill is fundamentally about that and will improve the government’s ability to deliver necessary services.

*Honourable members interjecting.*

**Mr MAXFIELD** — The interjections are distracting me from making important points in my speech!

**Mr Wilson** — With the Independents charter in mind, Mr Acting Speaker, and given the government’s rhetoric about the importance of Parliament, I draw your attention to the state of the house.

**Quorum formed.**

**Mr MAXFIELD** — It is certainly a pleasure to continue my contribution to this exciting debate about the extraction of the Petes of the world. To recap on what I said before, for those who missed it, this bill is about the extraction of Pete McGauran, Pete Reith and Pete Costello from positions of power.

Peat, which is a material formed by the biological decomposition of vegetable matter, is not a mineral. It is also very similar to soil — which reminds me a lot of the Liberal Party! Schedule 4 of the Mineral Resources Development Act — —

**The ACTING SPEAKER (Mr Lupton)** — Order! The honourable member for Narracan, on the bill.

**Mr MAXFIELD** — The Mineral Resources Development Act defines peat for the purposes of the act as a mineral. That gives ownership of the peat to the Crown and allows the Crown to issue licences to remove that material. This is the heart of the debate. The removal of peat from the definition of ‘mineral’ enables the extraction of peat to go ahead while protecting the needs of all involved.

The bill also goes to the issue of compensation. I noted that at some stage the previous speaker did make some comments about compensation. Certainly it is the view of this government that because of the way this bill protects the rights of existing licence-holders and their future rights there would be no need for compensation under this bill. The bill correctly balances the needs of those who have engaged in mining activities. As we have heard from the honourable member for Polwarth, the reality is that there is only one business involved in peat extraction in the state. However, we have to be mindful that in the future peat might be mined in other areas of the state. There may be a need for companies to engage in such extraction. However, I will not go too far down that track.

The bill provides for transitional arrangements which will have a minor negative impact on competition by precluding market entrants access to land covered by exploration licences for 10 years but which are justified to protect the pre-existing rights of the licence-holders and to support the development of regional industry.

**Mr Wilson** interjected.

**Mr MAXFIELD** — As the honourable member opposite has just mentioned, this is an industry that — probably like many others — has been affected by the goods and services tax. How many small industries like peat extraction have been damaged by the introduction of the GST?

**An Honourable Member** — Roll back the peat!

**Mr Maughan** — On a point of order, Mr Acting Speaker, this is a very narrow debate. The honourable member for Narracan is now canvassing the GST, which has nothing whatever to do with the legislation before the house. I suggest you bring him back to the bill.

**Mr MAXFIELD** — On the point of order, Mr Acting Speaker, the GST is clearly relevant to what I have been speaking about.

**The ACTING SPEAKER (Mr Lupton)** — Order! I uphold the point of order raised by the honourable member for Rodney. I was about to bring the honourable member for Narracan back to the bill. I appreciate that this debate is occurring after the dinner adjournment, and I do not know what has been partaken of outside, but I suggest that the honourable member for Narracan come back to the bill, and that he remember that filibustering is not acceptable in the Parliament.

**Mr MAXFIELD** — I acknowledge that filibustering is not acceptable, and certainly considering that not so long ago the Liberals filibustered until 7.15 in the morning!

I wanted to speak very keenly on the issue of peat extraction. I will follow your ruling, Sir, that I avoid the issue of the sale of peat and related issues, and will restrict myself to the issues around the bill, which are not the sale of the peat but its extraction prior to sale, when GST is applied.

To sum up, this bill was put together by the government as a result of consultation with the relevant parties. It is a hallmark of the Bracks government that we have engaged in strong consultation with the community and with the relevant people on the issue of peat extraction. One of the reasons we were elected was because we made a commitment to consult with the community.

**Mr Maughan** — On a point of order, Mr Acting Speaker, the honourable member for Narracan is again straying very widely from the bill and is talking about why the Bracks government was elected. That has nothing whatever to do with this legislation. I suggest you bring him back to the legislation before the house.

**The ACTING SPEAKER (Mr Lupton)** — Order! I uphold the point of order. The honourable member for Narracan is straining the bonds of friendship with the Chair. I ask him to come back to the bill.

**Mr MAXFIELD** — I acknowledge my tremendous friendship with the Chair — a very good acting Chair — but I feel that the issue of peat extraction dealt with in the bill reflects the government's views, because when you look whom we were elected by, our guiding force, the bill clearly impacts directly on the commitments we made when in opposition and the commitments I made as a candidate to consult with the community and to support small businesses. The honourable member for Polwarth spoke of the importance of small business, and this is the most positive and small-business-friendly government this state has ever seen.

**Ms Asher** — On a point of order, Mr Acting Speaker, on that outrageous claim, I draw your attention to the fact that this is a very narrow bill, which is simply reclassifying the issue of peat for legislative purposes. The honourable member is straying yet again from the bill. I ask you to draw his attention to the purpose of the bill and to rule him out of order.

**The ACTING SPEAKER (Mr Lupton)** — Order! I uphold the point of order and ask the honourable member for Narracan to please try to come back to the bill.

**Mr MAXFIELD** — I will no longer talk on the reasons behind the Bracks government's decision to bring forward this bill in the manner that it has done. This bill supports the peat industry and gives the industry a framework for small business to involve itself in peat extraction. I am proud to be a member of the government that facilitates this great development in rural Victoria.

**The ACTING SPEAKER (Mr Lupton)** — Order! I look forward with a great deal of interest to reading the contribution that the honourable member for Narracan has made to this debate.

**Mr MAUGHAN (Rodney)** — I have listened with a great deal of interest to the contribution made by the honourable member for Narracan. He has wandered all over the place on what is a very narrow piece of legislation. As you have indicated, the bill is very narrow and essentially removes peat from the ambit of the Mineral Resources Development Act and allows it to be treated as stone under the Extractive Industries Development Act. As the honourable member for Shepparton has stated, the National Party supports the legislation. It is also supported by the Victorian Farmers Federation. It is a reasonable bill, but I will make a brief contribution to the debate.

It is Alice in Wonderland stuff! I understand the reasons the changes are being made and I fully support what is to be achieved, but it seems crazy to be calling peat stone so the objectives may be achieved. It is a rather strange way of going around trying to solve the problem. Peat is most certainly not stone, in spite of what government members may say. Words mean whatever you want them to mean, which is essentially what the government is saying. There must be an easier way of getting around it.

Peat is used extensively for fuel in other parts of the world. I have been to Northern Ireland and Scotland and seen peat being mined, dried and used for fuel. I spent the first six years of my life on the Koo Wee Rup swamp. Those who live there will know it is one of the most productive areas of peat soil anywhere in Victoria. It holds one of the largest deposits of peat in Victoria.

I understand the importance of peat and its use in the horticultural industry, particularly for growing mushrooms, for potting and so on. I fully support allowing those who have peat on their properties to mine and sell it in the same way they can mine and sell gravel, sand or other materials.

I will not speak at length because the legislation is narrow. I support it. In November 2000 the government promised an amendment to the legislation when the Mineral Resources Development Act was last amended. At the time the National Party advocated strongly for this change, which is noted in the current second-reading speech. Obviously the National Party supports the changes and commends the government for making the changes to allow those who have peat on their properties to extract it and to get some remuneration from doing so.

But it is all Alice in Wonderland stuff when, so as to achieve that objective, organic material is called stone. It beggars the imagination as to what we can do if we play around with words. Nonetheless, I suppose that is what we often do in this place. I support the bill and wish it a speedy passage.

