

**PARLIAMENT OF VICTORIA**

**PARLIAMENTARY DEBATES  
(HANSARD)**

**LEGISLATIVE ASSEMBLY**

**FIFTY-FOURTH PARLIAMENT**

**FIRST SESSION**

**31 May 2001**

**(extract from Book 6)**

**Internet: [www.parliament.vic.gov.au/downloadhansard](http://www.parliament.vic.gov.au/downloadhansard)**

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**FIFTY-FOURTH PARLIAMENT — FIRST SESSION**

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Andrianopoulos, Mr Alex	Mill Park	ALP	Lim, Mr Hong Muy	Clayton	ALP
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Bracks, Mr Stephen Phillip	Williamstown	ALP	MacLellan, Mr Robert Roy Cameron	Pakenham	LP
Brumby, Mr John Mansfield	Broadmeadows	ALP	McNamara, Mr Patrick John <sup>3</sup>	Benalla	NP
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Carli, Mr Carlo	Coburg	ALP	Mildenhall, Mr Bruce Allan	Footscray	ALP
Clark, Mr Robert William	Box Hill	LP	Mulder, Mr Terence Wynn	Polwarth	LP
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Languiller, Mr Telmo	Sunshine	ALP	Wilson, Mr Ronald Charles	Bennettswood	LP
Leigh, Mr Geoffrey Graeme	Mordialloc	LP	Wynne, Mr Richard William	Richmond	ALP

<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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## Thursday, 31 May 2001

The **SPEAKER** (Hon. Alex Andrianopoulos) took the chair at 9.36 a.m. and read the prayer.

### BUSINESS OF THE HOUSE

#### Photographing of proceedings

The **SPEAKER** — Order! I advise the house that I have given permission to the Centenary of Federation Committee's official photographer to take still photographs of proceedings this morning. No additional lighting will be used.

### DISTINGUISHED VISITOR

The **SPEAKER** — Order! It gives me great pleasure to welcome to the public gallery a former Premier of Victoria, the Honourable Joan Kirner.

### PETITIONS

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

#### Women's Petition

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

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

that women desire a just and inclusive nation in which the voices of all its people and its many cultures are heard and respected;

that it is an inalienable right of all women to participate fully and equally in shaping our nation and have their contribution valued;

that we acknowledge and respect Australia's indigenous peoples' spiritual connection with and custodianship of the land and its waters. We recognise past hurt and we will work together to achieve justice and equity.

Your petitioners therefore pray that the government delivers for and with Victorian women and communities:

equal representation of women in all areas and levels of decision making;

a plan ensuring safety for women and children in the home, workplace and the community;

economic independence and security for all women, genuine equal pay for equal work, fair and family-friendly working conditions and access to quality child care;

high-quality, lifelong and affordable education relevant to the diverse needs of all girls and women;

an accessible, well-funded, community-based public health network which includes specific services for women and girls;

environmental sustainability to improve and protect the quality of our air, land and water;

presentations of women in the media and advertising which are positive and non-exploitative; and

a society where caring and unpaid work are valued and shared.

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

By Mrs **MADDIGAN** (Essendon) (41 487 signatures)

#### Roads: Wyndham

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 and, in particular residents of the Wyndham municipality, sheweth that there are a number of dangerously neglected roads in Wyndham that are in urgent need of repair and upgrade.

Your petitioners therefore pray that:

- (1) the state government and Vicroads classify the following roads as declared main roads consistent with the role and function performed by these roads as principal regional links between Werribee and the surrounding urban fringe areas of metropolitan Melbourne: Dohertys Road, Sayers Road, Palmers Road, Old Geelong Road and Aviation Road;
- (2) the state government allocate funds within the next two financial years to upgrade or commence the upgrade of the following roads: Dohertys Road, Sayers Road, Palmers Road, Leakes Road, Edgars Road, Bulban Road (realignment), Old Geelong Road and Aviation Road.

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

By Ms **GILLETT** (Werribee) (198 signatures)

Laid on table.

Ordered that petition presented by honourable member for Essendon be considered next day on motion of Mrs **MADDIGAN** (Essendon).

### PLANNING: MINISTERIAL INTERVENTION

#### Statement

Mr **THWAITES** (Minister for Planning) — By leave, I move:

That there be presented to this house a statement on ministerial intervention in planning matters pursuant to the Planning and Environment Act 1987, the Victorian Civil and Administrative Tribunal Act 1998 and the Heritage Act 1995.

**Motion agreed to.**

**Mr THWAITES (Minister for Planning) presented documents in compliance with foregoing order.**

**Laid on table.**

## LAW REFORM COMMITTEE

### Legal services in rural and regional Victoria

**Mr THOMPSON (Sandringham) presented report, together with appendices and minutes of evidence.**

**Laid on table.**

**Ordered that report and appendices be printed.**

### Theatres Act

**Mr THOMPSON (Sandringham) presented report, together with appendices and minutes of evidence.**

**Laid on table.**

**Ordered that report and appendices be printed.**

## SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

### Parliament: privacy code

**Mr CARLI (Coburg) presented report on interim code for members, together with appendices.**

**Laid on table**

**Ordered to be printed.**

## PAPERS

**Laid on table by Clerk:**

Statutory Rules under the following Acts:

- Evidence Act 1958 — SR No 42
- Fisheries Act 1995 — SR No 43
- Mental Health Act 1986 — SR No 45
- Psychologists Registration Act 2000 — SR No 46
- Road Safety Act 1986 — SR No 47
- Wildlife Act 1975 — SR No 44

*Subordinate Legislation Act 1994* — Ministers' exemption certificates in relation to Statutory Rules Nos 43, 45, 46.

## MEMBERS STATEMENTS

### Women's Petition

**Ms BURKE (Pahran)** — Today the women of this state have tabled their 2001 petition to the Victorian Parliament. In 1891, 30 000 Victorian women tabled the Great Petition of 1891 and demanded that women be given the right to vote. It took 19 private member's bills for that to be achieved and now we have a better Parliament because of it.

This is also the International Year of Volunteers. Throughout Australia's history women have been the largest number of volunteers, a tradition highlighted during the war years, when women took over the work of males who had enlisted and were serving overseas. They ran farms, drove buses and trucks, worked on assembly lines and supplied goods for people during the war. Today the nation is more enlightened about the capacity of women and the work they do.

The reality of life is that the vast majority of small businesses are run by women. Our future lies in the community having the ability to share family responsibilities so women can juggle two jobs, as so many do: one at home nurturing the family and one in their employment each day. I congratulate women of the past on what they achieved for us, and it is good to see that 100 years later the women of this state are still passionate about women's issues.

I would like to see more women at all three levels of government and the judiciary, and to have the appropriate support structures for them.

### Women's Petition

**Mrs MADDIGAN (Essendon)** — The Women's Petition of 2001 is a vastly different document from the 1891 petition. It is a symbol of our modern multicultural society that the petition could be accessed in a number of ways, including downloading it from the Internet. It was also available in 14 languages apart from English.

The petition was supported by 73 out of the 78 councils and shires in Victoria — I will not name those that did not participate — and on this occasion it could be signed not only by women but also men. Young women were particularly encouraged to participate not only in the process of signing the petition but to be involved in the formulation of the petition so that the aspirations of young women are taken into account not only by the community but also by this Parliament.

I congratulate particularly Cr Julie Hopkins and June Dugina from my local council area of Moonee Valley, who were very active in the Women's Petition — in fact, I think they held the first forum in the state. They should be congratulated very much on their efforts.

I particularly congratulate and acknowledge all the young women — there are some representatives of them here today — who took part in the preparation of the petition. I believe under the current Labor government in this state we can look forward to the implementation of the petition's aims in the near future.

### **Preschools: funding**

**Mr MAUGHAN** (Rodney) — I call on the government to provide a significant injection of additional funding for Victoria's ailing preschool education sector. Preschool teachers are paid 25 per cent less than similarly trained primary school teachers, have no career structure and no administrative support, and are employed by voluntary committees of management that change each year. Is it any wonder that teachers who can are giving up in sheer frustration and moving across to the primary school sector where they receive a significant increase in pay, increased job security, additional administrative support and an established career structure?

If Parliament is serious about reducing the level of drug and alcohol abuse among young people, the amount of mindless vandalism and unacceptable antisocial behaviour and the appalling levels of youth suicide, we need to get our priorities right and provide the very best preschool education that money can buy. That means attracting and then retaining the best and brightest young people into preschool education.

It is about time this government, which has now been in place for 18 months, stopped talking, stopped the empty rhetoric that it cares about preschool education, acknowledged that the first five or six years of a child's life are critically important to the child's development, and started delivering by providing urgently needed additional funding for the preschool sector.

### **Women's Petition**

**Ms DELAHUNTY** (Minister for Education) — Honourable Speaker, we look forward to the day when the National Party has a woman in Parliament who can speak on the next Women's Petition!

As we celebrate Australia's 100 birthday as a nation, how appropriate it is that today we accept in this Parliament a petition for women by women. A hundred

years ago there were no women in this place. In fact, 100 years ago women did not have the vote in this state.

This petition mirrors and commemorates the great petition of 1891, where, without emails, without faxes and without mobile phones, women walked from house to house to gather signatures on a petition demanding the right to vote. Over 100 years later this petition presents to the Parliament contemporary issues which women of Victoria feel passionately about and which women of Victoria expect their parliamentarians to do something about.

One particular issue of concern has been represented most eloquently by the young women who signed this petition, particularly Marian College student Leanne Grima, who said in her statement to the Women Shaping the Nation event held in this place:

We seek the Parliament's support that women be portrayed authentically as real women, towards the aim that body image does not remain an integral criteria of a woman's self and social worth.

**The SPEAKER** — Order! The minister's time has expired.

### **Women's Petition**

**Mrs ELLIOTT** (Mooroolbark) — The aspirations of the 41 487 women who signed the petition in this year of the centenary of Federation do not differ significantly from those of the 30 000 women who signed the petition at the time of the founding of our nation.

Women want access to education, health care and housing and to security and opportunity for their families. They want their voices to be heard when decisions are being made. They do not want to be debarred because of their gender from holding any public office or from entering any profession or trade. They want affordable and quality child care so they can balance the competing demands of public and private life.

Women today live longer than ever before and most have healthy lives, but some do not. These women must be enabled to participate fully in life with all its opportunities and challenges.

The women who went before — the pioneers, the exemplars, the teachers, the nurses, the office workers, the farmers, the mothers, the daughters, the painters, the singers, the actors, the dancers, and those who fought for the vote for women — left a legacy from which those of us who have the privilege of serving in this Parliament have benefited greatly.

We have an obligation to encourage the young women who follow us to take up in ever greater numbers the challenge of public life.

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

### **Women's Petition**

**Ms GARBUTT** (Minister for Environment and Conservation) — The Women's Petition is a significant reminder to all of us that Australian men and women have played a significant part in the creation of this country. One of the great differences between 1901 and 2001 is the position of women in our community life and in particular in our political life.

It was a long battle to get women the vote and to get women into the Parliament; I will outline a few of the steps taken along the way. One hundred years ago women did not have the vote. Victorian women were given the right to vote in Victorian elections in 1908. Today, eight women ministers have signed the petition presented to the Parliament — that is, eight women ministers out of a total of 18 ministers. The first woman to sign the petition presented today was an Aboriginal woman, Joy Murphy Wandin. Those facts illustrate how far women have come in Victoria.

Even though women were able to vote from 1908, they were not able to vote for another woman. It was not until 1924 that women were able to seek election to the Victorian Parliament. The first woman to be elected was Lady Millie Peacock, who became a member of this house following a by-election in 1933.

Between 1933 and 1979 no more than two women were ever members of the Legislative Assembly at the one time. No woman was elected to the Legislative Council until 1979.

**The SPEAKER** — Order! The minister's time has expired.

### **Southern Family Life Service Association**

**Mr THOMPSON** (Sandringham) — I raise a concern on behalf of the middle south area of Melbourne as a result of the defunding of the School Focused Youth Service in the region that served 77 schools and 64 community agencies.

That service, whose focus was on youth suicide prevention and working with young people, had formerly received funding of \$120 000 over a three-year period. As a consequence of the non-renewal

of funding for the project, its caseworker will no longer be able to be engaged by Southern Family Life.

I also raise a concern about the crisis in family support in Victoria and in particular in the cities of Bayside, Kingston and Glen Eira as a consequence of the lack of resourcing for the middle south region. Southern Family Life Service Association is a community agency that works very well and has a high level of synergy with the local community and local service clubs. It achieves a higher level of output than many other agencies in Victoria through voluntary fundraising endeavours and trust fund donations, which enable it to have a strong outreach.

Southern Family Life had to turn away 107 families eligible for state-funded family support services due to complex life circumstances and their low income base. The pressure on families, staff and the community has risen to difficult levels, according to Southern Family Life and its very capable executive director, Jo Cavanagh.

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

### **Women's Petition**

**Ms BARKER** (Oakleigh) — I record my thanks to the many thousands of women who participated in the Women's Petition tabled in Parliament today. It is a great achievement in both participation and recognition of the issues and thoughts of the women of Victoria in this important year of the centenary of Federation. Its 41 487 signatures are a great achievement.

I was pleased that two councils in my area participated — Stonnington and Glen Eira — but equally disappointed that Monash council did not. However, I was able to attend the Stonnington workshop, a great forum where issues were discussed and developed.

A significant contribution was made by women in the south-east towards this important petition, which is particularly pleasing. I refer to the contribution of the women in the Dandenong area, who collected 7000 signatures — a magnificent achievement. The Reverend Janet Turpie-Johnstone, a Gunditjmara woman, was the first to sign in that community. Janet Cox coordinated 35 hard-working women to collect signatures at shopping centres, a task they took on readily because of the significance of the petition. I thank them.

I particularly pay tribute to the young women from Killester College in Springvale and Dandenong High

School, who made a significant contribution to the collection of signatures for the petition. I say the following to the young women from those schools who worked so hard. You are our future. Work hard towards equal representation of women in all areas and levels of decision making in the future. I hope many of you, in fact all of you, will one day stand in this place and be able to state that what you worked for has been achieved.

### Drysdale: public toilet

**Mr SPRY** (Bellarine) — I introduce a change of pace from the Women's Petition, to which several of my constituents have contributed through my office. I rise instead on behalf of 10 000 residents of Drysdale, Clifton Springs and transit visitors through that area, who for more than 10 years have suffered the severe discomfort and inconvenience of there being no public toilet within reasonable access to public transport, the taxi rank and the main street of Drysdale.

A resident, John Murray, a former councillor of the City of Bendigo, is a regular public transport user and is leading the charge, but so far to no avail. He realises this is strictly a local government issue but has expressed his frustration with the fact that since the old facility was demolished 10 years ago no action has been taken to provide comfort to those seeking relief, especially young children and some older people in the community who simply cannot wait. He asked me to intervene in search of a solution.

I have spoken to the mayor, Cr Stretch Kontelj. The town is not in his ward but I know he is concerned, as is the new ward councillor. It is all a matter of dollars and priorities. For the most basic and fundamental of reasons this should surely be the no 1 priority. I will be writing to service organisations in the town to see if they will take it on. The government can assist through a community support fund allocation, or indirectly through Vicroads — —

**The SPEAKER** — Order! The honourable member's time has expired. The honourable member for Bendigo East has 30 seconds.

### Women's Petition

**Ms ALLAN** (Bendigo East) — I am pleased to join with my female colleagues to celebrate the signing of the Women's Petition as part of the centenary of Federation. As happened 100 years ago, women from country Victoria have enthusiastically embraced the petition, with many thousands signing it and many others participating in the workshops. I had the honour

to join with the local indigenous elder, Brenda Kerr, in being the first to sign the petition in Bendigo. The opportunity to do so came as a result of the women in the 1890s working so hard to get 30 000 women to sign the earlier petition to force the right to vote for women in state and federal elections.

**The SPEAKER** — Order! The honourable member's time has expired. The time set down for members statements has also expired.

### APPROPRIATION (2001/2002) BILL

#### Second reading

**Debate resumed from 15 May; motion of Mr BRUMBY (Treasurer).**

**Ms ASHER** (Brighton) — The women of Victoria in 1901 would, if they could, look fondly on this chamber today on seeing the number of women present. I know I should not refer to the gallery, but they would see a female former Premier sitting there and a female Deputy Leader of the Opposition giving the lead response on the government's major economic document. Women have travelled a long way in recent times.

As I read the budget I was reminded, oddly enough, of St Augustine's prayer: Lord, give me chastity — but not yet. The Premier and the Treasurer have crafted a modern version of the prayer: give me tax cuts — but not yet; give me infrastructure — but not yet; give me fast rail projects — —

**Opposition Members** — But not yet!

**Ms ASHER** — Give me a train to Mildura — —

**Opposition Members** — But not yet!

**Ms ASHER** — Give me reopened rail lines to the Independents' electorates — —

**Opposition Members** — But not yet!

**Ms ASHER** — Give me reduced debt — —

**Opposition Members** — But not yet!

**Ms ASHER** — Give me reduced unfunded superannuation liabilities — —

**Opposition Members** — But not yet!

**Ms ASHER** — The only things immediately delivered in this budget are a massive boost to increased recurrent expenditure and a lot of press

releases. It is most important to look at what the budget actually delivers. The government has immediately embraced a high-spending, high-taxing policy in the grand Australian Labor Party tradition. According to some measures of economic accountability this budget will be in deficit next year.

It is more important to note what the budget does not do. It does not improve Victoria's competitiveness or embark on an immediate program of capital works expenditure and delivery of projects. It does not announce major projects or advance Victoria's position. There is nothing for individual Victorians or Victorian households in the budget. More importantly, it signals the end of Victoria's economic ascendancy as a state.

I turn now to the issue of the high-spending, high-taxing Bracks government in the grand tradition of the Cain and Kirner governments — its Labor predecessors. It is important to look at the government's expenditure levels starting with last year's budget. In it the Labor government made the decision not only to fund its election promises at a cost of \$426 million but also to allocate an additional \$211 million on what it termed priorities. The Premier, then also the Treasurer, handed over the Treasury portfolio to the present Treasurer, and once he assumed that role Victoria had the Brumby blow-out.

The Brumby blow-out was revealed in the 2000–01 budget update where, in addition to the \$426 million of election promises and the \$211 million of priorities announced in the 2000–01 budget, we found further expenditure to what had been announced in the original budget. The government calls them initiatives, not blow-outs.

The net impact of the so-called initiatives was \$198 million in 2000–01 for the part year, with an average impact of an additional \$290 million per annum. The impact in 2001–02 will be \$264 million. The most notable of the blow-outs was the \$27.4 million per annum for Workcover. Obviously that has been allocated to reimburse government departments for expenditure on Workcover and to reimburse non-government organisations for their additional Workcover expenditure, mainly in the welfare area. The total cost over four years is \$109.6 million. Also of note in the Brumby blow-out was \$560 million of expenditure over four years for the nurses and teachers union agreements net of wage contingency.

In 2001–02 the additional cost to the taxpayers of the deal with the teachers union for salary increases as a pay-off for supporting the government at the last

election, net of wage contingency, is \$43.2 million. For 2001–02 the cost to the taxpayers of the nurses' union deal, net of wage contingency, is \$96.2 million. We saw a significant blow-out of expenditure around budget update time, on top of the large amounts of additional expenditure announced in the 2000–01 budget.

What has the government done in this budget? In 2001–02 it has announced, on top of all that expenditure, an additional \$226 million for so-called initiatives. That will blow out to \$301 million by 2004–05, according to the budget papers. On top of that, another \$78 million has been funded through what the government calls reprioritisation of its resources.

The Treasurer's claim to the business community is that this budget is a modest increase. That may well be the case, but the problem for the government is that the increase — that is, the \$226 million — is on the back of significant additional expenditure in 2000–01.

It would have been reasonable to have the government fund its election promises. I remind the house that those election promises were costed at \$426 million. However, in its first budget the government abandoned its savings target — much trumpeted through Access Economics. Honourable members will recall that in the run-up to the last election the government had its policies costed by Access Economics and said it would incur no further expenditure blow-outs and that that was its blueprint for government. It is interesting that the government announced significant increases in expenditure and abandoned the savings targets outlined in the Access Economics document.

In particular, the opposition is concerned about future expenditure blow-outs for public sector pay rises and conditions. According to the last departmental annual reports, an additional 2000 public servants have been appointed. We await with interest the tabling of the reports this year to track how many additional public servants have been appointed.

Similarly, a number of public sector unions representing the police, kindergarten teachers and health workers are in line for obtaining pay increases. I have already outlined to the house the volume of additional expenditure on pay increases in the health and education sectors. It is reasonable to expect that the police and others — health workers, perhaps kindergarten teachers — will also receive pay rises of that dimension. If that is the case, there is a threat to the government's budget. If one looks at employee entitlements as a proportion of state revenue, one sees that last year employee entitlements were 34 per cent of

state revenue. That figure has blown out to 37 per cent in the current budget.

Some expenditure incurred by the ALP is self-inflicted. Its own policy decisions in one area are forcing up expenditure in others — for example, in Workcover — as I have already detailed to the house. Another example is the \$4 million provided to the racing industry to compensate for the increase in the gaming machine levy. At the moment the government has the money to fund the additional expenditure; it collected \$1 billion more in taxes than it had budgeted to receive, and has spent it.

However, the government has received a warning about its level of expenditure. I refer to the *Report of the Auditor-General on the Finances of the State of Victoria, 1999–2000*, dated November 2000 and tabled in this house. The Auditor-General has already cautioned the government about its level of expenditure. The government will trumpet that the Auditor-General has signed off — which was the campaign terminology — on the budget, but in fact the Auditor-General said that it was not an audit and made comments about the assumptions of the budget. The report drew attention to the fact that the government's expenditure was in excess of gross state product. At page 28 of the report the Auditor-General states:

However, the rate of increase in state expenditures has exceeded the increase in the gross state product.

He goes on to say:

... it will be important for the government to monitor future trends in expenditure to ensure that the state's financial strength is maintained.

The Auditor-General has already cautioned the government on its level of expenditure.

To illustrate the high-spending nature of the Bracks government's program so far, I turn to its first budget last year up to the end of the forward estimates period. Taking 2001 until 2004–05, if the total additional recurrent spending is factored in, plus Growing Victoria, minus the tax cuts outlined by the Treasurer — in other words, if you look at a no-policy-change surplus over the period from the election of the Bracks government until the end of its forward estimates period in 2004–05, you see that Victoria has \$10.1 billion available.

The policy choice made by the Bracks government is primarily to spend that \$10.1 billion. It has either spent or allocated to spend \$6.2 billion of that \$10.1 billion; it has spent \$5.1 billion on recurrent expenditure and

\$1.1 billion has been allocated to its Growing Victoria capital top-up fund.

On the other hand, tax cuts amount to only \$774 million. The Treasurer quite frequently trumpets, 'We are going to bring in \$774 million of tax cuts'. He has written down that he will do that and they are in the forward estimates. What he needs to do is compare his level of expenditure with that aggregated tax cut of \$774 million in the same period as \$6.2 billion of increased expenditure. In percentage terms, of the \$10.1 billion available to government, 62 per cent has been allocated to spending whereas only 8 per cent has been allocated to tax cuts.

Those figures show the government's priorities on spending, and they also have some dangerous ramifications for the fact that when another state makes major cuts — as, for example, New South Wales did in this week's budget announcement — the Bracks government has little room to move because it has either spent the money or allocated it to be spent. The government's priority is high recurrent expenditure.

The key questions for Victorians at the time of the next election will be: what have we got for all this spending? Will services be better for \$6.2 billion additional expenditure? Will hospital emergency departments eliminate ambulance bypass? Will waiting lists be reduced? Will we feel safer on our streets and in our homes? Will students be better educated? Will they be more literate? Will they be more numerate? Will our social services be better? For all of this spending will we see a result at the time of the next election? Those are the key issues the government will have to justify.

There are several significant causes of concern in the budget. The government itself has identified a number of risks. It has clearly identified an international risk, and in particular the state of the economy of the United States of America. In terms of the national economy, if a downturn is experienced there will be ramifications for Victoria.

The government has again quite rightly highlighted the issue of population, which is a key economic indicator. Its projections for net interstate gains are 2000 persons per annum, which is below the increase of the past two years.

The government has identified several risks to its budget. As it did last year, it has again included a sensitivity analysis, which has somewhat more sophistication this year. The most telling figure in the analysis is that if average weekly earnings increase by 1 per cent the budget surplus will be reduced by

\$135 million. The government is well aware of the risks and of the sensitivity. However, on a number of accounting measures we see that unfortunately Victoria may well be facing a deficit this financial year.

I draw the attention of honourable members to table D.1 at page 294 of budget paper 2, the bottom line of which indicates that the government finance statistics (GFS) net lending/borrowing requirements for 2000–01 are \$606 million, but buried on this page is a figure showing the government indicates a \$423 million deficit for 2000–01. It is extraordinary that the government would embark on this level of expenditure given that the budget papers are saying the budget will be in deficit.

Of more significance is table D.7 on page 300, the cash flow statement for government, which again shows a massive turnaround in cash terms. In 2000–01 a \$1.2 billion cash surplus will be turned around to a \$22 million deficit in 2001–02. Therefore, the Treasurer's claim that he intends to reduce net debt is absurd. On his own accounts the GFS figures that the Australian Bureau of Statistics use to compare state budgets, and to compare commonwealth budgets with state budgets, indicate that his claims must be false. Both the cash and accrual tables show a deficit. Unless the Treasurer is a magician he cannot run a deficit and reduce net debt simultaneously.

I turn now to the commentary on the Treasurer's first budget and the government's second budget. The commentary in the *Australian Financial Review*, the leading financial paper in Victoria, was not as adulatory as those of other newspapers commenting on the government's spending. I quote from the editorial in the *Australian Financial Review* of 16 May, which under the heading 'Bracks budget disappointing' made the following observations:

The Bracks government's second budget is a disappointing document. The Victorian general government sector is about to be pushed back into cash deficit, and that deficit is projected to rise to almost \$300 million in 2002–03.

The principal reason for the deterioration of the cash budget is the growth of recurrent spending.

It is as if this government has learnt nothing from the Cain–Kirner experience. The editorial goes on to say that the budget:

... does reflect a disappointing lack of fiscal discipline from this new Labor government.

... the Victorian government must also be careful not to erode the state's competitive position against other states. Victoria has to a large extent shaken off its 'rust bowl' image, but its future growth will depend on its ability to attract the

investment of new industries and to build on its historical strength as a leading business centre.

... as the Kennett government demonstrated, one of the most effective contributions a government can make to the competitiveness of its state is fiscal discipline.

A business that is about to sink a large amount of money into a plant is concerned not just about the initial rates of taxation, but also needs to be confident that business taxes will not rise in the future to support government spending.

This is the fundamental problem with the budget. It is a high-expenditure budget. It shows no fiscal discipline, despite the Treasurer's claims to the contrary, and it does not send a message to business that Victoria wishes to remain competitive. Indeed, the budget sends a message to business that if the government has a choice between high recurrent expenditure and tax cuts, it will choose high recurrent expenditure every time. That is the fundamental problem with the budget.

The government has collected a billion dollars extra in tax this year, and I now turn to the so-called tax package, which frankly is a mirage.

The Treasurer promised a complete overhaul of the Victorian tax system. He wished to be the great reformer. Earlier this year he said Victoria would have the greatest tax reform ever. Then the Harvey report was made, but the government could not dump it quickly enough. Before the budget there was a great fanfare about the Treasurer's \$774 million in reduced taxation, but the last budget contained nothing about tax cuts, and this budget has only \$100 million in tax cuts. In terms of Victoria's competitiveness that is not enough.

I turn to the issue of payroll tax. The government has announced two payroll tax cuts: in 2001 it cut it from 5.75 per cent to 5.45 per cent.

*Honourable members interjecting.*

**The ACTING SPEAKER (Ms Davies)** — Order! The opposition benches are preventing the shadow Treasurer from being heard.

**Ms ASHER** — The government announced a second tax cut from 2003 from 5.45 per cent to 5.35 per cent. However, the government has also increased payroll tax. It has removed what it calls a number of concessions. It has increased payroll tax on fringe benefits — and I am sure the Treasurer's football club will talk to him about that! It has increased payroll tax on eligible termination payments and on accrued leave. From its payroll tax increases in this budget the government plans to collect an additional \$73.4 million this year and more in the out year.

I compare that with the Kennett government, which reduced payroll tax from 7 per cent to 5.75 per cent over three budgets — that is, a rate cut of 1.25 per cent compared with the ALP's rate cut of 0.4 per cent. Most significantly, when the Kennett government announced a payroll tax cut in a budget the cuts started immediately. It did not legislate for payroll tax cuts to take effect years down the track, it actually legislated at the time. It delivered at the time and did not defer as the Bracks government is doing.

The cuts in payroll tax under the Kennett government were larger than the announced payroll tax cuts under this government. The Kennett government made savings in payroll tax of \$600 million over three years compared with the ALP's savings over three years of \$437 million.

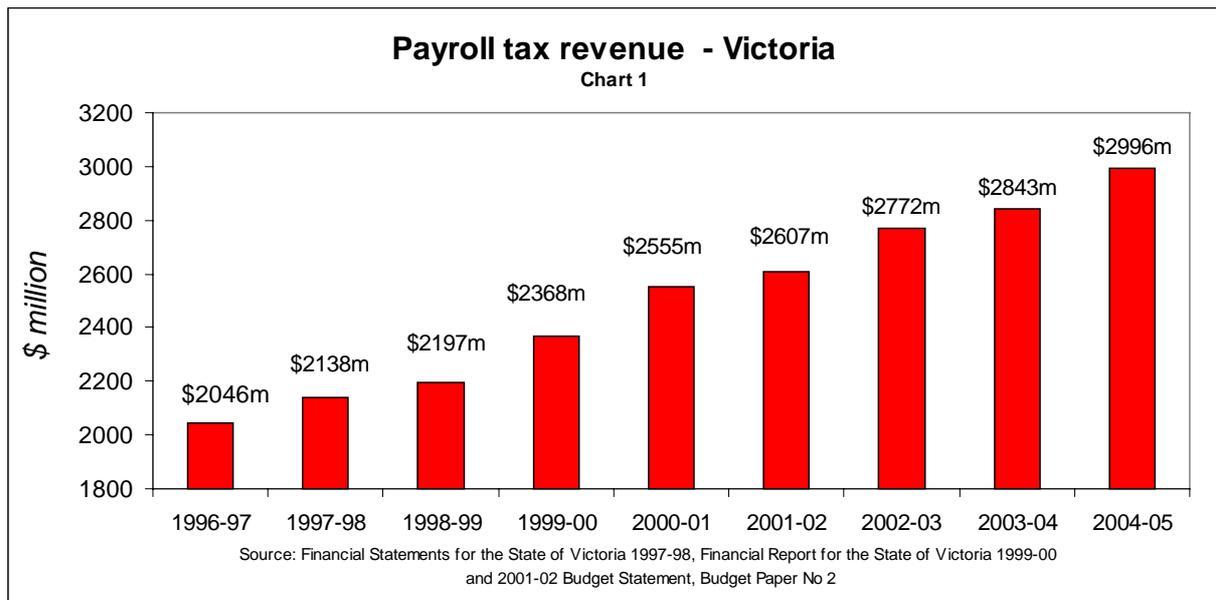
**Mr Brumby** — On a point of order, Acting Speaker. I am having difficulty with the audio system, and I wonder whether the attendants could check to see whether it is working.

**The ACTING SPEAKER (Ms Davies)** — Order! There is no point of order but perhaps the attendants could check the audio system. If that takes a couple of minutes, the house will have to wait.

**Ms ASHER** — The Kennett government introduced a saving to Victorian businesses of \$600 million over three years in payroll tax cuts compared with the ALP's \$437 million of savings over three years. The ALP has announced that it will increase the payroll tax threshold from \$515 000 to \$550 000 — but not until 1 July 2003.

Meanwhile, more and more businesses will be dragged into the payroll tax net. Indeed, payroll tax collections are forecast to go up substantially. This year they are forecast to go up by some \$52 million, from \$2.5 billion in 2000–01 to \$2.6 billion in 2001–02. By leave, I seek to incorporate chart 1 in *Hansard*.

*Leave granted; chart 1 as follows:*



**Ms ASHER** — Chart 1 shows the increases in payroll tax revenue in Victoria from 1996–97, during the time of the Kennett government, through to the end of the forward estimates period in 2004–05. We can see the enormous growth in payroll tax revenues, which this government is making very little attempt to claw back.

Payroll tax revenues started at \$2 billion in 1996–97 and will grow to almost \$3 billion by 2004–05. It is not a tax cut — it is a significant revenue collection increase in payroll tax, which is an area in which Victoria needs to be more competitive.

The Harvey report flagged a flat land tax rate of 2.89 per cent. Although the Labor government has temporarily ruled that out, the Labor Party does not have a good track record on land tax. I remind honourable members that the Cain–Kirner government levied land tax on family homes. Former Premier Joan Kirner made two land tax collections in the space of 15 months.