**Ms ALLAN** (Bendigo East) — I am pleased to be able to join the debate on this narrowly defined bill that amends the Mineral Resources Development Act with specific reference to peat. As the honourable member for Rodney said earlier, the amendments to the legislation mean peat will now be called stone. During my contribution to the debate I will not refer to any federal members of Parliament called Pete. The only Pete I am interested in is my father, Pete.

Earlier the honourable member for Shepparton referred to the previous debate at about this time last year in this place on other changes to the Ministerial Resources Development Act. I am pleased to speak on these amendments, as I did on the previous legislation. However, I assure the house there is less heat in these amendments to the act. I will refer to those later.

There is still community concern about any extractive industry, whether it is to do with gold, minerals or stone, as peat will soon be classified. This important amendment is needed. As the honourable member for Polwarth said earlier, the issue is important for country people, particularly in his electorate, where peat is available for extraction. Community concerns are still held, mostly by country people who live in the areas adjacent to where the minerals or stones are being extracted. We should always be mindful that when making legislation or amending acts there could be community concern about the extraction of resources from all parts of the state.

The bill will amend the definition of peat. It will remove peat from the definition of 'mineral' in the Mineral Resources Development Act 1990 and include it as stone for the purposes of both the Mineral Resources Development Act and the Extractive Industries Development Act 1995.

As the honourable member for Polwarth outlined, the bill affects a number of mining licences that are now held in Victoria, mostly in western Victoria. Clause 6 inserts proposed new schedule 6. The bill sets out arrangements that will apply to the commencement of the act, particularly transitional arrangements where licences for the mining of peat already exist.

**Ms Asher** — On a point of order, Mr Acting Speaker, I have had a state education but I am still capable of reading the explanatory memorandum that the honourable member is now reading out to the house.

**Ms Allan** interjected.

**Ms Asher** — I am saying I am capable of reading as a consequence of it.

**Mr Maxfield** interjected.

**Ms Asher** — The honourable member for Narracan says that is a first! The honourable member for Bendigo East is simply reading out the explanatory memorandum. If she wishes to participate in the debate she should debate the bill and not filibuster by reading the explanatory memorandum.

**The ACTING SPEAKER (Mr Lupton)** — Order! I uphold the point of order. The honourable member should be aware that an honourable member should not just read a speech, and if the honourable member is quoting from the explanatory memorandum she should say so.

**Ms ALLAN** — I was referring to the explanatory memorandum — something I have seen many honourable members do. It is interesting to note that the former shadow Treasurer continues to pick issues and bills that are particularly important for country people to try to make some petty points of order. She continually did it as shadow Treasurer when talking down — —

**The ACTING SPEAKER (Mr Lupton)** — Order! I have ruled on the point of order. I do not appreciate the honourable member for Bendigo East challenging my ruling and the person who took the point of order. I ask the honourable member to return to the bill.

**Mr Nardella** interjected.

**The ACTING SPEAKER (Mr Lupton)** — Order! The honourable member for Melton will cease interjecting.

**Ms ALLAN** — I return to the Mineral Resources Development (Further Amendment) Bill, which is narrow. The explanatory memorandum and the extensive notes made available to government members make it clear that the bill amends current mining licences. That is an important point for the honourable member to have picked up, because it affects current mining licences held throughout Victoria. Specific transitional arrangements should be put in place for the people who hold current mining licences. It is important for that to be noted during the debate.

As has been mentioned by other honourable members during the debate — despite the semantics used by the honourable member for Rodney — it is sensible to take peat from the Mineral Resources Development Act and place it into the Extractive Industries Development Act. The industry and the Victorian Farmers Federation support the measure.

Gold and peat are two very different resources, gold being a mineral that is mined largely in my electorate of Bendigo East and areas of central Victoria, while peat is a very different substance. The legislation covering the mining of gold is vastly different from what is required for the mining of peat, and the passage of the bill means peat will be regarded differently from gold when it comes to extraction; peat will be regarded in the same way as sand or gravel.

A number of issues relating to goldmining were extensively canvassed in the debate this time last year on the amendments to the Mineral Resources Development Act.

Whether we are talking about the mining of gold or the extraction of peat — as this bill does — the Victorian Farmers Federation (VFF) continues to raise issues about the impact of extractive industries on farming land. The honourable member for Rodney and I know the area of Goornong quite well. We are very much aware of the issues regarding the extractive industry there and the concerns of farmers about the impact of mining on their community and the taking up of valuable agricultural land.

The bill will move peat from the Mineral Resources Development Act and the ownership of the Crown — as is also the case with gold — to the ownership of the landowner. That is also something the honourable member for Polwarth spoke about quite extensively.

It is important to note that peat is formed by the decomposition of plant material in a boggy swamp. I first heard of the resource peat when I was watching one of those educational TV shows they make you watch at school. It was about archaeological discoveries, and in particular about a body that had been buried and preserved in peat. So peat certainly has some interesting and strong qualities, such as that of preservation. Indeed, the body that had been discovered in England and had been preserved for many years became known as Pete the Bog Man. That is something interesting to think about when considering the many uses of peat.

A primary use of peat is as potting mix. I am sure many gardeners, if there are any of them in this house, will recognise its value as potting mix, as do many farmers on whose land peat can be found.

The Victorian Farmers Federation is supporting the removal of peat from the MRDA and its transfer to the Extractive Industries Development Act. The VFF has been seeking this change for many years. It believes very strongly that peat should be part of a farmer's agricultural land and therefore should be controlled by the landowner. That goes back to the amendment removing the ownership of peat from the Crown to the landowner.

During the debate on the amendments to the MRDA last year the Minister for Energy and Resources gave a strong commitment that following the review of existing licences and an investigation of the necessary transitional arrangements she would move to have peat

removed from the MRDA and placed under the Extractive Industries Development Act. We have already heard the honourable member for Narracan talking about the wise counsel of this government, and the bill is another example of where the government has consulted, taken the advice on board, talked to members of the community and made what appears to be a sensible amendment which is agreed to by members on all sides of Parliament.

With the passage of this bill any future peat extraction that is not under an existing mining licence — because, as we have already heard, existing peat mining licences will remain under the MRDA — will be controlled under the Extractive Industries Development Act and treated in the same way as the extraction of soil and stone. Such industries also exist in my electorate, as does goldmining. There are a number of quarries at Axedale that mine gravel, sand and granite. It is pertinent to remember at this point that country people live in close proximity to these industries. Whether it be peat extraction, goldmining or quarrying around Axedale, it is important to consider in this and in other debates on amendments to the MRDA that they have within their scope the control and regulation of the mining industry.

There is a now greater understanding in our community of the importance of these industries to the state. Indeed what was the Victorian Chamber of Mines has changed its name — it is now called the Victorian Chamber of Minerals and Energy — to become more reflective of the broadening nature of the industries across country Victoria. That was one of the organisations consulted on this bill.

There is increased activity in this industry. The honourable member for Polwarth talked about the activity in his electorate, particularly around Colac, where this industry is being developed. It is very important to the economic development of that region.

**Mr Wilson** — Out of respect to the honourable member for Bendigo East and her constituents, Mr Acting Speaker, I direct your attention to the state of the house.

**Quorum formed.**

**Ms ALLAN** — I am pleased to see that so many of my colleagues are interested in joining this debate on amendments to the MRDA, and I thank the honourable member for Bennettswood for assisting me in bringing this matter to the attention of our colleagues.

As I was saying, the peat industry has opportunities to increase its activity into the future, and the amendments

in this bill are reflective of that. It is an industry that has great potential in the development of regional Victoria.