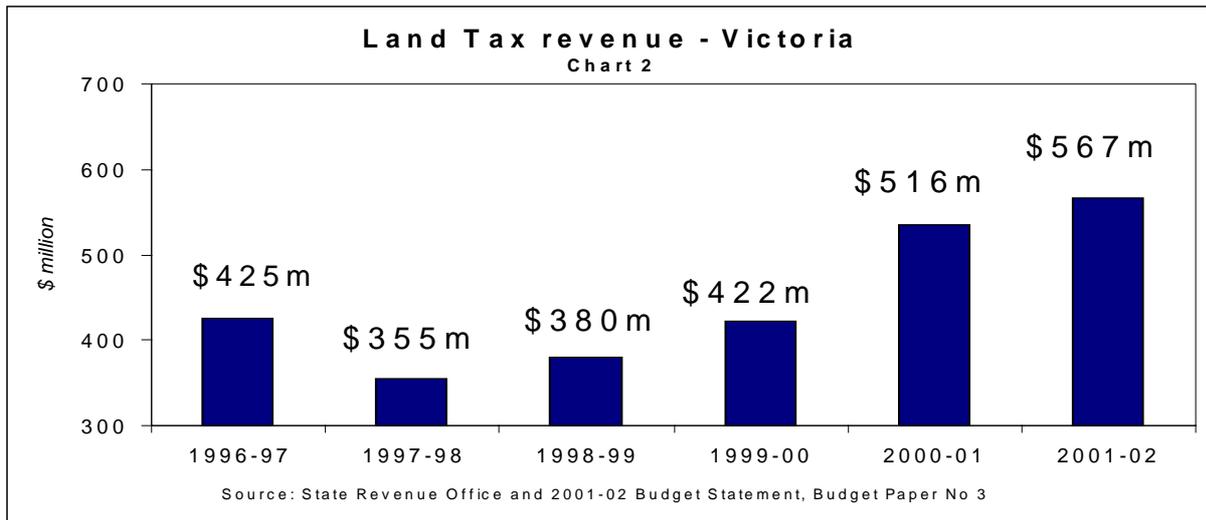
I do not trust the Labor Party on tax, in particular land tax. The Labor Party has raised the threshold for land tax collections from \$85 000 to \$125 000 and the minimum level of tax from \$85 to \$125. Indeed, a very small amount of revenue is forgone. The Labor Party is

prepared to forgo only \$5 million per annum in raising the threshold. This year there were 43 000 new land tax payers, and that figure will offset the government's claim that there will be 46 000 fewer land tax payers next year.

In 2002 we will also see revaluations of property and new equalisation factors and the government will

increase its revenue from land tax in a similar fashion to its increased revenue from payroll tax. By leave I seek to incorporate in *Hansard* chart 2, which sets out land tax revenue.

*Leave granted; chart 2 as follows:*



**Ms ASHER** — Chart 2 sets out land tax collection in Victoria. It is instructive to note that in 1996–97 the Kennett government introduced significant land tax reform. It removed the family home from the taxable base and brought in an eight-tiered system as opposed to the three-tiered system that existed previously. As a direct result of the land tax reform by the Kennett government we saw an immediate drop in land tax revenue collections by the state. Land tax collections dropped from \$425 million to \$355 million and the 1998–99 land tax collections of \$380 million were still below the 1996–97 level.

Since the election of the Bracks Labor government land tax revenues have ballooned, and by 2001–02 the government expects to collect \$567 million from land tax. In terms of making the Victorian taxation regime competitive, this government is content to collect vastly increased revenues from payroll tax and land tax.

I turn to the issue of stamp duty. The high-jump bar was raised considerably by the recommendation of the Harvey report, which was that \$1 billion — that is, the total quantum — of business stamp duties in this state should be abolished. That was the starting point and would have been tax reform. However, what we got in this budget was abolition of stamp duty on non-residential leases from 26 April at a total cost to government of \$41 million.

We started off with the idea of abolishing \$1 billion of stamp duties, but in this budget we got a reduction of \$41 million. We also have promises from the government that from 2003 it will abolish stamp duty on unquoted marketable securities at a cost to it in forgone revenue of only \$10.5 million, and that in 2004 it will abolish stamp duty on mortgages at a cost of \$122 million. The largest stamp duty cut, the one worth most in revenue forgone, is the one that is being left until 2004. It is an enormous contrast — the expectation was of a \$1 billion stamp duty cut but it has ended up in this budget — I am not interested in the forward estimates at the moment — to be a cut of only \$41 million. That is not enough to make Victoria competitive.

The extraordinary feature of the so-called Better Business Taxes package is the government's claim that it is responsible for the abolition of financial institutions duty and the tax on quoted marketable securities. The government claimed in its taxpayer-funded newspaper advertisements and elsewhere that five business taxes would be abolished in its package. Unfortunately for it, two of the taxes — financial institutions duty and the tax on quoted marketable securities — are to be abolished by the commonwealth from 1 July as part of the commonwealth–state intergovernmental agreement that is known colloquially as the GST package.

It is instructive to note the difference in quantum: in this budget year of 2001–02 alone the commonwealth has contributed tax cuts of \$547.6 million compared with the ALP’s contribution of \$100 million. It was the height of audacity for the ALP to claim credit for the abolition of these two taxes, which abolition contributes far more to Victoria’s competitiveness than the ALP’s package of a tax cut of \$100 million in this budget. If Victoria wishes to pursue the analogy of commonwealth tax cuts, the commonwealth is contributing tax cuts in Victoria of \$1.8 billion over three years compared with the state government’s \$774 million. It is clear that the commonwealth’s contribution to the abolition of taxes in Victoria, and therefore its contribution to making Victoria more competitive, is far greater than anything the Bracks Labor government has chosen to do.

I turn briefly to taxes on gambling in this state, because we heard a lot about this prior to the last election. In

particular I refer to the ALP’s policy on gambling revenues. In its Responsible Gaming policy, which was released prior to the last election, a paragraph headed ‘Dependence on the gambling dollar’ states:

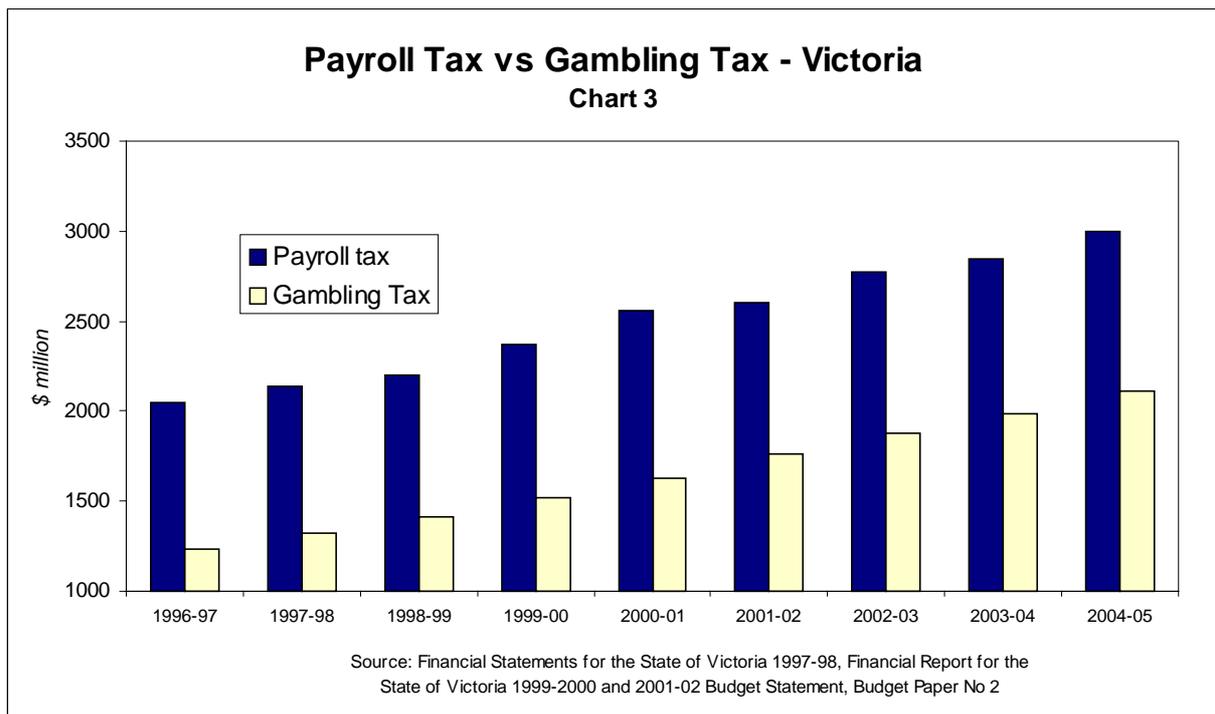
Revenue from gaming and the casino has formed an increasing proportion of state budget income. While this situation is allowed to continue, either by the conscious choice of the state government or because of the inadequacy of the state’s revenue base, government is compromised in its role as the responsible regulator of the gambling industry.

This is what the ALP told us prior to the last election — that while dependence on the gambling dollar continued:

... government is compromised in its role as the responsible regulator of the gambling industry.

The government must be very compromised indeed. By leave, I seek to incorporate chart 3 into *Hansard*.

*Leave granted; chart 3 as follows:*



**Ms ASHER** — Interestingly enough the chart shows that the Kennett government’s reliance on gambling tax versus payroll tax was very small indeed, whereas the government’s reliance on gaming will top \$2 billion by 2004–05. As I said, it is instructive to note the significant reliance on gambling taxes of this government. It is also significant to note that compared with payroll tax the government is increasing its reliance on gambling taxes.

Let us look at the government’s actual tax package. It has offered \$774 million worth of tax cuts over four years. It has offered \$100 million in this budget but no additional tax cuts in 2002–03. It has offered an additional \$351 million in 2004–05. If the election is held before 1 July 2003 the Labor Party will have offered as part of its tax package \$562 million to be delivered after the election: tax cuts, but not just yet. In order to impose a rigour on itself Labor has introduced a bill into this place to legislate for these tax cuts. I can see a wry smile on the face of the Treasurer. Labor has

form on this: the form is called Paul Keating and his l-a-w law tax cuts. We see before this house a bill to force the Labor Party to legislate for all of these tax cuts that it has stuck in its forward estimates.

*Honourable members interjecting.*

**The ACTING SPEAKER (Ms Davies)** — Order! The honourable member for Narracan!

**Ms ASHER** — We have heard all this before: l-a-w law — let us see if Labor implements this promise. If there is just a chance that the government has to choose between increased expenditure and those tax cuts we will see a replication of the l-a-w law tax cuts, and I know which ones will be dropped.

One needs to make a number of observations about this tax package. First of all, this is not tax reform. As I have demonstrated through the charts, there are significant increases in taxation revenue. Significant increases are expected in payroll tax collections. There are significant increases in revenue from land tax collections and collections from gambling taxes. The government is forecasting a reduction in stamp duty, but according to the Building Control Commission that may not be so. In the face of what other states will do, \$100 million is a very, very small tax cut.

There are a number of omissions from this tax package. Individual Victorians and Victorian households receive nothing from this budget. Real reform, especially in the area of business stamp duties, has not occurred. Access Economics submitted a report to the government as part of the Harvey committee inquiry. That report indicated that the best economic benefit would come from the abolition of stamp duties on business transactions. It said the best benefit to the economy would come from those types of tax cuts, but the government has delivered only \$41 million worth of stamp duty concessions.

The Property Council of Australia has argued long and hard for the abolition of stamp duties on business transactions, and it put out a press release on 26 April 2001 describing the tax reform package as a missed opportunity. The executive director of the Victorian division of the Property Council, Mr Jock Rankin, said:

Because the government chose the course it did, Victoria still has both the highest land taxes and the highest stamp duties in the country, and they are still the biggest barriers to investment and jobs in the state.

The government has not taken the opportunity available to it in this budget to effect significant tax reform that would have an impact on investment and jobs.

The government has also not delivered any stamp duty relief on residential property. This is an issue the Real Estate Institute of Victoria has raised from time to time. We still have the highest rates in Australia for stamp duties levied on property.

Another significant observation regarding the government's tax policy in this budget can be made by reflecting on the significance of a competitive tax regime for investment and jobs. The editorial in the *Australian Financial Review* on 16 May made exactly that point. The tax regime plays some role in whether Victoria is seen as an attractive place for investment and jobs.

The Treasurer needs to look north: Queensland has a lower payroll tax regime than Victoria and is very competitive. As we know, a number of businesses are seeking to relocate from Victoria to Queensland, and other businesses are not considering Victoria as a location option but are being drawn to Queensland.

When the budget papers were drawn up the Premier and the Treasurer trumpeted long and hard about the state's per capita taxation being lower than the average rate for all the states across Australia. Indeed, it was lower at the time of the budget papers — all of \$8 lower! — but I suspect \$8 will not attract investment to Victoria.

Since the Victorian budget was brought down, the New South Wales government brought down its budget on 29 May. That state has made a spectacular, for New South Wales, decision in its budget, one that will give it a vastly competitive edge over Victoria — namely, New South Wales, through its Treasurer, Michael Egan, will abolish the bank accounts debits (BAD) tax from 1 January next year. If the Victorian Treasurer were to abolish the BAD tax, the benefit to Victorians would be \$250 million. Compare that with the \$100 million in the Victorian Treasurer's budget. That is all he is prepared to kick in.

*Honourable members interjecting.*

**The ACTING SPEAKER (Ms Davies)** — Order! The Treasurer! The honourable member for Melton!

**Ms ASHER** — The New South Wales Treasurer has kicked in \$250 million of tax cuts to make his state competitive. The Victorian government says \$100 million will do it. Queensland has a lower payroll tax rate, New South Wales has abolished the BAD tax and in the meantime Victoria fiddles around the edges while businesses leave.

I note that the Victorian Treasurer is easily duped by Michael Egan, the Labor Treasurer in New South Wales. He went up to a joint cabinet meeting on the border for some photo opportunities, and Michael Egan assured him he was not going to do anything that competed with Victoria or that might disadvantage Victoria. An agreement or non-aggression pact with Michael Egan was signed. While the Victorian Treasurer was signing that, Michael Egan did him over to the tune of \$250 million! Tax cuts amounting to \$250 million will have a direct impact on Victoria's business competitiveness. The Treasurer has left himself nowhere to move.

**An honourable member** interjected.

**The ACTING SPEAKER (Ms Davies)** — Order! The honourable member for Mornington!

**Ms ASHER** — He has already locked in his expenditure and cannot immediately react to the very significant New South Wales tax cut. As the *Australian Financial Review* observed yesterday, competition between the states is going to get fiercer, not less fierce, as the non-aggression pact between the two neighbouring treasurers seemed to indicate.

The *Australian* newspaper, in its commentary on the abolition of the BAD tax in this week's New South Wales budget, said:

By abolishing the state's debits tax in his seventh budget, New South Wales Treasurer Michael Egan has got rid of an unpopular tax, stolen a three-and-a-half-year jump on the other states, and given the New South Wales tax system a cleaner look. The debits tax levied on every cheque is regressive, inequitable and downright inefficient. It is due to be phased out in 2005.

Its early abolition next 1 January, to be ultimately funded by the federal goods and services tax, offers an incentive to non-New South Wales businesses to do their banking in Sydney.

**Mr Maxfield** interjected.

**The ACTING SPEAKER (Ms Davies)** — Order! The honourable member for Narracan should hold his peace!

*Opposition members interjecting.*

**The ACTING SPEAKER (Ms Davies)** — Order! And opposition members should not respond.

**Ms ASHER** — That is one of the issues in this budget. There is no room to move, no room for the Treasurer to respond. The tax cuts are inadequate and are impacting on Victoria's competitiveness.

We used to have a very proactive government in Victoria. Unfortunately, however, this government has all but given up proactivity in the area of securing investment. I urge honourable members to look at the investment attraction targets of the Department of State and Regional Development in *Budget Estimates 2000–01*, which is budget paper 3 of that year. On page 293 we find that investment attraction targets for 1999–2000 included \$1.6 billion in new investments facilitated and announced, whereas the Treasurer's 2001–02 targets are lower. He is aiming for only \$1.2 billion new investments facilitated and announced. He has deliberately set his sights lower.

I turn now to the issue of jobs, because notwithstanding the government's desire to avoid the issue, Victoria is losing jobs to interstate, and in particular Victorian manufacturing is losing jobs. Indeed, there is a long list — and I note the honourable member for Burwood leaving the chamber at this point — of businesses that either have gone or are going: Arnott's, Chef, Solectron, Denso, South Pacific Tyres, and the list goes on. We have discussed all of those cases in this house. But it is not only a matter of the jobs that we have lost or are losing; it is the jobs we are not securing. It is companies like Virgin and Microsoft that are not interested in investing in Victoria. They are looking to Queensland, in part because of the culture of Queensland, in part because of low payroll tax, and in part because of deals the Queensland government is prepared to give to businesses.

We are not doing enough in Victoria. We have very high Workcover premiums, we have extreme union behaviour, and business knows that when the crunch comes, this government will go for expenditure over tax cuts every time. There is no room for this Treasurer to respond to the New South Wales budget because he has already committed the money to increased recurrent expenditure.

There are some very strong signals that this budget shows an end to Victoria's ascendancy as a state. For many years in Victoria we were accustomed to being a high growth state, a high employment state, a state of significant investment attraction, a state of business investment — —

**Mr Nardella** — When?

**Ms ASHER** — In the Kennett years. We were accustomed during those years to seeing Victoria above the Australian average, particularly in the area of growth. We were very accustomed to seeing Victoria ahead of the Australian average. We were also accustomed to being a vibrant state. Population came to

Victoria. Jobs growth came to Victoria; industry — the food industry, information technology, biotechnology, manufacturing, tourism — all came to Victoria.

This budget is an acceptance of a lower standard. This budget acknowledges that Victoria's economy will underperform compared with the national economy in 2001–02.

*Honourable members interjecting.*

**The ACTING SPEAKER (Ms Davies)** — Order! There is too much audible conversation. I ask honourable members to hold the volume down.

**Ms ASHER** — Victoria's growth target is 2.75 per cent compared with the commonwealth's growth forecast of 3.25 per cent. In terms of employment growth, the Victorian forecast is 0.5 per cent compared with the commonwealth's forecast of 1 per cent. This budget shows that it has walked away from its 5 per cent unemployment promise during the last election campaign and has acknowledged that the unemployment rate in Victoria is forecast to be 6.5 per cent.

I turn now to the government's capital works program — a \$2.1 billion capital allocation, of which I suspect \$2 billion has been previously announced, with \$500 million allocated for this year. The capital allocation would be acceptable if there were major projects in the pipeline, but there are not. There are no major projects under this government other than a philosophical commitment to have a toxic waste dump. Major projects have a long lead time, and it would be acceptable to see a funding flow in the capital allocations that was slow if there were major projects and a long lead time.

But the problem for this government is that it cannot deliver. It has been in power for over 18 months and there has not been one major project. This has caused a number of economic commentators to remark on the absence of major projects. I am referring in particular to the state economic update at page 17 of the *ANZ Economic Outlook*, March quarter, which states:

The immediate outlook for Victoria's private investment growth is quite bleak. After a golden era for private investment, where growth averaged 13 per cent per annum over the second half of the 1990s, supported by large-scale investment projects, Victoria faces a void of imminent major investment projects.

This government and this budget do nothing to address that. I urge honourable members to look at page 10 of budget paper 3, where they will see \$284 million of unallocated capital in 2002–03, \$781 million in

2003–04 and \$1.1 billion in 2004–05. That unallocated capital clearly indicates that the government does not have any idea of what projects it wants to fund. It wants infrastructure and projects but it has no idea of what major projects it wishes to announce.

Likewise, the Growing Victoria fund was initially allocated \$1 billion and was topped up by \$175 million this year, but it still has \$150 million of unallocated capital. Most damning of all, on page 10 of budget paper 3 the government has acknowledged that it cannot even deliver on a lesser, basic capital works program, because it is budgeting to underspend its capital works allocation in 2001–02. That is a damning comment on the government's failure to deliver, to announce major projects and to even drive minor projects to conclusion.

There are key deficiencies in the major projects area. There is no real funding for the Scoresby freeway, the Dingley bypass has not even been mentioned, and nor has the Mornington Peninsula Freeway. Some \$550 million of taxpayers' money is allocated for regional rail — a blow-out from \$80 million, the figure in the Access Economics document. That project will be completed only if there is significant private sector money available.

**An Honourable Member** — Not yet.

**Ms ASHER** — Yes, not yet. The \$96 million for the standardisation of rail will provide some but not all of what is required, and again it has not happened yet. Where is the 5000-seat convention centre that Victoria desperately needs? Where is the upgrade of the Melbourne showgrounds? A range of major infrastructure projects are needed but not one of them is in this budget.

I turn now to public–private partnerships. Despite all its rhetoric when in opposition about shunning the private sector and being opposed to it, the ALP has now issued a policy stating it wants the private sector to be involved. Let us see whether it can spend someone else's money. How many projects have been announced under the public–private partnerships program? The County Court project is the only one, and it was one of the previous government's initiatives. This government does not have capacity to craft a major project or to deliver on a minor project. It cannot drive projects, which is a key factor in many economic commentators saying that the construction industry is not being driven in Victoria and that the government needs to announce and deliver major projects.

This Treasurer is a mean treasurer, and this budget returns nothing to individuals or individual households. The \$60 winter power bonus has been removed in this budget, yet that small amount of money helped low-income families particularly pay their winter power bills. The \$60 that previously went to every household in Victoria has been removed from this budget. There were a number of matters that the government could have considered. This Treasurer could have been like Treasurer Egan and increased pensioner concessions on their winter power bills.

**Mr Lenders** interjected.

**The ACTING SPEAKER (Ms Davies)** — Order! The honourable member for Dandenong North will get his chance!

**Ms ASHER** — This Treasurer could have looked at the issue that is causing great community concern — that is, stamp duty being levied on GST-inclusive prices. This Treasurer could have looked at the issue of stamp duty on residential property; this Treasurer could have looked at the issue of motor vehicle registrations; this Treasurer could have looked at the issue of the abolition of the bank accounts debits tax, which is worth \$146 per person in New South Wales.

There is absolutely nothing in the budget for individual Victorians or individual Victorian households. With a \$1.2 billion surplus, Victorians should have been entitled to expect something for themselves — something to be returned to individual households. The best chance the average Victorian has of being affected by the budget is to pick up one of the government's increased speeding fines!

Many of the government's allocations to the Growing Victoria fund, its announced capital works program and its regional infrastructure development fund, which is not open to parliamentary scrutiny, will remind honourable members of what is called pork-barrelling. A lot of money is flowing into Labor electorates — a very significant amount of money. If you look at the allocations in Growing Victoria and the capital works allocation in the documents that accompany this budget you will see a very significant amount of money flowing into Labor electorates. I hope the Treasurer has large whiteboards, because he will obviously need them for these allocations.

**Mr Maclellan** interjected.

**The ACTING SPEAKER (Ms Davies)** — Order! The honourable member for Pakenham!

**Ms ASHER** — The Kennett legacy had Victoria ahead of the average. During the Kennett years Victoria exceeded the average performance of all the states. We are now seeing this Treasurer budgeting for a deficit. Victoria will have lower growth. It is not the time to run a deficit budget.

It is time to commence major projects and time for tax cuts, yet Victorians have received only \$100 million of tax cuts in this budget. It is time to stop businesses leaving Victoria, yet the budget has not addressed that fact. Victoria will soon languish when compared to Queensland, which has very competitive payroll tax rates, and New South Wales which has abolished the bank accounts debits tax. Business knows in respect of the tax cuts legislated in l-a-w law as part of this budget for the forward estimates period that if the government is presented with a conflict between increased expenditure and delivering on the tax cuts, increased expenditure will win every time.

This budget is from a high-spending, high-taxing government and surprises nobody. Let us look at who crafted Labor's first two budgets. The first was crafted by the Premier, a former adviser to Joan Kirner, in the grand traditions of his advice to her of large expenditure. The second was crafted was by the Treasurer. It is important to look at the economic mentors and credentials of this Treasurer, and at whom he admires in the political system. On 22 September 1983, when the Treasurer was the federal member for Bendigo, he gave an instructive speech indicating whom his mentors were. He said in the House of Representatives:

The Cain government has led the way.

There is more. I remember that the Treasurer at that time was Rob Jolly. Mr Brumby said:

The Victorian Treasurer is the most adventurous and at the same time responsible treasurer of any state.

The young member for Bendigo went on to say:

All honourable members opposite would do well to learn something from the Victorian Treasurer so that if they ever do win government again they will not botch it up as much.

Rob Jolly is the great role model for this Treasurer in framing this budget. One of the most instructive comments about the man who crafted this high-spending budget occurred in an interview in the *Age* on Wednesday, 17 February 1993. The now Treasurer had recently been preselected to contest the upper house seat of Dousta Galla. He was the subject of an *Age* feature interview about what makes the Treasurer tick and was asked why he studied commerce

at Melbourne University. Do honourable members know what the answer was? It was:

... because that's what my father did. He thought I should do that. In hindsight it's a good rigorous degree but it's not what I should have done. I didn't much like commerce.

The great tragedy is that this budget has been crafted by a man whose political mentor was Rob Jolly, who does not like commerce and did it only because his father did. Unfortunately he is showing every characteristic of replicating what Rob Jolly did as Treasurer.

This budget should have included tax cuts and made Victoria competitive. This government should have addressed the exodus of jobs from the state and looked at stimulating the construction industry by announcing some major projects. There are a number of things this budget should have done, but all it has delivered is a high levels of expenditure and taxation collection.

The theme of the second-reading speech for this budget is contained in the Treasurer's words:

It is a budget that is right for the times ... This budget delivers today and builds for tomorrow.

Unfortunately this budget does not deliver today, and Victorians will pay for it tomorrow. Mr Acting Speaker, this is not a budget for the times.

**Mr RYAN** (Leader of the National Party) — It is my pleasure to join the debate on the appropriation bill. In so doing I want to focus on country Victoria and will address some general comments to matters related to the budgetary issues. During her excellent contribution the shadow Treasurer gave a good analysis of the budget papers and the various elements that make them up. I will be concentrating more on general issues, particularly those pertinent to country Victoria. I make particular reference to the way in which the Labor Party is seeking to undertake the promise it made to country Victorians leading up to the last election.

At the outset, this is a budget which lacks vision and cohesion, which demonstrates a capacity to spend money and which illustrates the fact that the Labor government, having been left with a healthy legacy by its predecessor, has set about trying to spend that legacy. It also demonstrates a capacity in this budget to tax heavily. Despite promises and attempted perceptions to the contrary it intends to undertake that course over both the immediate and long-term future.

But essentially I think the reality is that the budget simply does not have that vision that country Victoria in particular was looking for, having regard to the

promises the government made prior to the last election.

Some of the elements of the budget are good, and in the course of my contribution to the debate this morning I will give credit where appropriate. But I must say on the whole I think the budget is lacking, not only because of those visionary issues but because of the various other aspects that I will come to — essentially to do with the maintenance and enhancement of this wonderful part of the state that is country Victoria, and the government doing what it can and what lies within its power to ensure we get the best out of country Victoria and the people who live there.

The whole exercise of the budget got off to a very bad start because we had a dummy spit from the Treasurer. This arose over the webcasting issue. Honourable members will no doubt remember the unfortunate sequence of events that occurred at budget time last year, when the government performed what can best be described as a con job. It gave a clear indication to the Speaker that it would not only participate in the process of webcasting but would have the cost of the process paid for by the public purse. A fair reading of things indicates that the government then gave an understanding to the Speaker that the same sort of process would be extended on both counts — the opportunities and the webcasting payment — to the opposition parties.

At that time the Liberal Party and the National Party were in partnership. The Treasurer and the government gave a clear indication that webcasting would be available and would be paid for by the public purse, and the opposition parties proceeded on that basis. Of course, we now know — and history tells us — that what in fact happened was that the government made the opportunity available for the webcasting of the budget reply but would not fund it. Because the concept had never been contemplated at the time when budgets were originally let to the opposition parties, there simply was not the funding available to enable that to happen. That inevitably meant therefore that the opposition did not have the benefit of that facility.

This year, to his credit, the Treasurer wrote to me as Leader of the National Party and to the honourable member for Portland as Leader of the Opposition with an offer to extend webcasting facilities. Without going into the whole thing I can say that agreement could not be reached. Unfortunately the government was not prepared to put the matter to the house to have the Speaker make a final determination about it in a way that I think would have been the best outcome. No doubt the government did not want to do it because

fairness and equity would have indicated that the two opposition parties should have had an equal entitlement to the webcasting.

The point of it all is that a very good innovation by the Treasurer last year hit the wall because he spat the dummy in circumstances where we were not able to have conversation that would have enabled us to explore ways in which this issue could have been resolved. So I extend the invitation to the Treasurer, for next year's purposes, to ensure we have those discussions to see if we can resolve the matter in a manner that best suits all. In this state of innovation, as he proclaims Victoria to be, I think it is a handy attribute in the way that budget responses are presented.

I shall move to several features of the Treasurer's budget speech. In the course of doing so I will have regard to a few of the matters to which it refers because they are illustrative of many of my concerns and how I believe the government falls well short of what it has promised to deliver.

I shall start with page 3 of the budget speech, and I have the famed document here. This is the Treasurer's budget speech for 2001–02 delivered on 15 May. It contains some absolute classics — some absolute pearls — which I believe it is important to bring before the house for the purpose of reflecting on this budget.

I should point out that this government has no shame. It will say anything and do anything. This classic appears on page 2 of the printed speech, and is recorded at page 1077 of *Hansard*:

State government net debt, excluding Growing Victoria, will decline from \$4.9 billion at June 1999 to \$2.5 billion by June 2005.

So far so good, you might well say. But then two paragraphs down we have this absolute pearl:

Honourable Speaker, under the Bracks government, Victoria's net debt will be cut by half.

Isn't that an absolute gem!

I point out for the benefit of those who are now on the Treasury benches and form part of the government but who were not here in 1992, since the Treasurer raised it in his budget speech the matter requires a bit of exploration. In 1992 the state government net debt was not \$4.9 billion, it was around about \$32 billion or \$33 billion.

**Mr Baillieu** — How much?

**Mr RYAN** — It was \$32 billion or \$33 billion in 1992. Of course, in 1992 the Kennett government was

not facing the prospect of returning annual surpluses, which this government is able to do. Had the previous Labor government continued in 1992 the state of Victoria would have faced a deficit of around about \$2.5 billion for the year.

**Mr Jasper** interjected.

**Mr RYAN** — As my good friend and colleague, who occupies — in fact dominates — Wangaratta and who is otherwise known as the honourable member for Murray Valley, says, we were broke. I suppose, having recognised that interjection, I will get some more as I go on.

It is an extraordinary statement by the government that it will cut net debt by half when what Labor presented to the state of Victoria only those few years ago was a debt of \$32 billion or \$33 billion.

There is another gem on page 4 of the speech — page 1078 of *Hansard*. Having regard to much of the discussion that has ensued about country issues over the term of this government, there is a statement about the extra \$175 million that will be added to the \$1 billion Growing Victoria reserve. The Treasurer's speech states:

Recognising Victoria's strong financial performance this year, the 2001–02 budget also allocates a further \$175 million to the original \$1 billion Growing Victoria reserve.

That is interesting, because since the Regional Infrastructure Development Fund comprising \$170 million was established by this government in 1999, time and again the Treasurer has called for the fund to be topped up, bleating to all and sundry — it is always somebody else's fault, of course — 'We need more money in the regional infrastructure fund'. At one point he even had the temerity to issue a press release calling on the federal government to add \$170 million to the fund!

What happens to the Regional Infrastructure Development Fund when Victoria is in the fortuitous position of having an extra \$175 million available for infrastructure development? The Treasurer does not put any of it in the regional infrastructure fund, so none of it will go out to country Victoria. Rather, after all he has had to say on the topic and after all the press releases he has issued, the Treasurer puts the whole \$170 million into the billion-dollar Growing Victoria reserve. A remarkable performance!

On page 4 of budget paper no. 1 we also see announcements about the \$96 million for the

standardisation of the regional rail gauges. The Treasurer states:

In this budget, the government addresses more than 120 years of different rail gauges in Victoria by providing \$96 million for the standardisation of regional railway gauges.

That is also an interesting statement, which was made more interesting by the recent appearance of the Premier before the Public Accounts and Estimates Committee, when the Premier was asked about this issue. The Premier told the estimates committee the \$96 million is not \$96 million at all, it is really another \$56 million on top of the \$40 million the Treasurer has had on the table through the Regional Infrastructure Development Fund since Labor came to government. It is another of the smoke-and-mirrors exercises on which this government thrives. The community at large needs to know there is no new \$96-million commitment to rail gauge standardisation in the budget papers and that in fact only an additional \$56 million has gone into the pot for that purpose.

I make it clear that I strongly support the standardisation of the rail gauge, and I have made that apparent over the past 12 months. When I say this government has no shame, in this instance that is an exception to the general rule because it has been shamed into fulfilling a pre-election promise. It would never have done that had it not been pounded into it, particularly by the National Party. The reality is that the government knew throughout all the months it has been calling on the federal government, in particular through Deputy Prime Minister John Anderson, to contribute another \$40 million to the fund to enable all this standardisation to happen, that it would never occur because it is an intrastate initiative and has nothing to do with interstate movement.

The government has announced funding of \$96 million, which is not \$96 million at all but rather an extra \$56 million. Another issue that arises over and above that announcement is: where is the money to come from? Is the \$96 million to come out of the Growing Victoria fund? If so, the \$40 million that was originally supposed to come out of the Regional Infrastructure Development Fund should go back into it so that country Victorians can have the benefit of it. Alternatively, is the whole of the \$96 million to come out of the regional infrastructure fund? If so, country Victorians should be told.

Two things need to be clarified by the government: firstly, it should tell people the facts — it is an extra \$56 million and not an extra \$96 million; and secondly, it should tell Victorians, particularly country Victorians, what the source of the money is.

Page 5 deals with the much-vaunted fast rail project and states that there is an allocation — mark the word ‘allocation’, which is far different from expenditure — of another \$470 million to this project. All sorts of questions arise about that proposal. The first question to be legitimately asked in this day and age, 20 months after the government came to power, is whether this project will ever proceed. If the government says in outrage, ‘Yes, of course we are going to build it!’, other questions will arise, such as: how will it be financed?

It is said that \$550 million of the \$810 million funding for the fast rail project will come from the public sector out of the Growing Victoria fund and that the other \$260 million will come from the private sector. Let’s see some evidence of that occurring. What is the technology to be employed in this project? What is the scope of works, such as the purchase of rolling stock and the laying of track? And, importantly, what actual benefits, in a defined fashion, will go to the respective communities affected by this project?