As the honourable member for Narracan also outlined — I will not try your patience, Mr Acting Speaker, by going over what the honourable member said about what the government is doing in regional development — the amendments in this bill fit with the government's commitment to a strong economy in all parts of the state, particularly in country Victoria.

A number of people were consulted on the bill following the commitment the minister gave during last year's debate. As I understand it, these included the opposition parties, the Victorian Chamber of Minerals and Energy, representatives of the Victorian Farmers Federation and industry representatives. It is important that as part of the legislative process we consult as widely as we can with as many parts of the community as possible.

Peat is growing in importance as a resource. Apart from potting mix, peat is also used as a soil improver, in herbicides and fertilisers, in growing mushrooms and worms, and as packaging material for flowers. These are all uses across our community, and they are not confined just to country Victoria. Further uses for peat are being developed by the industry. It has great potential to develop into another important industry for regional Victoria.

In conclusion, I reiterate that the definition of 'peat' has been amended in this bill so that it will now come under the Extractive Industries Development Act and will not be classified as a mineral but as a stone. This bill is another example of the government working with the community to implement good, positive legislation for country Victoria.

**Ms LINDELL** (Carrum) — It gives me a great deal of pleasure to follow the contribution of the honourable member for Bendigo East in this debate on the Mineral Resources Development (Further Amendment) Bill. I can assure the house that I will make very pertinent comments on this very narrow bill and will not fall into the bad traits of some of the members before me, especially the honourable member for Polwarth, who strayed far and wide.

The proposals in the bill simply provide for peat to be removed from the coverage of the Mineral Resources Development Act and brought within the ambit of the Extractive Industries Development Act.

The honourable member for Rodney declared that we will now know peat as stone, but those two names do not go together at all because stone is John Stone, and

peat is the Pete the honourable member for Narracan mentioned!

Transitional arrangements have been put in place to protect the future rights of the sole holder of the three existing peat exploration licences — that is Biogreen Ltd — and the one peat mining licence. The mining licence will be continued and renewed as if it were still under the Mineral Resources Development Act, but of course there is a limit of 10 years on the renewal of the exploration licence.

Peat is formed by the biological decomposition of vegetables and is geologically therefore not a mineral but a soil or a stone. However, schedule 4 of the Mineral Resources Development Act defines peat for the purposes of that act as a mineral. That gives ownership of peat to the Crown and allows the Crown to issue licences to remove the material. The amendments will change that, and it is a change that the Victorian Farmers Federation has been arguing for for several years. The VFF has consistently argued that peat should not be a mineral as it is part of the land on which a farmer operates and should therefore be owned and controlled by the landowner.

During the debate last year on amendments to the Mineral Resources Development Act the Minister for Energy and Resources gave a commitment to alter the act — —

**Ms Asher** — On a point of order, Mr Acting Speaker — —

**Ms Allan** — Will this be as good as the last one?

**Ms Asher** — Absolutely; it will be better. I have been carefully observing the honourable member, and for her entire speech — and, Mr Acting Speaker, you can see the time on the clock — she has been reading her speech. It is a long-held tradition of this house that honourable members do not read their speeches. I ask you to draw the honourable member's attention to that.

**The ACTING SPEAKER (Mr Lupton)** — Order! Is the honourable member for Carrum reading her speech?

**Ms LINDELL** — I am not reading my speech. I have several notes in front of me.

**The ACTING SPEAKER (Mr Lupton)** — Order! The honourable member for Carrum has said she is not reading her speech. I draw the honourable member's attention to the standing orders of this house that say that honourable members do not read their speeches.

**Ms LINDELL** — Thank you, Mr Acting Speaker, for your guidance in this matter.

The amendments we are debating tonight have come from an assurance given by the Minister for Energy and Resources to review the status of the existing licences. That review has been completed, the bill is now before the house, and the transitional arrangements have been developed. When the minister gave her assurance she said that the licensees affected would need to be consulted, and that has been done. Biogreen is supportive of the legislation, and the traditional arrangements have been developed to protect Biogreen's existing rights. That will allow the mining licence to be renewed for up to 10 years.

On its surface the bill directly affects farming lands. We have heard extensively from the honourable member for Polwarth about the peat industry in his electorate. I am pleased to have the opportunity to mention the peat deposits in my electorate of Carrum. Honourable members will be familiar with the magnificent Ramsar-listed Edithvale–Seaford wetlands. The wetlands are remnants of the Carrum Carrum lowlands, which once extended from Mordialloc to Frankston. The extremely hardworking and enthusiastic friends of the Edithvale–Seaford wetlands have worked over many years with Melbourne Water to regenerate the wetlands.

In recent times Melbourne Water has worked hard to regenerate another area of wetlands known as the Wadakaladdin Lakes. Throughout this area there are substantial deposits of peat, which caused a degree of concern to my local community several years ago when the ground continued to burn for several days after a brush fire had been extinguished. I can assure honourable members that it was quite a sight driving along in darkness and seeing the ground glowing from the burning peat which is part of the extensive deposits of peat throughout the wetlands.

In concluding my contribution I will recap on the consultation process undertaken by the government. As we have heard from other speakers, the Victorian Farmers Federation is supportive of these proposals, as are local farmers and Biogreen Ltd. All government departments have been consulted and support the proposal. The National and Liberal parties support the proposal. I wish the bill a speedy passage through the house.

**Mr NARDELLA (Melton)** — What does somebody from Melton know about peat? I am here to tell honourable members what I know about peat. They will find my knowledge about peat elucidative.

**Mr Holding** — Tell us twice!

**Mr NARDELLA** — I will tell you only once, because my knowledge is not that extensive. I do not know much about peat, but I know about the bill. The bill is important — —

**Ms Asher** interjected.

**The ACTING SPEAKER (Mr Lupton)** — Order! I cannot wait for this debate to get started!

**Mr NARDELLA** — The bill is important not only for the industry but also for the farmers it affects. The bill has gone through an extensive consultative process. For honourable members on the other side of the house who have gone to private schools, I will explain that. I repeat that the government has gone through an extensive consultative process, which is something honourable members on the other side of the house never did when they were in office. The extensive consultation undertaken by the government in its development of the bill is part of the reason why we are in government. We talked to the farmers and to the companies involved in both the exploration and the development of this industry. We also consulted with the Liberal and National parties, which are also supporting the bill. Unlike the previous Kennett coalition government, the Bracks government undertakes extensive consultation and comes up with excellent legislation, such as the legislation before the house today.

The legislation has embodied within it a number of key elements arising from that consultation, one of which is the transitional arrangements with both Biogreen Ltd and the explorers. It is important to understand that the company involved has a number of rights under its present licence.

Those rights must be protected. It is important for this Parliament to protect not only companies' rights but also people's rights. One of the hallmarks of our government is the protection of rights. This bill ensures that the rights under the licensing agreements that Biogreen Ltd has in place in the south-west Otways area at the moment are maintained for at least another 10 years. That is the term of the licensing arrangements for that company, which employs around 20 people within the region. The company, which deals with peat, is extremely important for the region. The government has listened to the company and the employees, and it is clear that they want to maintain their jobs and position.

After the transitional arrangements expire the company is then able to expand the site it is presently using after having some further negotiations with the surrounding

landowners. This particular company, which has been growing for a short period of time, exports peat and products made from peat outside Australia. The exports include biofilters — and peat is a good biofilter for making sure that seepage from ground water, tips and similar sites is made clean. Biogreen Ltd now has the ability to survive and provide a return to its shareholders, but as a start-up company it took some time to get going.