It has been said that the fast rail service will go to Bendigo, Ballarat, Geelong and the Latrobe Valley. It is time the government issued some detail about this project. I appreciate that not all that long ago the government made another announcement about further delays and I understand that it is now talking about nothing more being said on the project until early next year. I do not think that is good enough, and nor do the communities that are supposed to be the beneficiaries of the project. More importantly, the government owes it to the people of Victoria to start telling us how this \$550 million of public funds will be expended and to do so in a detailed fashion.

I use this forum to put a proposition to the government. On 16 August this house will sit in Bendigo. On behalf of the National Party I invite the Minister for Transport to make a ministerial statement on that day in Bendigo, telling the house and the people of Bendigo first hand the details of the project. I have not had the opportunity to talk to the Liberal Party about that invitation to the Minister for Transport, and no doubt it will have its own point of view on it, but from the National Party’s perspective that would be an ideal opportunity for the minister to stand in the Legislative Assembly, sitting on that day in Bendigo, and tell the people of Victoria the details of the proposed fast rail project that they are entitled to hear. I will be interested to hear how the government and in particular the Minister for Transport respond to that invitation.

The budget papers refer to the expenditure of \$2.13 billion worth of capital works. I will return to that issue in a little more detail in a few moments.

Sticking with the theme that the government has no shame except for the exemption clause I have given it and secondly its use of smoke and mirrors, there is another gem on page 7 of the Treasurer's speech:

We are improving opportunities for young people in country Victoria by allocating \$10.5 million for the Gippsland education precinct.

I hate to think how many times that has been announced. I could not begin to tell honourable members how often I have heard it. It is fortunate that the Minister for Agriculture is present. He is, of course, the renowned honourable member for Morwell. I am not inviting interjections, but he might give us a rough idea of the number of times it has been announced. Honest to goodness, it has to be a dozen at least. My best bet is a dozen, but I could be wrong. I see the minister is so alarmed about it he has gone into a coughing spasm, which is some indication of his view!

Once again, using smoke and mirrors, \$10.5 million has been announced to go into the Latrobe Valley for the Gippsland education precinct.

**Mr Hamilton** interjected.

**Mr RYAN** — The minister's contribution of, 'We might do it a couple more times yet', is a pretty reasonable call. As an aside between friends, it is just as well the Treasurer has gone because the minister would not have said that if he were still here!

While on the Latrobe Valley, which is a magnificent part of Victoria, where are the announcements in the budget documents arising from the ministerial task force process?

**Mr Hamilton** interjected.

**Mr RYAN** — I take some comfort from the words of the Minister for Agriculture, and I think I am quoting him accurately when I say that all will be revealed in due course. Together with a lot of people I will be very pleased when it happens.

**Mr Hamilton** interjected.

**Mr RYAN** — The minister says he will expect my congratulations. I will look at those things on their merits at the time, and I will give my congratulations or not as the case may be. I will not dwell on that any longer — we will watch this space — but suffice to say that people in the Latrobe Valley have a reasonable expectation that promises that have repeatedly been made to them by the government will be fulfilled. Enormous expectation has been created. The allocation of \$10.5 million to the Gippsland education precinct

falls far short of remotely fulfilling those expectations. I trust the government will honour what it has said. Finally on this point, in fulfilling the obligation I trust the government will not put it on the never-never scheme, which is another feature I will come back to during my contribution.

I refer to education issues that appear on page 12 of the Treasurer's speech under 'Education and training'. Money is going into education. However, I implore the government to resolve its unseemly dispute with the Australian Education Union. It was most unfortunate to see Mary Bluett, who is in charge of the AEU, out on the front steps of Parliament on the day the budget was delivered talking about the budget being cruel and the worst for 10 years, and her subsequent commentaries have also been unfortunate.

It is additionally unfortunate that the Premier took his bat and ball and went home and refused to make any constructive move towards a meeting. There was then an even more unfortunate public exchange between the union and the government. Apparently there have now been some other discussions. It has been unfortunate because it sends a bad message, the message that the government cannot handle its own constituency. During the last election campaign the AEU was a major contributor to Labor's campaign. The government needs to get it right. I will refer later to other aspects arising from that.

**Mr Lenders** interjected.

**Mr RYAN** — I hear the interjection from the honourable member for Dandenong North, who calls across from the Treasury benches, 'We wish, we wish!'. I am not sure whether he means in relation to more money or whether he wishes he could settle the fight.

I refer in passing to some of the health initiatives. Many of them are good initiatives, and I am pleased to see the ongoing and rolling programs for capital expenditure. I might say the same thing about education in my electorate. At Maffra, which today is still part of my electorate but unfortunately will not be after the redistribution takes effect, \$2.5 million has been allocated to the school. That project has been four or five years in the making, and I am pleased and proud to have played a substantial role in bringing it together. I am also grateful to the Maffra Secondary College for recognising that fact in its recent newsletter. It is pleasing to see the money there.

A lot of those projects are constructive and are the sorts of ongoing works produced by governments of all

persuasions. An element in health remains a lingering problem for country health services. It relates particularly to funding for nurses. Our health services are worried about what will happen if the government does not fund the costs of additional nursing that will be required under the terms of the arbitration determination of November last. The nub of the worry is that the health minister keeps avoiding the fact that in paying for the cost of the nurses the country health services, in particular, will inevitably expend more money than what is regarded as the average — which is generally about \$52 000.

To put it the other way about, country health services will be severely penalised if the minister and the department simply fund our hospitals on the basis that the additional nurses they are able to add to their ranks are to be funded at \$52 000 per nurse. Country health services will have to find that funding out of their general budgets, which they should not have to do. This government created the problem because it could not handle its constituency. A guarantee from the government that all those payments will be met is necessary.

The next item I want to move to, without locating the page, is major projects — —

**An Honourable Member** — Why couldn't you locate the page?

**Mr RYAN** — I'll be honest. I couldn't locate the page because there aren't any major projects, and that is the point.

I have in my hand a terrific glossy document called *Victorian Major Projects 2000 and Beyond*. The front page carries a photograph of the Treasurer looking wonderful, staring straight at the camera. He has photographed well! In the document the Treasurer states:

Victoria is entering a new phase of economic development. It is a phase of great opportunity.

The Bracks government has committed around \$2 billion to major projects and infrastructure since we came to office. In partnership with the private sector we are building a new Victoria for the 21st century — a Victoria of opportunity.

Many honourable members will remember how, leading up to the last election, the current Treasurer regularly presented himself in this place complaining about the lack of major projects in country Victoria. So it was with much hope and confidence that I picked up this document and flicked through its pages — it was produced by the minister's own department. I was confident it would remedy what the Treasurer had

regarded as a terrible lack of funding by the former government for country Victoria. In the document I found 52 projects listed: 15 are outside metropolitan Melbourne; 7 are funded with government contributions; and the rest are privately funded. It was a bitter disappointment, because in practical terms there are no major projects for country Victoria.

The fast train project is out there in the ether somewhere. We will see what happens to it in the fullness of time. It is instructive to turn to the final page of the document, which is headed 'Forthcoming projects'. It contains some very instructive material. It talks about Docklands and so on and is put in context by another good foreword piece by Mr Roy Lilley, the executive director, Industrial Supplies Office (Victoria). I am not sure how he has made his way into the document, but I am sure that is something lacking in my understanding, not Mr Lilley's or the minister's. In the document Mr Lilley states:

Within this booklet there are over \$8 billion worth of opportunities!

Let's have a look at some of them. The projects include the Melbourne–Sydney very fast train project, accounting for \$3.5 billion. That is on the books and ready to go, isn't it? Heavens above! Honourable members seem to have no idea about the very fast train project. I would not be waiting around on the station — one would have to wait a while before that train gets a run!

What else is on the list? Wait for it! It lists \$1 billion for the Scoresby freeway! Isn't that a ripper! Do honourable members remember what the Labor Party said leading up to the last election? Did it talk about building the Scoresby freeway? Not on your Nellie! Its total cost is shown as \$1 billion, although the document does not go into who puts in what, so I will let the government off on that basis.

At Docklands the Victoria Harbour precinct will cost \$1.5 billion and the Batman's Hill precinct will cost \$1 billion. They are the big numbers, and those four projects account for \$7 billion.

**Mr Baillieu** — Who's paying for the Docklands project?

**Mr RYAN** — The honourable member for Hawthorn quite rightly asks who is paying for the Docklands project — not the Bracks government! I suggest honourable members should look at other little rippers in the document.

One project listed is the Toora wind farm, which will cost \$15 million. That is in my electorate — and it will stay in my electorate. In fact it will cost \$40 million, and the Queensland electricity authority is paying for it. It can be taken out of the frame. That project will happen, but the Bracks government does not have much to do with it.

The Minister for Agriculture is about to leave the chamber, so I will just toss him a question before he goes. The document includes \$40 million for — and this might be the new announcement the minister is talking about — the Energy Ridge theme park and tourism attraction at Morwell. Correct me if am I wrong, but I reckon I am right when I say it has hit the wall. There is absolutely no prospect of \$40 million or anything like it being spent at the Energy Ridge theme park and tourism attraction. It is a complete furphy.

I looked through the document with much hope, but this production from the minister has become known in the colloquialisms of local government as ‘the gold book’. Every chief executive officer in local government in Victoria reaches for the gold book every morning to freshen up their ideas and hope there is something on show for them. Alas and alack, I am sorry to report, ‘No appearance, Your Worship’, because this document is way out of date, and anyway there is nothing much on offer for country Victoria. The budget speech says nothing about major projects.

Another item referred to in the budget papers, although not so much in the budget speech, is barley. I know honourable members have been hanging on my every word waiting for me to talk about barley. Suffice it to say at this point that I will return to it later, because it does get a specific mention in the budget papers.

Having travelled through the budget speech and to illustrate some of the elements and deficiencies in it, I want to mention smoke and mirrors. It is important because you have to put it into a context of the way expectation was built by Labor leading up to the last election and the way, even today, it promotes itself as being the big can-doer and that it is doing things all over the state of Victoria. A lot of the expectation is built around the announcement in the budget of \$2.1 billion worth of infrastructure spending. It bears closer examination because of some of the lead items.

I have already dealt with the fast rail project. I would love to tell the house what the time frame is for that project, but I cannot because there is not one. The government has no idea what it is trying to do. It is waving a banner out there, but the project has no form. Coincidentally today some light might be shed on the

topic to assist us in knowing how the private sector is going to be involved, but we will have to wait and see. For the purposes of my point, we do not have a time frame for the fast rail project!

**Mr Maclellan** interjected.

**Mr RYAN** — No, this is not the one that goes to Darwin.

**Mr Maclellan** — Are you sure?

**Mr RYAN** — I am pretty sure. Out of the \$2.1 billion — and honourable members can note this down as I explain — we think it is \$470 million. I say, ‘We think’ because \$80 million was allocated last year. We do not know whether the \$2.1 billion includes the \$80 million from last year, giving a total of \$550 million, or whether the \$2.1 billion includes only the \$470 million from this year. Nevertheless we do not have a time frame.

Another item is the standardisation of the rail gauge. As I have already pointed out, this project is not \$96 million. It is \$56 million and it is the first point to make in terms of smoke and mirrors. The worst feature of it is that it is over five years. Rhetorically speaking, Mr Acting Speaker, you would not want to be getting out there, packing your bags and wanting to get on this thing because it is going to be five years before we are going to see the conclusion — as this government would have it — of that work.

I contrast this with the previous government’s standardisation of the rail gauge of the two westernmost lines in Victoria that went to Hopetoun and — I will think of the other one in a moment —

**Opposition Members** — Yaapect.

**Mr RYAN** — Hopetoun and Yaapect. Some \$20 million was spent and enabled that terrific project to happen. I emphasise, again, that the proposed project is also a terrific plan, but people are worried that it will take five years to build.

In the meantime, what is supposed to happen to the improvements in commerce that would otherwise be available in western Victoria if the project were constructed now? We are 20 months into the government’s reign and yet it has announced that it will be another five years before the project, which it promised before the last election, is completed. It is not good enough!

Last week I was at Boundary Bend, in company with the honourable member for Swan Hill, and we were

looking at various projects and talking to different people in the beautiful electorate of Swan Hill. We spoke to the people who manage the mineral sands project at Wemen. We saw the product being produced. The product then has to be transported to the port of Portland. However, it will have to wait five years until the standardisation of the rail gauge is complete. On behalf of the people of western Victoria I say to the government that that is not good enough. It is more of the smoke and mirrors that accompany the government's announcements during the last budget period.

I turn to the 10-year master plan to address the prisons issue. Isn't it a gem? The 10-year master plan involves an overall cost of \$334 million with \$194 million to be spent on four new prisons. I repeat: it is a 10-year master plan! It is important that it be put into context. On a daily basis about 300 prisoners in Victoria are held in police cells. The problem has existed for a long time, most particularly since the government assumed the leadership of the state. In 1999 in my role as shadow police minister — a role which is now so ably filled by the honourable member for Wantirna for the Liberal Party — I called for the establishment of a master plan, some sort of overarching plan for the future, to do with the prison system, particularly to accommodate drug-related crime offenders.

It has taken until now for that advice to be accepted. The real point of my concern is that in terms of project development this is a 10-year master plan. We need something to happen now — at this time — yet the government talks about building portable structures. If I remember correctly, they will house 20 prisoners. I do not know where and how the government is going to build the structures, but the reality is that the Victorian prison system will be very short on bed access. The government is taking steps that are completely wrong — and I will come to the issue of prison closures in due course — with its approach to a 10-year master plan for prison development.

The provisions relating to the Snowy River involve a funding period of 10 years at \$15 million a year. I notice that we have been joined by the honourable member for Gippsland East. I am absolutely certain that when honourable members look at the propositions he put to the government — upon which it based its support for him and his support for the government that enabled the government to be established on 20 October 1999 — I cannot help but think that he would be bitterly disappointed to hear that it will take 10 years at \$15 million a year for this aspect of the contribution to be made. Another 10-year plan!

Again, the salinity program referred to in the budget is a good project in principle, just as the Snowy project is a good project. It is part of the national action plan whereby the government has signed up to \$157 million. However, the expenditure is over seven years!

The figures add up to roughly \$1.147 billion of the \$2.1 billion — just over half — and they are projects with a time frame of nothing less than five years and, in a couple of instances, 10 years. The government announced to the world that that infrastructure project would be undertaken over the course of this budget. It is not proper or appropriate to create expectations in Victoria — country Victoria in particular. The government will have to do far better to satisfy the expectations raised.

In concluding the point on general budgetary issues, and bearing in mind the careful analysis provided to the house by the shadow Treasurer, I quote from an article written by Alan Mitchell and published in the *Australian Financial Review* of 16 May, in which he states:

Victorian Labor, it seems, is settling uneasily into the financial discipline of government. The Bracks government has budgeted to go from a cash surplus of \$1.2 billion in 2000–01 to a deficit of \$22 million in 2001–02. On present policies, the general government cash deficit is projected to increase to \$300 million in 2002–03.

By 2002–03 the deficit will increase to \$300 million!  
He continues:

More than half the turnaround is the result of a \$700 million increase in recurrent spending, although capital spending is up by \$460 million. Higher recurrent spending is the main driving force behind the projected increase in the cash deficit in 2002–03.

Oh, dear, heavens above — the portents are not good! One would have to say the news from the front is far from ideal. That analysis is by an esteemed author, Alan Mitchell, who quite rightly identifies that the real nub of the problem is not infrastructure expenditure or those one-off budgetary outlays that come and go each year but primarily the fact that Victoria has a \$700 million increase in recurrent spending that it will be stuck with for time immemorial. We have just started — we are only 20 months in — and there is a lot more to go.

I quote further from Mr Mitchell's article:

The deterioration in the government's cash bottom line is reflected in the accrual accounts, with the general government fiscal balance going from a surplus of \$606 million in 2000–01 to a deficit of \$423 million in 2001–02 and \$640 million in 2002–03. It is also reflected in a small increase in general government net debt.

Oh dear! You would have to say, 'Here we go again!'.  
Mr Mitchell continues:

Needless to say, these figures are not exactly highlighted in yesterday's budget papers. They are tucked away at the back of the 300-page budget statement, where the Victorian government complies with its obligation to present comprehensive budget figures according to the national uniform standard.

Smoke and mirrors! There, in the words of Alan Mitchell, is what the National Party regards as a pretty good summary of what this government's financial management is about. Victorians need to take particular note of that commentary.

I turn now to address the activities of the Bracks Labor government in country Victoria. I will give examples of things happening particularly in Gippsland as being reflective of what is happening elsewhere across country Victoria. To give this component of my contribution context, I emphasise that the claim is that the way the whole thing runs is that the Bracks government is a government governing on behalf of all Victorians, having a particular regard to the interests of country Victorians!

Let us examine the reality. In this budget, without any warning to the community — that is, without telling local people anything about it — an announcement was made that, without any further ado, the prison at Won Wron in my electorate is to be closed. Government members will be bemused about where Won Wron is located. I will let them know: it is near the township of Yarram, which has a population of some 1800 people and is located on the South Gippsland Highway about 80 kilometres south of Sale.

A prison farm, as it now is, has been located at Won Wron for some 37 years. As I said, on the day of the budget, the government announced that, with no further ado, it was to be closed. I give credit where credit is due in the sense that yesterday, in this place, I brought a deputation from the Yarram community in the Shire of Wellington to see the Minister for Police and Emergency Services. The minister gave them about an hour and a quarter of his time. They were not rushed in saying what they had to say, and I believe they would say they had a fair hearing.

An army of bureaucrats from different departments accompanied the minister. I know many of those people and know them to be competent. The Correctional Services Commissioner, Ms Penny Armytage, was also in attendance. The meeting comprised people who intended contributing to the discussion on what will happen at Won Wron. That is where I have given the credit due.

A country community dependent on the 40 jobs based around a government-funded enterprise established in the community for 38 years has been gutted by a government that did not even have the good grace to talk to the community before making the announcement in the budget presentation. I received a leak of what was likely to come shortly before question time on 15 May. Honourable members will recall that I asked the minister, 'What about it? Are you closing any country prisons?' The glib answer was, 'If you sit still, you will find out'.

We found out, all right, a little while later! The Yarram community has had to contend with a fair bit over the past few years, and I will talk about that later. The first the community knew of the Won Wron Prison closing was when the budget papers were distributed and the budget was presented to the house. About 700 people gathered in the main street of Yarram last Friday and vented their feelings. They let the government know that making the decision in the fashion it did is nothing less than an unmitigated disgrace. The government did not even have the good grace to talk to the people about it before it made the announcement.

It is made even worse, because a 10-year master plan has been established — and Won Wron Prison was part of it but now will not be part of it. Of course, issues to do with Won Wron and the effect that its closing will have on the local community were considered by the government, yet it told those people nothing. We are now left with the prospect of the loss of at least 40 jobs related to the prison farm. On top of that, as the community told the minister last night — people had been going up and down the street making inquiries to prepare themselves for last night's deputation — at least another 40 jobs arising from indirect employment associated with the prison farm will be lost, yet the local community knew nothing about it!

During the past 12 months the community has been involved in the Alberton project, which is funded in part by the Department of State and Regional Development. Yarram, through the Alberton project, is a component of a pilot program that is intended to send a signal to other relatively small communities in country Victoria about the way they can develop in the future to accommodate change and look to the needs of the future. Yet this bunch marched in during the dead of night and made the announcement through the budget papers. Needless to say, the people are absolutely and utterly outraged.

It is said in certain forums, 'The former government did the same thing when it closed the prison farm at Morwell River'. It is said that people turned up one

morning and effectively clapped the prisoners into irons and carted them away and the place was shut. What is conveniently overlooked is that at or about that time a brand-new \$60 million, 600-bed prison was constructed at Fulham, just outside Sale, where I live — 10 kilometres out of town. It created 200 jobs in its operation, and it is still operating today. You will not hear the government criticisms levelled at the private operation of prisons levelled at the operation of the Fulham prison, because it is run very well. It created 200 jobs and puts about \$12 million to \$15 million a year into the local economy, but no mention of that is made: there is just commentary about what happened at Morwell River. It is not good enough. It is not good enough by half!

These people are left in the dreadful position where 40 jobs will be lost over the next two years in Yarram and many able and well-meaning people will have to draw together to do something to replace those jobs. Fancy having the discussion now after the event! Fancy having to clean up after the accident has happened! Why would not the government have the good grace and the common courtesy to come to these people before the budget announcement and tell them what it was contemplating? Why put this team of people, whom we had to assemble on the run in light of the deputation I arranged, to the trouble of going down to Yarram tomorrow to pick up the pieces? Why would you not do it the other way around? Why would not an open, honest, accountable, transparent government come to the people of Yarram before the event and say to them, 'We have a 10-year master plan going at the moment. It will mean that the prison that you have had for 38 years will close and that the jobs of 40 people will get the chop'. Why would the government not front the community and tell them beforehand?

That is one example, but I have others that I want to move on to because they are pertinent to a final point I will make on this issue. The government has done the same thing at Bendigo. The answer to that situation is said to be, 'It's all right, we will build another facility down the road at Maldon, some 25 minutes away'. That will not accommodate the needs of the people in Bendigo, some of whom will have jobs and some of whom will not. The government cannot say that it will build another facility 25 minutes away to fill the gap.

The Minister for Workcover is in the chamber, and he represents the constituents of Bendigo West. I have no doubt that he would be very alarmed and concerned about this. I have no doubt that, as a representative of the Bendigo electorate, the local member would be in there punching hard on behalf of his community. I have no doubt that, at the cabinet table when the issue was

first canvassed, the minister, who is the local member, would be in there driving hard on behalf of his community. But you would not want to make that judgment on the basis of the noise the honourable member has made since the announcement has occurred, because there has not been a boo from the minister.

Marine parks cannot be talked about in any detail because that would breach the rule of anticipation — and far be it from me to do that. Legislation before the house will be debated on or after 12 June, or at least that is the plan, subject to what I am about to say. The problem of marine parks is an unmitigated disaster. The handling of it by the government has been appalling and its proposed legislation will have outcomes that will destroy job opportunities in country Victoria.

The starting point is that the government has to recognise it bears the responsibility for the decision making. It is no answer to say the process leading up to this — which initially involved the Land Conservation Council and the Environment Conservation Council — originated in 1991 under the former Labor government and continued through the term of the previous government. That is no answer. Part of the work of governing is to make decisions — that is part of the task. You have to make the call on what is put before you and do it on a properly balanced basis. It is no answer to say the process had its origins in another time and another place. The government has responsibility.

The second thing to be said is that if you are going to do something of this nature you bear a responsibility as government to demonstrate why it is necessary. You cannot go about doing this sort of thing and what is contemplated by it without having a justification for it — a real reason. You cannot rewrite 120 years of history — as is being sought to be done by this process — without having a valid basis for coming to the conclusions that give rise to the legislative imperative. It has to be done properly and the government has failed miserably.

If the legislation takes effect — and I do not want to deal with it in detail — it will destroy the lives of those many people involved, in particular in the fishing industry. It will destroy people and their families such as Wayne Cripps from Corner Inlet, the Clarke family and Joey Pinzonne, who spoke so well on the steps of the house the other day. That is what the legislation will do. The government has come to conclusions and implemented decisions it should not have, and has not given a proper explanation.

Part of the problem with the process is that it is fundamentally flawed. There is an issue concerning the imposition of no-take zones inside marine parks and an issue of compensation, particularly the intention of the government to preclude the payment of compensation to people who regard themselves as being affected by the legislation. I have no intention of going into detail but I flag to the government, because it is important, that the provisions in relation to compensation —

**Mr Cameron** — On a point of order, Mr Acting Speaker, the Leader of the National Party is anticipating legislation before the house and I ask you to bring him back to the matter before the house.

**Mr RYAN** — On the point of order, Mr Acting Speaker, marine parks are the subject of considerable discussion in the budget papers. There is an allocation of about \$40 million in the budget papers specifically devoted to the matter and there has been enormous discussion in the community about the issue. I have no intention of dealing in any detail with the legislation. I mention these matters in passing in the course of my overall contribution. I will deal with the final point and I am happy to tell the minister I will then leave it.

**The ACTING SPEAKER (Mr Lupton)** — Order! I have listened closely to the Leader of the National Party. At this stage he is not anticipating the legislation. There is no point of order.

**Mr RYAN** — The problem is that the government cannot get the provisions relating to the preclusion of compensation through the house. It cannot happen because the government cannot get an absolute majority of votes in the house. It cannot get the 45 votes out of 88 votes that it needs. It is impossible in the prevailing circumstances. In the interests of not anticipating the legislation I will not go through the whole process. However, I flag to the government that it cannot pass either of the two provisions that are the subject of those preclusions.

What I flag to the government today is this: the process which it has introduced and which will be the subject of detailed debate on or after 12 June has to stop because there is a fatal flaw in it. If the legislation took effect the state of Victoria would face the prospect of the government, and more particularly the state, being exposed to unlimited claims for compensation. I warn the government. I put it on formal warning that the National Party gives it twelve days notice. The government needs to rethink what it intends to do with its whole approach to the marine parks issue. The National Party will not accept the passage of the process as it is intended. The government needs to

withdraw its current legislation, rethink it, let the issue lie over until the spring session and then have another go in a manner that properly reflects community views and its responsibility to the people of Victoria, and country Victorians in particular. I give it fair warning.

It is pointless government members coming in here in twelve days time, or whenever, and saying this has been dropped on them. For reasons I will more fully explain in other forums as the day unfolds, they cannot do what it is they propose to do, and they need to withdraw the legislation and start again.

Moving away from the legislative provisions, even on the merits it should not be done. You cannot do this sort of thing to people, and to country people in particular, without having a sound justification for doing it. You simply cannot do it.

Over the past few days the government has sought to make its case in various forums and to employ various means to achieve that end. A New Zealand gentleman by the name of Dr Trevor Willis has been wheeled out into the public arena to sustain the position of the government on the decisions that underpin the budgetary announcements. On 29 May Dr Willis was interviewed on ABC radio and was asked questions by Virginia Trioli about his experience with marine parks in New Zealand. The whole tenor of his contribution to the debate was that marine parks encourage the development of fish stocks that in turn enables growth in the fish stocks in areas outside marine parks that in turn assists in sustaining commercial enterprise — and there you have it! Dr Willis was wheeled out to advance the notion that we can have the proposed marine parks because they do not do any damage.

A transcript of the radio interview shows that Virginia Trioli asked Dr Willis:

After 25 years of full protection, you say that six years of your research has shown that fishing pressure is responsible for the differences in snapper density recorded from inside and outside marine reserves?

I emphasise ‘recorded from inside and outside marine reserves’. Ms Trioli continued:

But can you reassure commercial fishers here that fish stocks do increase outside of reserves?

The transcript then goes on:

Willis: Outside of reserves ...

Trioli: Because that's where it matters. I mean, we all anticipate and hope that it'll do well inside the reserve, but what about outside?

Willis: Well, outside is something that has to be looked at a lot more. I mean, the problem with this whole situation is that if you don't actually have the parks put in place, you can't assess what effects they might have. So if Victoria doesn't proceed with this legislation then you will never know.

They have not done the work in New Zealand at all! The government is introducing marine parks and wanting to carve holes in the lives of country Victorian families who in many instances have had generations of members involved in commercial or recreational fishing. The government is planning to introduce the marine parks on the basis of a half-baked analysis of what it considers the problem to be and how it is can be solved, and it relies upon people with purported expertise in the area when the expertise is not there at all. They simply do not know! The government is undertaking an experiment or making a stab in the dark because it is persuaded by the chattering classes and by members of the green movement in all its forms that that is what it ought to do.

I had regard to the press release issued by 117 marine scientists under the banner of Dr John Sherwood, who I am sure is very capable in his own right. The press release claims that the initiative would be good for marine waters in country Victoria. There was not one word about the impact on country Victorians. Nothing was said about the families who will suffer as a consequence. Not one word was mentioned of the imperatives driving the concerns of those people, let alone anything about all the other options available to the government that it could properly explore for the purpose of being able to ensure the maintenance of our pristine waters.

This exercise on the part of the government of Victoria is an unmitigated disgrace because it will butcher the lives of the people who have a direct dependency on the commercial aspects of this important area. The government will destroy the amenity of those many people who are interested in recreational fishing, and it will wreak havoc across our coastal communities that are dependent to a greater or lesser degree on the commercial or recreational elements of the fishing enterprise. It is not good enough by half.

I turn to Basslink, another matter of importance for country Victorians, particularly in my own electorate. The honourable member for Melton laughs about it. Isn't it a benchmark of government concern about an issue critical to country Victorians that he would sit on that side of the chamber and laugh? It is no laughing matter to the people who are subject to it, yet in this budget there is not a word about it — nothing. Some \$71 million is being expended on the extension to the Eastern Freeway, and government members would well

know that that money is being added to the budget for environmental reasons. It is being added to look after the Mullum Mullum Creek by ensuring it can be tunnelled under to preserve such an important environmental asset.

**Mr Maughan** — How much?

**Mr RYAN** — Some \$71 million. What about Gippsland? Why can't the government make some practical propositions to the people of Gippsland by way of indicating to them a preparedness to stand with them over Basslink. Why is it not prepared to make at least some contribution towards it, even if not all, and to at least demonstrate some leadership over an issue that is imperative to the people of Gippsland? The budget is silent on this point. Deputy Speaker, it is not good enough.

On the point of Labor at work in country Victoria — and the budget is all about the Labor government acting in its caring and sharing way on behalf of country Victorians — I refer to the project delays that I have gone through chapter and verse and do not intend to go through again. Manufacturing losses are occurring across Victoria. I was going to go through them in detail, but the shadow Treasurer has done so. The caring and sharing Labor government has wreaked havoc in manufacturing, in particular through the Workcover premium increases that are being overseen by the Minister for Workcover, who is at the table.

You hear again and again throughout country Victoria that is a problem. When I was in north-western Victoria last week for two terrific days I travelled through Boort, Pyramid Hill, Kerang, Swan Hill and Robinvale and heard again and again that Workcover is a problem.

**Ms Kosky** — Only two days?

**Mr RYAN** — I hear the Minister for Finance interject, 'Only two days?'. If she spent as much time in the country as I do it would give her a better understanding of the problems facing country Victoria and would demonstrate to her how incompetent this government is at addressing them. She would get a much better understanding about it. There are manufacturing problems throughout the state.

Then there is the issue of social engineering in which the government indulges, and it is not only the debate we have had over the drugs issue. There are some good initiatives on drugs in this budget but there is a shocking black spot with regard to rehabilitation beds. East of Dandenong there is not a Gippsland-based drug rehabilitation bed. People have to come to Melbourne.

**Ms Kosky** — What did you do about it?

**Mr RYAN** — The Minister for Finance says, ‘What did you do about it?’. For 20 months government members have been running the place and for 20 months they have been making all the noise about this, yet we have not a single bed for drug rehabilitation east of Dandenong. It is a sad commentary. We have this social engineering over the drug situation, and we would have injecting rooms flourishing now had not the National Party and the Liberal Party taken a position on that.

The changes to the upper house will come back because the government has achieved only part of the outcome it would love to see. As a result of the announcements yesterday on the redistribution, with which this government is not associated, I emphasise, because it happens independently, another two Assembly seats will be lost to country Victoria. That will suit this government fine. The less government members have to hear on behalf of country Victorians the happier they are. There is no doubt they will be back to have another crack at these changes to the upper house, but we beat it last time around and we will beat it the next time around. The issues about social engineering in various areas do nothing to assist family support, which in so many ways it is lacking.

The question of union influence and the inability of government members to work with their constituency is an ongoing problem. One can understand why government members have difficulty handling that area, because the people who pay the money to put government members where they are, in the sense of donations, are coming back now and want a return on their investment. I completely understand that — it is as plain as a pike staff.

It so happens that I have a list of some of the donations made to the Australian Labor Party leading up to the last election. The total is a healthy \$6 971 800. Hooley dooley! We wish we had that for the National Party. The ALHMWU — what is that? I am trying to get someone from the Labor Party to tell me what union it is, but I am not having much luck. It contributed \$87 500. The Australian Manufacturing Workers Union (AMWU) printing division contributed \$25 000 and the vehicle division contributed \$28 000; the Australian Services Union local authorities branch, \$23 000 — I will only pick the bigger ones — and the services and energy branch, \$21 000; here is a good one, the AMWU, \$101 918; the Australian Labor Party national secretariat, \$1 081 467 — that is the big hitters coming in; the Australian Meat Industry Employees Union, \$26 000; the Australian Workers Union, \$57 000 —

there are pages of them; the Construction, Forestry, Mining and Energy Union donated four times, totalling about \$52 000; the Finance Sector Union of Australia — the Minister for Finance would be interested in this — \$1840.

**A Government Member** — We are a struggling party!

**Mr RYAN** — The minister will have to do better than that. I hope that is not reflective of the minister’s efforts — \$1840!

**Ms Kosky** — They were only offering \$500!

**Mr RYAN** — They were only offering \$500. You bid them up — or beat them up! There are some interesting ones that have not put their head up yet in the system of the management of this government. The health services unions are coming like a train through a tunnel — that is probably a poor pun in the circumstances — but are in for only about \$25 000, so not much damage was done. Slater and Gordon get a mention.

The Maritime Union of Australia seamen’s branch donated \$1801 — that did not look too good either. The National Union of Workers donated three times for a total of about \$150 000. The Shop Distributed and Allied Employees Association are in for \$47 000, and they are in again for about \$168 000. The Textile, Clothing and Footwear Union of Australia is listed for \$54 000; the Transport Workers Union, Victorian and Tasmanian branch, for \$92 000; and so on. Somehow in there I have missed the Australian Education Union, but no doubt someone on the other side can tell me how much the AEU donated.

**Ms Kosky** interjected.

**Mr RYAN** — I do not think they missed the minister, which is why they will not miss this time around, either!

I can understand that the government has a problem with managing its own people on this essential issue. A lot of money has been paid over by those unions, which want a return on their investment. I think I am correct in saying that the Police Association put in \$100 000. Its log of claims has been lodged. It will be interesting to see if the association gets value for its money. It will be a nice challenge for the new Chief Commissioner of Police.