The Victorian Farmers Federation has been consulted on this bill. Through the VFF, farmers have said to the government that they want to have control of their land. They want to be sure that if they have peat on their land, ravenous companies or explorers will not be able to come in and take over, and that under the legislation they will have the right to negotiate, the right to control of their land and the right to seek compensation for peat that is taken away from their land-holding. That is an important aspect of the bill. We as ordinary people would want compensation if somebody just came in and took over our land or homes if, for example, they were about to be acquired because they were in the middle of a freeway reservation. This bill allows for negotiations to occur before any exploration so that compensation can be given. Importantly, it gives those rights and that authority to the land-holders.

Protecting rights is one of the things the Bracks Labor government believes in — the belief in protecting rights is one of its cornerstones.

**Mr Helper** interjected.

**Mr NARDELLA** — That is right. That is a very good point. This legislation does not require a section 85 amendment.

**Mr Wilson** interjected.

**Mr NARDELLA** — No, quite a number of pieces of legislation do not require section 85 amendments. As the honourable member for Ripon has pointed out, because of the transitional arrangements this bill does not require a section 85 amendment. The Solicitor-General has taken advice in relation to this legislation and has made sure that provided the current licensing arrangements go their full term and do not impinge on the exploration companies and, in Biogreen's case the holding of its operation, there is no necessity for a section 85 amendment. Under the previous government a section 85 amendment would have automatically gone into the legislation and taken away their rights. This government is different — unlike the previous government it listened to the concerns of the VFF and the farmers. I will not touch

on the issue of section 85 amendments for long, because this bill does not have one.

**Mr Wilson** interjected.

**Mr NARDELLA** — It is a very important point — the Bracks Labor government is true to its word, and it was elected on the promise to minimise the number of times section 85 amendments are used. They should only be used when it is important to do so, but it is not necessary in this particular case.

The legislation changes the definition of peat from a mineral to a stone. So under the provisions of the Extractive Industries Development Act, extractive industries or mining explorers can develop the industry safely. That is one of the great things about Parliament, it is about words, about explaining and defining things. Even though in essence peat is a mineral and is organic it is a decomposing material, as the honourable member for Carrum said, and to make sure Parliament protects farmers, landowners and peat extractive industries and explorers a decision has been made to change the definition of peat and to define it as a stone. Even though it is squishy, black and decomposing matter it converts to stone! It is one of the miracles of life. It is important that honourable members understand that under the definitions provision peat will now be defined as a stone.

A number of references have been made about how peat is extracted. Recently I saw a lovely film that was set in Ireland — for the life of me I cannot remember its name — which showed peat being extracted by what seemed like a large cheese cutter. An interesting part of the film was when the people were grabbing it — —

**The ACTING SPEAKER (Mr Lupton)** — Order! The honourable member for Melton should make allowances for Hansard, because the reporter will have great difficulty translating your actions into words.

**Mr NARDELLA** — I will be more descriptive. The peat was being thrown onto a cart. Even though it was like soil and was organic matter, under the legislation it is defined as stone.

**Ms Campbell** interjected.

**Mr NARDELLA** — The minister is correct.

The last thing I want to talk about is the fact that honourable members opposite may not understand that the legislation supports competition.

**Mr Wilson** interjected.

**Mr NARDELLA** — The honourable member for Bennettswood likes competition. The legislation will allow competition between landowners to have exploration and the development of peat on their properties. That is something we have learnt today. The honourable member for Bennettswood supports competition, especially in terms of the legislation before the house today. I support the bill and I know there is a plethora of speakers waiting to speak on it. I urge it a speedy passage through this place.

**Mr DELAHUNTY (Wimmera)** — I am pleased to rise on behalf of my electorate to speak on the Mineral Resources Development (Further Amendment) Bill. I am pleased to follow the honourable member for Melton, who was talking about competition. I am getting worried that the honourable member for Melton is turning over a new leaf.

I do not have much time to cover the points I want to raise. The purpose of the bill is to redefine peat as a stone. It is currently defined under the Mineral Resources Development Act 1990 as a mineral. The state owns minerals so landowners are not paid for the value of the minerals on their extraction, and nor do they have the right of veto. That is a reason why I will support the legislation.

There are a couple of things in the Wimmera area that are important in relation to minerals. The mineral sands development of Basin Minerals proposed for south-west of Horsham needs water. I put it to the government again that it should make sure it supports the Wimmera–Mallee pipeline so that water can be gathered for use in the extractive mineral sands industry. Across the Wimmera enormous exploration is going on looking for mineral sands and other valuable minerals. That has to be done sensitively in relation to land-holders, and to my knowledge that is happening to their advantage.

I refer quickly to the Stawell goldmine. I know the Minister for Energy and Resources in the other place — —

**Ms Campbell** — On a point of order, Deputy Speaker, I draw the honourable member's attention to the narrowness of the bill and ask him to come back to it.

**The DEPUTY SPEAKER** — Order! Having heard the debate and listened to previous contributions, I find there is no point of order.

**Mr DELAHUNTY** — I know if the honourable member for Ripon were representing the area he would be interested in this. The Stawell goldmine needs as

much assistance as does the Bendigo goldmine, and I hope that happens.

In getting back to the bill, by having peat defined as a stone land-holders will legally own the material and can demand payment for the value of the material extracted. I am informed there is only one mining licence and three exploration licences for peat in Victoria. Transitional provisions will protect the various interests.

The National Party has strongly advocated this important change and appreciates the work of the government in bringing it forward. It was promised in November 2000 when the house debated and passed the Mineral Resources Development (Amendment) Act. With those few words I support the bill and its passage through the house.

**Debate interrupted pursuant to sessional orders.**

## ADJOURNMENT

**The DEPUTY SPEAKER** — Order! Under sessional orders the time for the adjournment of the house has arrived. The question is that the house do now adjourn.

### **Eastern Freeway: noise barriers**

**Mr McINTOSH** (Kew) — I raise for the attention of the Minister for Transport noise attenuation fences along the Eastern Freeway. Despite the construction of fences along the freeway, major problems with noise exist. I would love the minister to develop a sane and rational policy for noise attenuation fences with no differentiation between new and existing freeways.

What I ask the minister to do tonight is to immediately instruct Vicroads to take noise level readings along the Eastern Freeway adjacent to my electorate. Fences have been constructed, but many of my constituents believe they have done little or nothing to relieve noise. I can see that a few of my constituents think there has been an improvement, but a problem still persists in my electorate relating to excessive noise levels. I have visited many houses and constituents individually and collectively in Kew, East Kew, Kew Gardens and right through to North Balwyn, and I know there is a real problem with noise.

The problem may not be completely cured by the government, but it can address the problem. One issue that has to be dealt with is the fear of the unknown. Many of the readings that we hear about in the paper are not made public to my constituents. What I think

the minister should do is to immediately order that these readings be taken and to publish them. Where there has been an involvement of the local community, that genuine concern needs to be addressed in a cooperative spirit by the taking of readings and the providing of information as to how they are conducted and the process and procedures adopted. I ask the minister to order those readings and to publish them immediately. My community demands that the fences be seen as well as heard to do the job they were intended to do.

### **Housing: loan schemes**

**Mr JASPER** (Murray Valley) — I bring to the attention of the Minister for Housing concerns relating to the loans provided to home buyers during the 1980s, which have been paid for through that period, into the 1990s and now into the next century, and to a couple of schemes which were introduced at that time. We had the indexed repayment loans scheme and the shared home ownership scheme, as well as another scheme that was introduced by the government at that time. It seemed great when the schemes were originally introduced, because they enabled people on low incomes to purchase a house. The government provided a portion of the price of that house and the other portion was borrowed from another institution. The borrowers were in fact paying off two loans.