The budget then turns to issues dealing with transparency, honesty, openness, integrity and all those sorts of things.

**An opposition member** interjected.

**Mr RYAN** — And accountability, thank you. The place is littered with miserable failures. I sent a freedom of information application to the Minister for State and Regional Development seeking to obtain from him a list of the announcements he has made about funding from the Regional Infrastructure Development Fund. After a long and tortuous process I received the sum total of six press releases, but that sort of thing happens all the time. We have the farce about the supposed open, honest and accountable use of freedom of information — but that sort of thing happens every day, so I will not dwell on that.

However, one issue that worries government members every night before they close their eyes after they hop into beddy-byes is barley!

**Mr Nardella** interjected.

**Mr RYAN** — I know they are laughing about it, but in fact they are worrying about it. Obviously it has not hit them yet, so I will explain it. The government has taken a decision to destroy the single desk for barley exports out of Victoria. It has done that in the face of what is now a virtually unanimous view to the contrary. The machinations of the Treasurer on this topic are interesting on a number of fronts. In this context it is interesting to reflect on what happened when the dairy industry was to be deregulated.

*Honourable members interjecting.*

**Mr RYAN** — Give me a go! Honourable members must remember that the Treasurer was an ardent opponent of proposals for deregulation of the dairy industry. He swore and declared that it should not happen. With the passage of time and as the industry drummed into him that it wanted deregulation to happen, the Treasurer was caught between a rock and a hard place. He could not shift ground without having some apparent justification for doing so.

Leading into the last election a blaze of light struck the Treasurer, and he had the solution — to have a vote of the suppliers. I see the nodding of heads on the benches occupied by the government members who are in the house. Everybody saw it as being a fair thing. It was welcomed, and the great thing about it was that it let the Treasurer off the hook. He could fold his tent, slip away in the night and reappear apparently as an ardent supporter of deregulation of the dairy industry because the suppliers had voted in favour of it. That is what happened.

Now the government says it wants to deregulate the barley industry. It is to be sacrificed on the altar of national competition policy. The Treasurer's problem is that the growers have clearly indicated that they do not want it to happen. The legislation was passed a couple of years ago when the world trade discussions in Seattle were about to happen. The proposal was that agriculture would be part of the Seattle outcome and we would not have the problems we now have to grapple with in selling our products in this sphere.

*Honourable members interjecting.*

**Mr RYAN** — It is not registering on the Treasury benches, of course. It is an issue exclusive to areas outside metropolitan Melbourne, so it simply does not gel with government members. If I had to dwell on this point to explain it in a way government members could understand we would be here all day. Suffice it to say that at the collapse of the Seattle round of the world trade negotiations agriculture was not included. Therefore we did not have the benefit of agriculture being subjected to the sort of scrutiny it should be subjected to for international trade purposes, and the mechanisms which drove barley deregulation also collapsed. Farmers were left in the position of having today's barriers continuing.

Our only defence to that is the single desk. That is why the federal coalition government recently ratified the single desk for the export of wheat and why the federal Labor Party strongly endorses the retention of the single desk for the export of wheat from Australia. The federal Labor Party knows that Australia's only defence in exporting its produce into corrupt markets and being able to compete is the single desk. It is an established fact, and all sides of politics at a federal level understand that that is so. In Victoria it is also understood; the growers understand why it is so. It is also understood beyond the Victorian jurisdiction. That is why other states have preserved the legislation to ensure that there is a single desk. The maltsters are important players in this, and they understand why it is important to keep it. The Japanese market is significant for us in this area and has told us that if we deregulate \$260 million worth of product will be at risk because the guaranteed quality provisions will no longer be there. The Japanese market is one of many.

Recently we have had reports that the federal Labor opposition has been in Victoria talking to the Treasurer and telling him he is making a mistake and doing the wrong thing. What is the answer in all of this? When the dairy deregulation issue was being discussed, the Treasurer got out of it by saying, 'Let us have a vote of the members and hear what the people who supply the

industry have to say', and a poll was conducted by the Victorian Electoral Commission.

Now he has his chance. Another poll is about to be conducted, this time of barley growers. They will be asked the same question: who is going to support or not support deregulation? The same process and basic rules will apply to registered barley growers and suppliers as applied to dairy farmers. We will hear from the industry as to what it says on the issue of barley, just as the dairy industry said what it had to say on the issue of dairy deregulation.

Two issues arise. Firstly, will the Treasurer comply with the vote this time? Is he prepared to do what he did last time? Is the Treasurer of Victoria prepared to say, 'Just like I did last time, I will honour the vote of those who know best about this. I will conduct myself and the government's legislative program on the basis of respecting what the growers have to say?'

The second issue is very pertinent to this budget commentary about openness, honesty and transparency. It is also to do with this further fact: next Wednesday, I suspect, there will be a debate in the Legislative Council when the National Party will move a private member's bill which will be supported by, and amended slightly in accord with the wishes of, the Liberal Party. As the National Party has indicated that it will support the amendments, the bill will inevitably pass in the other place and be transmitted to the Legislative Assembly. I want to know from the Premier and the Treasurer whether in this age of open, honest and accountable government they are prepared to hear the people of Victoria wanting to put a point of view in this chamber. Will they even allow debate on that bill to occur?

The honourable member for Mildura, who is one of the most ardent supporters of deregulation, has been hot and strong in saying he wants to see it happen. The National Party is at loggerheads with him on that and a few other issues. Nevertheless, to give credit where it is due, he says that the National Party should have the same right extended to it to debate legislation about barley as he had when he wanted a debate brought on about petrol pricing. The honourable member for Mildura says it is fair that a debate be conducted and that the Parliament should ultimately decide.

Is the government prepared to allow the debate to take place? When I asked the Premier that in question time yesterday, he demurred and would not answer. Is he prepared to tell the people of Victoria that openness, honesty, integrity and accountability apply across the

board or will he stop the barley growers of Victoria by shutting out argument on the issue in this house?

**Ms Kosky** — How did you vote?

**Mr RYAN** — I take up the interjection by the Minister for Finance who asks, 'How did you vote?'. The National Party will have the opportunity to put a position in line with our view of the way today's world operates and the government will be able to do likewise.

**Ms Kosky** interjected.

**Mr RYAN** — It is perfectly fair and is how this place operates. I should have brought the famous Independents charter in with me, and we could have spent another couple of hours reading through it. The charter is all to do with that wonderful philosophy of giving people opportunities to argue the issues of the day in the people's chamber. Well, Mr Premier, put up or shut up! Unless you can answer the question legitimately you are carving another hole in the notion of honesty, openness and accountability, which is already pretty much in tatters.

In different ways and on different issues, people in different parts of country Victoria are increasingly disenchanted with the government. Too many of the promises made have not been kept — and many other promises will not be kept. The government has moved the time frame for satisfying promises so often that many of them are now beyond the pail. The way the government chooses to satisfy promises shows that it is inept.

Most worrying of all is the point I started with — namely, that the budget lacks vision for the country areas of the state. Nothing in the budget gives country Victorians hope for the future or the prospect of making the contribution to this great state that they are capable of making. That fact about the budget above all others disappoints me most. The budget has no leadership and no vision. Country Victorians deserve better.

**Ms KOSKY** (Minister for Finance) — The only true thing the Leader of the National Party has said in his contribution is that the budget disappoints his party. It disappoints him because his party cannot deliver it. The National Party simply cannot deliver what the government can and has delivered across the state.

The shadow Treasurer has been in opposition for almost two years now. However, in her lengthy contribution she talked about not one single new policy and showed that she has no vision for what the Liberal

Party would do in government. She spoke in the old Kennett style about Labor always spending too much and taxing too highly. At the same time the Leader of the Opposition has been running around the state and telling the people of Geelong what the government should be delivering to them.

The honourable member for Warrandyte talked about putting in more teachers and giving them more money. The honourable member for Mordialloc talked about extra money for roads and transport. Opposition members are in absolute disarray! They could not agree on one sentence in relation to the budget, and I think we will see that in terms of their responses.

How many backflips has the Leader of the National Party done in the house today? He did several double backflips with triple degree of difficulty and he is now being resuscitated because he did not survive it! It was a rewrite of his own history and, happy to have the debate, he is now leaving the house — so he has obviously been resuscitated. The honourable member has completely rewritten his history and can now be found in opposition. But we know what he would do in government — that is, not look after country Victoria!

This is a fantastic budget and it has been incredibly well received across the state. It has been well received by communities in metropolitan Melbourne and rural Victoria; and it has been well received by the business community. The only ones who are unhappy about this budget are the opposition and the National Party, because they did not get the chance to deliver it.

This budget builds on the first Bracks government budget, which was very much about putting back in what the Kennett government had ripped the heart out of in terms of a whole range of services that need to be provided across Victoria. This budget is about building on that investment. It is about delivering today and building for tomorrow. It has a very clear vision, which is about making sure that we invest in health, education, transport and community safety, while at the same time putting into place the infrastructure required for future economic and social investment in the state.

It is a budget that I feel very proud to be part of as a member of the Bracks government. I congratulate the Treasurer, who I believe has done a fantastic job at working with the caucus in developing the budget and taking into account what we have been told by the Victorian community over the past 12 months. It is a budget that provides vision, and will provide that vision for many years to come. It fixes up the shabby conditions that we inherited from the previous

government and builds on that and provides a vision that will take Victoria well into the future.

As to the key highlights of this budget, we have demonstrated our commitment to be financially responsible. It has an operating surplus of \$509 million for the 2001–02 financial year, averaging at around \$500 million over the following three years. The net debt will fall from \$4.9 billion in 1999 to \$2.5 billion in 2005. In this budget we have net additional output initiatives of \$226 million in 2001–02, rising to \$301 million in 2004–05. We are both reducing debt through this budget as well as investing in the community in the immediate and also the longer term. We are not, as did the previous government, putting all of the money into reducing debt while the rest of the community bleeds. We have a very responsible position which takes debt into account.

**Mr Honeywood** interjected.

**Ms KOSKY** — The honourable member for Warrandyte is yelling out across the table that he wants more teachers and wants them to be paid more money. The honourable member would spend everything in order to get one vote if he could! The problem faced by the honourable member is that he does not have a clear policy or a clear vision.

**An opposition member** interjected.

**Ms KOSKY** — You are about the 50th priority in your party!

**The DEPUTY SPEAKER** — Order! The minister will ignore interjections.

**Ms KOSKY** — The net additional output initiatives in this budget include: nurse benefits and recruitment package; teacher performance and classification framework; the middle years of schooling; and a range of other activities — all of which were announced in the budget update. The key highlights of this budget are new infrastructure projects worth \$2.13 billion. That is \$2.13 billion that has been approved within this budget. That means that we will have fantastic infrastructure around Victoria, but also in a period where we are experiencing a slowdown in economic growth we will be putting back in, in terms of jobs, not only in the middle of Melbourne but right around Victoria. And that is public spending. Of course, that \$2.13 billion will grow as part of partnership projects with the private sector. The previous government only wanted to use private money to make the investment that it should have been making.

This government is prepared to spend revenue that is gained through the people of Victoria on the people of Victoria now. So this project, being part of building the infrastructure that is required, is making a major investment in terms of information communications technology (ICT) investment, which is positioning Victoria as an ICT biotechnology and advanced manufacturing sector. This is a very important sector, not only within Australia but throughout the region. As a result of this investment we are ensuring that Victoria will be the place to be in terms of these areas, and that people will want to work here rather than travelling overseas where they believe they can get paid more. We are making the investment to ensure we have state-of-the-art facilities here for those who want to work in the information technology (IT) and biotechnology areas. We want to build into areas such as manufacturing and other areas of economic growth so that IT becomes very much a part of our industries. It is about building the infrastructure that we need for tomorrow but putting it in place now.

The budget has also provided major investments in environmental sustainability. This government knows that in order to have a vision in Victoria, in order to put long-term strategies in place, it needs to ensure that economic growth is environmentally sustainable.

There is funding in the budget for salinity programs, which will be matched by the federal government, to improve the marine environment and the Snowy River flows. The budget provides a strong commitment to environmental sustainability, and the environmental movement is pleased that finally it has a government that is not only prepared to listen to it but is also prepared to put its words into action with initiatives that will ensure environmentally sustainable economic policies.

Some of the key highlights of the budget include \$774 million of business tax cuts that will be delivered over the next four years — the business community is pleased about that — a major boost to health and aged care services, because the government knows they are important; and increased resources for education, community services, community safety and transport. The government has again met the requirements for accountability put in place under the Financial Management Act, and the Auditor-General has reviewed the budget and given a tick on the assumptions that underpin it.

**An honourable member** interjected.

**Ms KOSKY** — The honourable member opposite is jumping up and down, but the previous government

was not prepared to allow any scrutiny of its budgets or actions. This government is prepared to allow for scrutiny of its budgets up front, and the Auditor-General will also be involved in the financial statements.

In terms of the economic forecasts, it is evident from the budget that Victoria is experiencing a slight slowdown, which is also occurring right across Australia and overseas. The tables in the budget relating to economic growth reflect that slowdown. It is worth considering the very high base on which Victoria will build. Some 58 per cent of the jobs created nationally over the past 12 months have been in Victoria. That figure of 58 per cent is to be compared with Victoria's share of the national population, which is only 25 per cent. Victoria has had incredible economic and jobs growth. More than one-third of the new jobs have been created in rural and regional Victoria, which is fantastic news. This government is growing the whole of Victoria rather than just focusing on the Melbourne central business district. The government's policies are being put in place right across Victoria, and the benefits are now being experienced.

Victoria's population is growing more strongly than the national average. People have been returning to Victoria over the past couple of years, which is good for the economy.

The budget has a substantial operating surplus of \$509 million projected for 2001–02, averaging at around the \$500 million mark for the out years. Net debt has reduced under this government, and it is expected to halve from the June 1999 figure of \$4.9 billion to \$2.5 billion in June 2005. The government is reducing debt while investing in the Victorian community. The ratings agencies have maintained the AAA rating in recognition of the fact that the government is addressing both issues.

This budget is about growing the whole of Victoria. In terms of infrastructure investment, some \$2.13 billion will be allocated for projects starting in 2001–02 — and they will start immediately, because they do not need years and years of planning, and Victorians will gain the benefit of them now and once they are completed.

The government has also made a major investment in innovation, science and information communications technology. The budget allocated \$287 million to enhance school and technical and further education (TAFE) facilities and equipment. That is an enormous investment.

The budget provides \$193 million over four years to boost environmental sustainability and biodiversity, and under the Growing the Whole State program the Better Business Taxes package will be put in place around Victoria.

I will take some time to talk about the investment the government is making in innovation, science and information communications technology. This government realises that those areas need the best and brightest people in Victoria and that we need to ensure the training and education services are in place for people who want to work in those areas and to improve skill development for industries now and in the future. With this budget the government has created a Victorian endowment for science, knowledge and innovation. That endowment will be in place to attract private investment to ensure we can keep the best people in Victoria and attract scientists and information technology specialists from overseas. They will come to Victoria knowing it is the place where they can gain ongoing work and take part in very exciting projects.

The government has made a major investment in health care in this budget. It believes health care is critical and fundamental to the Victorian community. Health care was completely pushed aside by the previous government — it cut enormous amounts of money from the health budget with little regard for the impact it was having on the community. The health issue was one of the critical reasons for people being keen to vote for Labor as opposed to the previous Kennett Liberal government. The budget allocates \$582 million for a four-year hospital demand strategy.

The government has allocated \$150 million to improve the management of chronic conditions and reduce hospital readmissions and \$384 million to treat an extra 11 000 elective surgery patients and allow for an extra 14 000 emergency admissions a year. There is extra support provided for intensive and neonatal care units and 280 additional renal dialysis treatments a year, and to open 300 new hospital beds. There is also \$48 million for sub-acute care and home-based alternatives for elderly patients so they can get the best care in the environment that suits them while also ensuring that elderly people who do not want to be in hospitals can still gain proper medical attention without having to be in the hospital system.

These measures will make an incredible difference in the health system, but they will not solve every problem. It is growing enormously, and there will have to be a partnership with the commonwealth government. Although it is working off a low base the government has a four-year strategy in place, which is

important for the health system and for government. That means the hospital system knows the government is making an investment over a four-year period and will have a sense of where the government is headed and where it can head. It can plan properly, unlike what happened under the previous government, where the hospital system worried about what was going to happen in the next budget.

In relation to education and training, there is in the budget a \$386 million program of investment in schools — including \$45 million for equipment in TAFE-enhanced learning environments, \$40 million for school modernisation, \$23 million for information and communications technology (ICT) development, \$19 million for broadband ICT infrastructure in every TAFE institute across the state, and \$38 million for improving the learning environments in schools.