While we were going through increases in the prices of housing and other commodities through the 1980s this seemed to be a great scheme, because the price of those houses was going up, but with the collapse in the economy in the late 1980s, then going into the 1990s, many of these people now owe more than the amount of the original loans they took out. I have had a number of representations from people within my electorate who are in a situation where they cannot afford to make the repayments because the schemes impose an increasing payment on them. People have given me information which I have taken to people within the department, who have tried to sort out how the borrowers can get out of these schemes. The difficulty is that the total loan repayments are often more than was paid for the house, including the increases in payments.

Then we see the situation through these schemes where if the house is worth less than what is owing, the borrowers still owe the amount calculated by the department, but if the house is worth more than the loan the department says, 'We would like a bigger share of what funds would be available if the house were sold'.

What I want the minister to do is investigate this issue to try to see whether we can organise some sort of arrangement which will be a fairer scheme and allow fairer repayments for people involved in these loans. They are people on lower incomes and they are having great difficulty meeting the repayments. The responses I have had from the minister to date are just not satisfactory; they have been convoluted answers. The minister says it is being investigated. What we want is a positive response to assist these people. They are in great difficulty and in need of assistance from the government so that they can continue to pay off their loans, pay out the loans or get lower payments and a lower interest rate on the loans.

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

### **Growling grass frog**

**Ms BEATTIE** (Tullamarine) — Can the Minister for Environment and Conservation advise — —

*Honourable members interjecting.*

**The DEPUTY SPEAKER** — Order! Unfortunately I could not hear which minister the honourable member for Tullamarine is addressing her question to because of the noise from the Deputy Leader of the Opposition.

**Ms BEATTIE** — Can the Minister for Environment and Conservation advise what action she will take to protect endangered species in Victoria, particularly the Liberal Party? No, I am sorry, I mean the growling grass frog.

During the election period of 1998 residents of the Gowanbrae housing estate contacted me regarding a proposed AGL substation on the estate. These residents were not informed of this proposed substation when they purchased their blocks of land. The Gowanbrae Residents Action Group was then formed, led by Mr Ravim Narayan. When AGL made a decision not to build at Gowanbrae after much pressure was applied by the Gowanbrae action group, Moreland council, Mr Kelvin Thomson and me, another suitable site was needed. A suitable site was found at Somerton to construct the gas pipeline needed to ensure that Victoria could avoid power shortages during the forthcoming summer. However, this area was found to be the home of the growling grass frog, which was recently listed for protection.

We on this side of the house are committed to working with environmental groups and businesses to gain long-term outcomes for the benefit of all stakeholders. We must not add to the list of endangered species;

anybody who has heard these delightful little growling grass frogs would want to protect them.

The discussions surrounding the protection of the growling grass frogs are a hallmark of the Bracks government's commitment to the consultative method of working with all stakeholders. Indeed, these growling grass frogs, also known as warty-faced frogs, need protection, and we need to work with all the stakeholders to ensure they are protected. The frogs are one of the few species along the Merri Creek that have survived, and we must ensure their long-term survival.

### **Kent Park Primary School**

**Mr LUPTON** (Knox) — I refer the Minister for Education to the provision of classrooms at Kent Park Primary School under the 1-to-25 ratio program.

The school has been after additional classrooms for a considerable period of time, and recently it was advised that they would be forthcoming. The school council expressed concern that the pupils would suffer while the construction work was in progress. It requested the provision of two temporary classrooms to decant, for want of a better word, the children into so they would not be upset by the noise from the work.

In a letter dated 20 August the department wrote back to the school saying:

However, as additional requirements were raised, the department has no option but to reduce the building scope to achieve budget.

What this means, Madam Deputy Speaker, is that the work which was to go on at the school is going to be reduced because the school council dared express concern that the schoolchildren would suffer because of the increased building noise in adjacent rooms. I find it rather strange that in a situation where the government was providing additional classrooms the school is now going to suffer as a result of the parents on the school council trying to move the children to a safer environment.

Another letter dated 12 July includes the following comment:

This arrangement has meant that the scope of works has had to be reduced to ensure the total end cost of the project is contained within available funding levels. Consequently, the second staff work space and store has been removed from the scope.

This means that the school is going to be disadvantaged overall because the school council cares to the extent that it wants an additional couple of classrooms put in

so the schoolchildren can be moved to a safer environment while the building works are going on.

I ask the minister to investigate the matter as I do not believe it is appropriate for these schoolchildren to suffer because of the concerns being expressed by the school council.

### **Wild dogs: control**

**Ms ALLEN** (Benalla) — I raise an issue with the Minister for Environment and Conservation. I want the minister to move quickly to finalise the government's pest management framework in order to cement the Bracks government's significant commitment to this issue in my community and others.

Wild dog kills — and by that I mean the four-legged kind, not some members of the opposition who have been sniffing around my electorate since the day I was elected! — are very distressing for farmers in my electorate, particularly around Mansfield and in the upper north-east and East Gippsland. The kills are senseless and are mere sport for the dogs, and of course there are financial impacts through stock losses.

I have listened to farmers not only in my electorate but also from surrounding electorates who have raised wild dog management issues with me, and I have passed these concerns back to the minister. I also know that the ALP candidate for the federal seat of Indi, Barb Murdoch, who is a fabulous candidate and will be a great federal member for the north-east community, has also raised wild dog issues that affect the communities of the upper north-east — namely, Corryong, Tallangatta, Nariel and others besides.

I recall in past years that the former government did not seem to have any strategic approach to wild dog management. Its approach seemed to be very ad hoc, with very little community involvement. The previous government cut funding for wild dog management and did very little for the communities of north-east Victoria and East Gippsland.

**Mr Perton** interjected.

**The DEPUTY SPEAKER** — Order! The honourable member for Doncaster!

**Ms ALLEN** — I rest my case! The Bracks government has already said that it believes it has a key role to play as a public land manager in relation to wild dog management. This is of course a commitment that the previous government would never give.

I ask the minister to clarify how the Bracks government has made a commitment to being a responsible public land manager and to putting well-developed plans in place for better wild dog control.

**Mr Perton** — On a point of order, Madam Deputy Speaker, the honourable member for Benalla must ask for action. The word she used was 'clarify', which is clearly just the use of an expression.

**The DEPUTY SPEAKER** — Order! I do not uphold the point of order. The honourable member for Benalla, continuing.

**Ms ALLEN** — I have finished. Initially I did say that I wanted the minister to finalise the government's pest management framework.

### **Schools: Gippsland**

**Ms DAVIES** (Gippsland West) — I raise a matter for the Minister for Education. We were all very pleased to hear in the last budget that major works in two secondary schools in my area had received funding approval. There was an announcement of a \$2.9 million grant for Drouin Secondary College for a physical education/staff/administration and arts wing. The college contributed \$600 000 to that project, which is very substantial. There was an allocation of \$2.233 million to Koo Wee Rup Secondary College for a technology, science and library upgrade.

These projects have gone to tender, and all the tenders have been substantially over budget. Both schools have now been told to reduce the scope of their projects. That has been a major difficulty for those schools.

These projects have been in the planning process for a very long time, so it has been a huge disappointment to both communities. At Drouin even deleting the music block will still leave the project \$120 000 over budget, and at Koo Wee Rup the lowest tender is \$407 000 over budget. Deleting the technology facilities, which have been unimproved since the late 1960s, will still leave the project \$100 000 over budget.

I ask the minister to investigate ways of ensuring that all these much-needed facilities can be built. The rise in building costs is out of the schools' hands. I will quote from a letter from one of the schools affected:

It is clear that the tenders have been called at a time and place when building costs are high. Local tradesmen are heavily committed to house building in the south-eastern growth corridor ... Casey is the second-fastest growing area of new housing in Australia —

so the demand is raising prices.

Expectations were raised by the announcement of specific features. The size of the cost overruns is substantial. I ask for the minister's early attention to finding a solution to this very serious issue for both the Drouin and the Koo Wee Rup communities.

### **Fruit bats: control**

**Mrs FYFFE** (Evelyn) — I refer the Minister for Environment and Conservation to comments she made last week about fruit bats and her plans to establish a colony at Ivanhoe. The minister said the orchardists in the Yarra Valley would have no more problems in the future than they have now and that the colony will simply not make a shred of difference.

I ask the minister to stand behind what she said and guarantee that if she moves the fruit bats to Ivanhoe they will cause no additional loss or damage. I also ask that she stand behind her guarantee and compensate the orchardists and vignerons for any additional loss and damage and for the cost of the fruit bat cull that she herself is imposing on them.

### **Ballarat: housing innovations project**

**Mr HOWARD** (Ballarat East) — I refer the Minister for Housing to the social housing innovations project (SHIP) and ask her to take action to ensure that the Ballarat area is well represented in the second round of SHIP proposals.

As background I point out that the Victorian property market is, as all honourable members will be aware, experiencing a significant boom. People trying to purchase or even rent houses are finding that the property market has gone up significantly. That has been a benefit to some people who have properties, but it is making life very difficult for those who are trying to find housing.

The Office of Housing rental report for the March quarter says that in the last year rents have risen in the Ballarat area by 6.9 per cent as compared to a 5.9 per cent rise in the state overall. That is a significant cause for concern. I am regularly approached by people in my electorate who tell me they are having trouble finding housing. They wonder if I can get them into public housing, but for a great many people that is not possible to organise, and certainly not at short notice.

What we are looking for, and it is what the government is looking for in announcing the social housing innovations project, is to get non-government organisations and local government working together to find innovative ways of creating greater stocks of housing that will be available for low-income earners.

There are some great benefits to be gained through the innovative project. I commend the minister for running a round of SHIP developments last year, and I am very pleased that she has recently announced a second round of SHIP funding.

I look forward to her support to ensure that Ballarat is well represented in the next round of funding so that the people in that region will feel more confident about dealing with their housing needs. People who are in great need, including those on low incomes with families to raise, are seeking housing, but trying to find it is very frustrating. They are in difficult circumstances at the moment.

I look forward to support from the minister on this issue.

### **Former Minister for Manufacturing and Industry Development: adviser**

**Mr LEIGH** (Mordialloc) — I draw to the attention of the Minister for Police and Emergency Services a response I received from, in this instance, not the Chief Commissioner of Police, because she did not respond, but from her chief of staff. It concerns the employment by the Honourable David White of one Stephen Conroy during the early 1990s as an adviser. Mr White did not at any stage instruct his adviser to work on state issues; he was down in Senator Ray's offices working on branch-stacking for the Transport Workers Union.

**Ms Campbell** — On a point of order, the matter being raised in the adjournment debate has to relate to action requested of the Minister for Police and Emergency Services. That has not occurred. As you would know, Honourable Deputy Speaker, it is important that during the adjournment debate an honourable member requests action.

**The DEPUTY SPEAKER** — Order! The honourable member has 3 minutes to ask his question, but he can only ask about issues that relate to the minister's current portfolio, not about things that occurred in the portfolio before he was elected.

**Mr LEIGH** — It is about a police investigation into the possible misuse of Victorian taxpayers funds.

The difference between the Victorian police and the federal police is amazing, because on the one hand the federal police have conceded that they are investigating the misuse of Senator Robert Ray's office and the activities that occurred there during — —

**Mr Wynne** — My point of order, Deputy Speaker, goes to the need to call for action, as has been pointed

out by the Minister for Community Services. Up to this point in his contribution the honourable member for Mordialloc has not called for any action of a state nature to be taken on the matter.

**The DEPUTY SPEAKER** — Order! There is no point of order. The honourable member for Mordialloc has asked for action and a police investigation into these matters.

**Mr LEIGH** — Stephen Conroy was paid \$40 000 of taxpayers funds, supposedly to work on behalf of Victorian taxpayers, yet worked on stacking union elections. I have to say it is an absolute misuse —

**Mr Holding** — On a point of order, Honourable Deputy Speaker, my understanding of the standing orders is that not only is it unparliamentary to make a reflection on a member of Parliament of either this or the other house, but it is also against the standing order to make a reflection on any member of any chamber anywhere in Australia. The honourable member for Mordialloc should be asked to desist from impugning the integrity of honourable members of any chamber.

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

**Mr LEIGH** — I am seeking action from the state minister to investigate what is going on because \$40 000 of taxpayers funds —

*Honourable members interjecting.*

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

### **Darebin: community building**

**Mr LEIGHTON** (Preston) — The matter I wish to raise for the Minister for Housing concerns the community building program. The action I am seeking of the minister is her assistance in obtaining the program for the City of Darebin generally and specifically for my electorate of Preston.

In making this call, I wish to draw the minister's attention to two particular areas of social and economic need in my electorate — namely, East Reservoir and East Preston. Both could be described as being of high socioeconomic disadvantage. In the City of Darebin the unemployment rate has tended to be twice the state rate and in some of the areas I am referring to in East Preston and East Reservoir it is probably double that. It has been pointed out that in some areas there are whole streets where nobody has a job, so clearly unemployment is a critical issue in those areas.

Approximately 50 per cent of the people in the City of Darebin were either born overseas or have a parent born overseas. When you consider the loss of a number of traditional industries, such as the textile, clothing and footwear industries, you realise that when those jobs disappear some of the middle-aged workers from non-English-speaking backgrounds are severely disadvantaged in trying to find new employment.

There are a number of other social issues. Our schools have had to fight for their survival. The Kennett government closed the Northland Secondary College for a while. Fortunately, that was ordered to be reopened. It was critical because of the work that is done there, especially with Koori students and homeless students. East Preston and East Reservoir are traditionally large public housing areas, and the increase in property prices is putting further pressure on families in the area. Darebin ranks 66th out of 78 local government areas for the standard of health, yet the Kennett government closed the Preston and Northcote Community Hospital. We have an ageing demographic.

It is too early to be proposing specific programs, but we have to come up with programs that provide a lasting economic and social benefit to the area and empower local communities to determine their own future. I look forward to hearing from the minister and seeking her assistance to provide community building programs for my electorate.

### **Workcover: claims investigators**

**Mr CLARK** (Box Hill) — I raise for the attention of the Minister for Workcover a concern raised with me by an employer about the intention of the Victorian Workcover Authority to change the way that investigators may be selected or assigned to investigate possible fraudulent activity on the part of persons who are making claims against the Workcover authority. I would like the minister to have a further look at this issue. I previously raised it with him by letter and received a reply from the acting minister, but the Workcover authority is intending to persist with changing the practice so that in most circumstances employers will no longer have a say in the selection of an investigator to investigate a claim on the part of an employee which the employer believes may not be justified.

The concern put to me by this employer is that the employer will therefore be assigned out of a central pool an investigator with whom the employer may not have an established working relationship and with whom there is not necessarily any rapport, and the employer will be forced to bear the consequences of the

centrally assigned investigator, who may not do the sort of job that will do justice to the issue that needs to be investigated. I understand that the Workcover authority believes the change is necessary because of the potential for a conflict of interest in the way investigators are selected by employers, or undesirable practices, and it wants to achieve independence and impartiality on the part of the investigators.

However, I think in practice the problem will be that the employer and the investigator will not necessarily have a good working relationship, and that is fundamental to the effective investigation of potential fraud. I need hardly say that the potential for fraud in the Workcover system is something of concern not only to employers and the authority but also to genuinely injured employees because fraudulent practice is contrary to the interests of all those parties.

Under the model that the Workcover authority is putting forward, the investigators will not be answerable to the employer, so the questions are: to whom are they answerable; will that party have an adequate interest in the issue; and will they be able to push the investigators effectively? Even if those questions can be answered in the affirmative, there will be a lack of rapport with the employer that will remain a problem.

I believe the Workcover authority's decision has not been based on a proper analysis of the respective roles and interests of the parties in the system. Ultimately it is the employer that pays the bills, either directly or through changes to premiums, and employers should have a big say in the selection of investigators, although the authority certainly has an interest in ensuring quality.

**The DEPUTY SPEAKER** — Order! The honourable member for Melton has 20 seconds.

### **Eppalock Circuit: residential unit**

**Mr NARDELLA** (Melton) — The action I request the Minister for Community Services to take is to have a house-warming barbecue for the families and neighbours of the Eppalock Circuit community residential unit in Caroline Springs. Early this year the Department of Human Services bought a house, and I seek that barbecue.

**The DEPUTY SPEAKER** — Order! The time for raising matters on the adjournment has now expired.

### **Responses**

**Mr HAERMEYER** (Minister for Police and Emergency Services) — The honourable member for Mordialloc raised for my attention a matter that has already been dismissed by Victoria Police. He comes in here again and asks me to now somehow direct Victoria Police to waste resources in investigating some sleazy allegations that he has made without any foundation whatsoever. I suggest that perhaps the honourable member for Mordialloc use his time in this place, particularly the adjournment debate, more constructively.

**Mr Leigh** — The point of order I make, Madam Deputy Speaker, is that Mr Bob Kernohan, a member of the ALP for many years, is the person who has made all the allegations.

**The DEPUTY SPEAKER** — Order! There is no point of order, and the Chair will not tolerate honourable members making points in debate as points of order.

**Mr HAERMEYER** — I suggest he use the adjournment debate to raise matters that are of some interest to his constituency, rather than coming in here trying to pour buckets on people in a very sleazy and disreputable way. This is the least credible member of this house, and I have to say I am not going to ask Victoria Police to waste any more resources than have already been wasted on investigating his ludicrous allegations. All I can say to the honourable member for Mordialloc is: fat chance!

**Ms PIKE** (Minister for Housing) — The honourable member for Murray Valley raised for my attention the issue of a number of his constituents who have home loans.

**Mr Holding** interjected.

**The DEPUTY SPEAKER** — Order! The honourable member is out of his seat. I ask him to be quiet.

**Ms PIKE** — A number of borrowers and consumer groups have expressed concern about various home loan products. We are sitting down with the community and working towards fair and practical responses for these difficult and complex issues. A group comprising the Victorian Borrowers Association, the mortgage review task force and the Consumer Law Centre has been putting together a package which is financially responsible, which will address some of the significant hardships experienced by existing home loan borrowers and which will provide many such people with a

genuine prospect of home ownership. I hope to be able to release the details of that package shortly. In the meantime individual borrowers do meet with Office of Housing staff to discuss their particular circumstances and situations. This has resulted in some positive outcomes for borrowers where the director has the legal capacity to address their circumstances.

The honourable member for Ballarat East has rightly identified the increased demand for affordable housing in his community. That demand is being driven by increasing prices in the rental sector. The government is also working very hard to address the issue of housing affordability and to increase the amount of affordable housing that is available right across the state. That is why this government allocated nearly \$100 million of additional resources over and above the commonwealth–state housing agreement.

The second funding tranche of \$15 million has been advertised recently, and we are hoping that people in areas like Ballarat and right across the state from community groups, the private sector and local government will come forward with ideas for innovative joint-venture housing proposals. In the first tranche these projects have provided a lot of terrific examples of the way we can provide secure and affordable housing through partnerships. This form of housing is important for inclusiveness and social cohesion, so I encourage the honourable member to work with his community to ensure that there are some high-quality project proposals for the second round of funding.

Finally, the honourable member for Preston raised with me the possibility of his community being included in the Bracks government's community building program. He identified the fact that some communities have experienced and have been negatively affected by rapid economic and social change. There are some communities that have been left behind. Places like East Reservoir and East Preston need a redoubling of efforts from both the government and the community to ensure that the people in those communities have every hope and opportunity to grow, to develop and to lead productive lives.

In this context it is important that we work hard to rebuild social capital. The community building initiative has identified 10 pilot project areas across the state. I am pleased to advise the honourable member that Darebin is one such area because of its high ranking in social and economic disadvantage. That project area is looking forward to working closely with local community members so that they can develop a bottom-up, innovative program that will use

government and community resources in an effective way to make a real difference to that community.

**Mr CAMERON** (Minister for Workcover) — The honourable member for Box Hill raised a matter concerning Workcover inspectors and the way they are appointed to deal with the issue of fraud in the Workcover scheme. Clearly all honest people, whether employers or employees, have an interest in the scheme operating without fraud. One of the concerns raised related to the rapport between the inspector and the employer. Normally police do not have an ongoing rapport with those who have been offended against, but since this is a decision made by the authority I will refer his concerns to it.

**Ms GARBUTT** (Minister for Environment and Conservation) — The honourable member for Tullamarine raised with me the issue of the growling grass frog. Doubtless honourable members will be aware of the pioneering legislation that was introduced by the previous Labor government, the Flora and Fauna Guarantee Act 1988, which was quite visionary in its time and put in place a strong legal framework for the protection of biodiversity, particularly for endangered species. Since that time 141 plant species, 128 animal species and 23 ecological communities have been listed as rare and/or endangered. The Bracks government is committed to that act and will implement it vigorously.

One of the species I recently listed for protection is the growling grass frog to which the honourable member referred. This government is committed to its protection. Honourable members will also be aware of the construction of a gas pipeline at Somerton that is under way to ensure that we can avoid power shortages during the peak summer period. In the light of that project I am happy to advise the house of an initiative to further protect that endangered species. The proponent of the Somerton gas pipeline, AGL, has generously agreed to direct \$100 000 into a trust fund that will protect and enhance the habitat of the growling grass frog in the Merri Creek corridor.

The Bracks government will be working with local conservation groups, particularly the Friends of Merri Creek and the Merri Creek Management Committee, to ensure the habitat of the growling grass frog is protected by incorporating it within a new regional park along the Merri Creek. That path will be a great boost for the people throughout Melbourne's north who will gain great benefit in recreation and open space, and it will also protect that important habitat of the growling grass frog.

In response to that very generous contribution by AGL the government also agreed to speed up the development of an action statement for the growling grass frog. Action statements are required under the Flora and Fauna Guarantee Act. We believe this is welcome news. We will be working with AGL and local conservation groups to ensure that the pipeline is properly rehabilitated and the growling grass frog is properly protected with its habitat in the regional park. The government believes this is very good news.

The honourable member for Evelyn raised with me the relocation trial of the grey-headed flying foxes. She commented that I had said it would not make a shred of difference to orchardists in her electorate. I am happy to repeat that: it will make absolutely no difference there. The flying fox, as I have explained previously, has a range of 40 kilometres from the Royal Botanic Gardens. That is how far they fly each night to forage for food. They are already there, as the honourable member for Evelyn has already pointed out, so it will make absolutely no difference. They will still be able to fly that distance.

I am happy to hear the alarmist comments of the honourable member because the feedback I have had from the Victorian Farmers Federation, which is interested in the issue, is that it is not much of an issue among the orchardists out there. My office has already approached the VFF and discussed the existing problems; we have been told they are limited. That is quite a contrast to the rather alarmist views and scaremongering that the honourable member for Evelyn is currently indulging in.

We will continue to monitor the problem. I am very happy to involve the VFF in doing that and in assisting farmers, which we are already doing. I take this opportunity to say it is disappointing to hear the honourable member for Evelyn again using this sort of issue to scaremonger in her own electorate. It will do absolutely no good for her region and will undermine the area's growth and that particular activity. The opposition is again engaging in this sort of scaremongering for its own political purposes. It is absolutely disgraceful.

The honourable member for Benalla raised with me the issue of wild dogs.

**Mr Perton** — On a point of order, Madam Deputy Speaker, on the question of relevance — —

**Ms Campbell** interjected.

**Mr Perton** — On the question of relevance, had the minister been listening, the honourable member for Evelyn — —

**Ms Campbell** interjected.

**Mr Perton** — Relevance is not the basis for a point of order? We have never noticed it in your answers, have we, Minister? What did the Minister for Community Services get in her rating last Saturday? A big fail!

**The DEPUTY SPEAKER** — Order! The honourable member for Doncaster will address his comments to the Chair, without interruption from the Minister for Community Services.

**Mr Perton** — The honourable member for Evelyn, in her call for action from the minister, clearly asked the minister to give a guarantee that the statement she made is correct. If the guarantee fails and she is incorrect, will she provide funding to the farmers of the Yarra Valley for both the cull and loss through damage? The minister has not addressed herself to that call for action, and she needs to do so to be relevant in her response on the adjournment matter.

**The DEPUTY SPEAKER** — Order! There is no point of order. The minister is entitled to respond in the manner that suits her.

**Ms GARBUTT** — The wild dog problem affects a number of communities but is quite localised — that is, the upper north-east, parts of East Gippsland, around Mansfield and some parts of the Yarra Ranges. It is a distressing issue for the farmers involved. I can understand the emotion and concern it causes.

What did the former government deliver for wild dog management? One thing it did was to cut funding by \$250 000. It delivered reduced funding for wild dog management in Victoria, and it delivered a sloppy, ad hoc and non-strategic approach to the handling of the program and to determining priorities for funding. You could say the former government turned its back on wild dog management in Victoria and let down regional communities. The first thing I had to do was put back \$250 000 into wild dog control funding. I had to fill a black hole created by the former government.

**Mr Plowman** interjected.

**The DEPUTY SPEAKER** — Order! The honourable member for Benambra is out of his seat. I ask him to stop behaving in such a disorderly manner. He will resume his seat and be quiet.

**Ms GARBUTT** — The first thing I had to do was fill the black hole left by the former government. I had to put in \$250 000 that the former government ripped out when it turned its back on regional Victoria.

**Mr Plowman** interjected.

**Ms GARBUTT** — We put that back into the budget for the reduction of wild dogs. We had to put that back because you absolutely neglected the toenails!

*Honourable members interjecting.*

**The DEPUTY SPEAKER** — Order! I ask opposition members to restrain themselves, particularly the honourable members for Benambra and Doncaster, so we can allow the adjournment debate to proceed and be completed.

**Ms GARBUTT** — In addition to \$250 000 put back into the program to fill the black hole that the previous government left I recently announced additional funding of \$100 000 by Parks Victoria to support the Department of Natural Resources and Environment's wild dog program on Parks Victoria land. That was the second action. That funding will be directed specifically at trainee dogman activities — —

**Mr Plowman** interjected.

**The DEPUTY SPEAKER** — Order! The honourable member for Benambra is being disorderly.

**Ms GARBUTT** — It will involve doing a trial poison bait program in two parts in the north-east. The third action that had to be taken was to inject in this year's budget \$100 000 for four years, commencing this year, for additional support for land managers to undertake wild dog programs. That additional funding will be targeted at stock protection work in priority areas in the north-east including funding support for doggers, electric fencing grants and equipment upgrades for the doggers.

In addition, we are developing a strategy for wild dog control with community involvement through the weed and pest animal framework. We have had many submissions on this issue, and we will ensure the views of stakeholders are taken on board as we finalise that framework.

To run through quickly what we have done: another \$250 000 to fill the black hole left by the former government; another \$100 000 from Parks Victoria; and \$400 000 over four years from the Department of Natural Resources and Environment in addition to the regular funding. In addition we will have a strategic

framework to ensure the priorities are correct and we get the best value for the money put in. The Bracks government certainly understands the distress as well as the economic impact of wild dogs and the problems they cause for farming families. It is taking that into account and is taking action.

**Ms CAMPBELL** (Minister for Community Services) — The honourable member for Melton raised a serious issue about a number of residents who were opposed to a house being purchased in Eppalock Circuit, Caroline Springs, by the Department of Human Services for people with disabilities. Unfortunately a small — and, if I might say, rather sad — minority group was quite vocal about not wanting people with disabilities to be living in their environment. That is a reflection of past history — of decades of negative views of people with disabilities — that has no place in the 21st century.

I am pleased to inform the house that in contrast to that small and sad minority group that opposed the house being used for people with disabilities a strong group of people spoke up for them, including the Caroline Springs residents action group; the developer, Delfin, and particularly Lynne Josephs, who was visionary in her advocacy for people with disabilities living in an inclusive community; the Department of Human Services (DHS); and the honourable member for Melton. They have all worked to ensure that people with disabilities have the same rights as anybody here and that they are able to live wherever they choose.

To the residents of the DHS house in Eppalock Circuit I am pleased to say that if it is their wish we will certainly have a house-warming party, a barbecue or something else of their choice. We want to make sure the residents know that their families are welcome in Eppalock Circuit. We want to make sure that those residents, who will be there for the long term, know that this is their home, that their neighbours know where they live and know they are welcome to pop in for a cup of coffee, and that a general community spirit is built around Eppalock Circuit. The other component in this is the need to ensure that staff know that the sentiments towards the residents are always welcoming.

I am delighted to be able to say to the honourable member for Melton that as a result of the visionary approach of the Caroline Springs residents association, Delfin and the Department of Human Services staff — and, of course, the honourable member himself — I will be only too happy to assist in facilitating that house-warming party.

To conclude, when any one of us purchases a house in a neighbourhood, vigilante groups are not formed to attack our purchase. It is important that people with disabilities are welcomed into their communities, just like anybody else who buys a house.

The honourable member for Kew raised a matter for the attention of the Minister for Transport concerning noise measures along the freeway.

The honourable member for Knox raised a matter for the Minister for Education about the Kent Park Primary School and classrooms.

The honourable member for Gippsland West raised a matter for the Minister for Education regarding the Drouin Secondary College and the Koo Wee Rup Secondary College.

I shall refer those matters to the relevant ministers for their attention.

**The DEPUTY SPEAKER** — Order! The house stands adjourned.

**House adjourned 10.55 p.m.**