This is a budget which invests properly in health, education and training, transport and community safety. It is a budget which is financially responsible and which has a very clear vision of where Victoria should be going well into the future. It is a budget that makes an investment in infrastructure and also in the delivery of services. That is why the Victorian community — including business — is so supportive of the budget. It knows the Bracks government will work with the Victorian community to take the community forward and make proper investments. At the end of the day the Victorian community will make a decision about whether the government has made the right investments, but I would be absolutely sure that the government is well ahead in terms of what the opposition ripped out of the heart of the community when it was in office. This is a budget for the entire Victorian community. It is not only for the metropolitan area.

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

**Mr HONEYWOOD** (Warrandyte) — It is a pleasure to follow one of the two education ministers who managed to get a wonderful, outstanding 2 per cent increase in their recurrent budgets for the coming year. Was that the no. 1 priority we were led to believe education was going to be? There was a 10 per cent increase in the Kennett government's last school education budget, compared to Queen Mary's 1.6 per cent win for schools — —

**The DEPUTY SPEAKER** — Order! The honourable member for Warrandyte will refer to honourable members only by their appropriate titles.

**Mr Perton** interjected.

**The DEPUTY SPEAKER** — Order! The honourable member for Doncaster's behaviour is disorderly. He does himself no credit by behaving in that childish manner.

**Mr HONEYWOOD** — As the Minister for Post Compulsory Education, Training and Employment flees the chamber, she might like to reflect on the fact that education is the seventh priority in terms of additional funding in the state budget for the coming year. Who got the win? John Brumby, the Minister for State and Regional Development, got a 26 per cent increase, Human Services got a 9.4 per cent increase and Natural Resources and Environment won a 10.6 per cent increase. The Premier looked after his own department with a 4.4 per cent recurrent expenditure increase. The Justice department won an increase of 7.9 per cent and the Department of Infrastructure got 5.1 per cent.

But what did the area the Bracks government went to the election with as its no. 1 priority gain for the coming year? It gained 1.6 percent for school education to ensure our children's educational outcomes are improved and that Victoria can try to keep up with the outstanding computer-to-student ratio under the previous Kennett government. What was the increase for school education in the last Kennett government budget that this government inherited? It was 10 per cent — seven times more than what the Minister for Education has managed to extract from the Premier and the Treasurer this time around.

No wonder Mary Bluett described this as the cruellest education budget ever. No wonder school principals cast a vote of no confidence in this incompetent minister late last year, the first vote of no confidence by school principals in living memory. No wonder that at their meeting last week primary school principals described this is a very bad budget for schools and teachers.

Despite all the high-blown rhetoric from the Minister for Education perhaps it is time to reflect on the performance that she has brought to this portfolio. Perhaps it is time for the government to have a really serious think about the minister's credibility when it comes to delivering on education promises. Perhaps it is time this government looked at getting its priorities right instead of wrong.

Who can justify an almost 5 per cent increase in expenditure on the Premier's advisers, researchers and political hacks, as we know them, on top of their

salaries? Who can justify that sort of increase when education gets less than half, by comparison? It is all about getting the priorities right.

It is interesting to note that the key ministers on the government's budget and economic review committee — the Minister for Health, the Minister for State and Regional Development, the Minister for Justice and the Premier himself — had the big wins and that education was the big loser.

Why has the education union gone that extra mile to explain this as a cruel budget? In two years the Bracks Labor government has not provided funding for one additional classroom teacher for secondary schools. It has put all its emphasis on primary school prep to grade 2 class sizes. It has washed its hands of primary school students in grades 3, 4, 5 and 6, who are now crammed into larger classes at many schools because the school principals are under pressure to reallocate teaching staff from the higher grades to the lower grades to meet the Minister for Education's promise of a maximum of 21 students. We should never forget that that was changed to an average by sleight of hand after the state election.

Secondary schools have received nothing with which they can reduce class sizes. That is why, after class sizes became too big, Hampton Park Secondary College teachers went on strike on three occasions. That is why the government has sat on a freedom of information request I put in four months ago to get the actual class size data for high schools. Do honourable members remember the charter of the Independents — who are never in the chamber — for open and transparent government, under which freedom of information requests were going to be met within 45 days? Even the Ombudsman has had enough. He has twice written to the Minister for Education saying, 'You have the data, you have been saying on the radio and in Parliament that you have it. Why won't you give it to the opposition?'. The reason is that the government is embarrassed by its failure to provide a single additional classroom teacher to Victorian secondary schools.

On the issue of kindergartens, which is covered on behalf of the opposition by the honourable member for Mooroolbark, the government has good reason to —

**The DEPUTY SPEAKER** — Order! I am sorry to interrupt the honourable member in full flight, but the time has arrived for the suspension of the sitting for lunch. The honourable member for Warrandyte will have the call when the debate resumes.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.00 p.m. until 2.03 p.m.

### DISTINGUISHED VISITORS

**The SPEAKER** — Order! It gives me great pleasure to welcome to the Victorian Parliament today the very distinguished delegation from the Mpumalanga provincial legislature from South Africa. The delegation consists of Mr S. W. Lubisi, the Speaker; Mr C. W. Hatch, the Leader of the Official Opposition; and Mr C. D. MacPherson, the Chief Whip of the Opposition. Welcome, and I hope you enjoy question time.

### QUESTIONS WITHOUT NOTICE

#### Attorney-General: former Chief Magistrate

**Dr NAPHTHINE** (Leader of the Opposition) — My question without notice —

*Honourable members interjecting.*

**Dr NAPHTHINE** — I've got a very good seat, which is better than you've got!

*Honourable members interjecting.*

**The SPEAKER** — Order! I remind the house, as I did yesterday, that questions have been called.

**Dr NAPHTHINE** — I refer the Premier to his answer in the house yesterday, in which he said that the Attorney-General did not receive advice from his Labor mate, Mark Dreyfus.

**An Honourable Member** — He didn't say that at all.

**Dr NAPHTHINE** — Read *Hansard*.

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask the house to come to order. The honourable member for Ivanhoe!

**Dr NAPHTHINE** — I suggest the Premier read *Hansard* and be very careful how he answers the question. Will the Premier now categorically state to this house and to the Victorian people that his Attorney-General did not receive any advice, written or verbal, from Mr Dreyfus about the demotion or removal of the former Chief Magistrate, Michael Adams?

**Mr BRACKS** (Premier) — Mr Speaker —

**Dr Naphtine** — Be careful!

**Mr BRACKS** — I am very careful. The answer is that the Attorney-General did not receive advice from Mr Dreyfus on that matter.

#### Premier's Drug Prevention Council

**Mr MILDENHALL** (Footscray) — I refer the Premier to the historic joint sitting of Parliament on drug prevention. Will the Premier inform the house of the establishment and membership of the Premier's Drug Prevention Council?

**Mr BRACKS** (Premier) — I am pleased today to report to the house that following the historic joint sitting of the Legislative Council and the Legislative Assembly to hear expert advice from Mr Neil Comrie and others, today my colleague the Minister for Health and I have announced the composition and terms of reference of the Premier's Drug Prevention Council.

It is pleasing that we have 11 community leaders who are prepared to serve the Victorian community and Parliament in providing advice and support on drug prevention strategies over the coming years. In fact, their appointments in this case will be for the next two years.

The government joins them in hoping their work goes on for many years to come. This is a long-term problem, and prevention will be one clear part of tackling the drug problem here in Victoria.

I am very pleased that the head of Rehome Australia and a leading businessman in Australia, Peter Maher, has accepted the position as chair of the Premier's Drug Prevention Council. Mr Maher will bring some new skills to the council that will build on the excellent work Dr David Penington has already undertaken for two previous governments and take it to a different level. The council will focus specifically and uniquely on prevention strategies for the state by reviewing what is being done and suggesting what can be done in the future as well.

The council will include among its members Mr Rob Moodie, the head of Vichealth; Professor Margaret Hamilton, the director of Turning Point; Mr Neil Comrie, the former police commissioner and originator of the concept of the joint sitting — and I again place on record my congratulations to him on the initiative he led; Mr Glenn Bowes, the chief executive officer of the Women's and Children's Health Service; and several other eminent Victorians who will serve on the council

and report not only to me as Premier but also to the Parliament.

The drug prevention council will be resourced by a secretariat; it will be independent; it will have oversight over some \$20 million of drug prevention activities in the state; and it will have the ability to initiate research and other initiatives with the further \$2.8 million committed to funding. Its work will be important and necessary to the state.

It is recognised that tackling the drug program in Victoria is not simply a problem for the government, it is also a problem for the whole community, and it can therefore be tackled only if there is a total community response. I welcome the new council and its head, Mr Peter Maher. I believe the council will make an enormous difference in our attack on drugs in Victoria.

**Questions interrupted.**

## ABSENCE OF MINISTER

**The SPEAKER** — Order! Before calling the next question I advise the house that I have now been advised that the Minister for Education will not be present during question time and that the Premier will answer questions on education.

## QUESTIONS WITHOUT NOTICE

**Questions resumed.**

### Rail: regional links

**Mr RYAN** (Leader of the National Party) — Given the continued doubt over private sector involvement in the fast rail links to regional centres project, will the Minister for Transport undertake to deliver a ministerial statement on the status of the venture when Parliament sits in Bendigo on 16 August?

*Honourable members interjecting.*

**The SPEAKER** — Order! The house will come to order!

**Mr BATCHELOR** (Minister for Transport) — Mr Speaker — —

**Ms Asher** interjected.

**Mr BATCHELOR** — Of course I can. We are a consultative government, you know.

It is a very timely question, because today I announced the calling for expressions of interest to further develop this project. I am very pleased that the Leader of the National Party asked me this question today, because it gives me the opportunity to tell Parliament what this government is doing to deliver on the project and how it is working with the private sector to make sure the regional fast train project will deliver real, tangible benefits to the people of country Victoria.

This government opens, rebuilds and revitalises country rail transport, unlike the previous government, which closed it down. The government has a commitment to upgrading country Victoria.

*Honourable members interjecting.*

**The SPEAKER** — Order! The honourable member for Monbulk!

**Mr BATCHELOR** — I will be very pleased to tell the people of country Victoria, including the people of Bendigo, what the government is doing to deliver this project. In fact, I have just come back from a press conference where I did what the Leader of the National Party has asked me to do. I have already told the people of Bendigo, Ballarat, Geelong and the Latrobe Valley what this government is doing to deliver on the fast rail project.

**Dr Napthine** interjected.

**Mr BATCHELOR** — The Leader of the Opposition asks when I did this. I did it at lunchtime today, you dill!

The government is calling for expressions of interest from the private sector to work in partnership with it and to add on to the \$550 million commitment this government has already given. This is a huge commitment to a project that will take five years to deliver, provide 9000 jobs during its construction phase and, according to the feasibility studies, deliver a 70 per cent increase in patronage on the four rail lines in question.

It is a terrific proposal, which I would have thought the National Party would get behind and be supportive of. I thought the National Party was trying to differentiate itself from the Liberal Party, but judging by the tone of its questions it is making a negative attack on the project, just as its former coalition partner has done. It does not like rail transport in country Victoria!

**Mr Ryan** — On a point of order relating to relevance, Mr Speaker, the minister is now clearly

debating the question. If the answer is yes, he can just say yes and sit down.

**The SPEAKER** — Order! I ask the Minister for Transport to come back to answering the question and to cease debating it.

**Mr BATCHELOR** — Today's launch of our invitation for expressions of interest is the first stage of the bidding process. As part of the project the government will be upgrading more than 500 kilometres of track and installing new level crossings and signalling equipment that will enable trains to travel at 160 kilometres per hour. Unlike the Liberal and National parties, the government will not be closing rail lines down, it will be reopening them.

The contracts that will flow from the expression-of-interest stage will involve five parcels of work. The four country works packages will lead to tenders being called, and contracts are expected to be awarded in March next year.

The contracts for the metropolitan works will proceed shortly thereafter. This is about the Bracks government delivering for country Victoria, unlike the opposition which has failed to support this project.

### Drugs: youth services

**Mr LIM** (Clayton) — Will the Minister for Health advise the house of the latest initiatives in youth drug treatment as part of the government's comprehensive drug strategy.

**Mr THWAITES** (Minister for Health) — The Bracks government is doubling the number of drug treatment beds in Victoria from 400 to 800 and at the same time is increasing support for counselling and drug prevention programs throughout the community. When we came to office there was only one residential withdrawal service in the whole of the state targeted at teenagers. Under the Bracks government there are now six youth residential withdrawal units, including new services that have just opened in Ballarat and Geelong. Government members, and I think all honourable members, have a great commitment to tackling the drug problem together with the community. We are doing it at a time when there is an increasing demand for those services. In 1996 there were some 278 teenagers using those services; now there are some 6000.

As part of the government's \$77 million strategy, I am pleased to advise the house that youth residential withdrawal waiting times dropped in the last year from 11½ days to less than 3 days on average. I am pleased also to announce a new drug treatment initiative by the

Bracks government. A 15-bed youth residential rehabilitation service aimed at young people who need intensive and long-term support will be established by the government. The statewide 24-hour service will be run by a consortium of the Youth Substance Abuse Service, Turning Point, Mental Health Services for Kids and Youth, and the Centre for Adolescent Health at the Royal Children's Hospital. The government will provide \$3 million for the construction of the purpose-built facility and annual funding of \$1 million. Also \$150 000 will be provided for establishment funding. As a matter of urgency an interim site will be found for six beds to be operating within three months.

The Bracks government is spending some \$13.5 million on youth drug services to try to help get lives back on track. Certainly the drug problem is a difficult one, but we are getting on with the job of tackling drugs in a socially progressive way.

### Attorney-General: former Chief Magistrate

**Dr DEAN** (Berwick) — I refer the Attorney-General to the fact that last year the Attorney-General's friend and Footscray Labor lawyer Mr Robert Stary rang magistrates and ex-barrister colleagues of Michael Adams, using the Attorney-General's name, to collect information and support for removing Michael Adams, and to the fact that the same Robert Stary was with the Attorney-General at the kill following the motion of no confidence in Michael Adams, not to mention Brian Barrow. Why was your friend, Footscray Labor lawyer Robert Stary, acting with your approval and meeting with you, and what part did he play in ensuring you got rid of Michael Adams?

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask the house to come to order. I remind the honourable member for Berwick that questions should be addressed in the third person through the Chair.

**Mr HULLS** (Attorney-General) — It has to be remembered by all members of the house that the only reason Michael Adams is no longer Chief Magistrate of Victoria is that some 13 magistrates made very serious complaints against him, including complaints of sexual harassment. Those complaints — —

**Dr Napthine** interjected.

**The SPEAKER** — Order! The Leader of the Opposition!

**Mr HULLS** — Those complaints were just complaints; they were not proved. Also, there was a substantial vote of no confidence in the former Chief Magistrate. Had those matters not occurred, I suspect Michael Adams would be still Chief Magistrate today. After receiving those complaints, and receiving them in writing, I did the right thing. I consulted with the shadow Attorney-General and I got advice from David Habersberger, QC.

**Dr Dean** — On a point of order, Mr Speaker, on the grounds of relevance — —

*Honourable members interjecting.*

**The SPEAKER** — Order! The house will come to order. The honourable member for Tullamarine!

**Dr Dean** — It was clear that my question entirely revolved around the role of Rob Stary and Mr Hulls. That is the centre of the question and I ask you to ask the Attorney-General to come back to the question and tell us about Mr Stary.

**The SPEAKER** — Order! The Chair has on numerous occasions indicated that it cannot direct a minister or an honourable member to answer in a particular way. Provided the minister remains relevant, and I am of the opinion that he is, I will continue to hear him.

*Honourable members interjecting.*

**The SPEAKER** — Order! The honourable member for Glen Waverley!

**Mr HULLS** — The process I followed in this matter was absolutely appropriate. Of course, it was a difficult and sensitive matter. Might I say that having received those 13 complaints and having to get advice from David Habersberger is something I would have preferred not to have gone through. As I said, had those written complaints not been received and the motion of no confidence not moved, I would not have had to receive the advice from David Habersberger.

That advice was on how this matter ought be dealt with, and Michael Adams made up his own mind and resigned. Indeed, he resigned because he decided to put the interests of the Magistrates Court ahead of his own career, and at the time I thanked him for that.

**Dr Napthine** — On a point of order, Mr Speaker, on the matter of relevance, the question was about the role of Mr Stary, yet the Attorney-General has not once referred to the role of his mate in this unholy conspiracy

to get rid of the Chief Magistrate. Why doesn't he tell the house about the role of Mr Stary?

**The SPEAKER** — Order! I ask the Leader of the Opposition not to use a point of order to raise a point in debate, as he was doing in the latter part of his remarks. In regard to the earlier part of his point of order about relevance, I have already ruled on that, and the Attorney-General has concluded his answer.

### **Police: strength**

**Mr HARDMAN** (Seymour) — I ask the Minister for Police and Emergency Services to inform the house of the progress of the government's commitment to increase police numbers by 800.

**Mr HAERMEYER** (Minister for Police and Emergency Services) — I am pleased to inform the house that Victoria Police has advised me that as at 21 May Victoria had 9921.9 full-time equivalent sworn police and police in training. That contrasts with the figure of 9499.7 on 30 June 1999. It is an effective increase of 422.2 full-time police in the Victorian force.

**Dr Napthine** — How many in training?

**Mr HAERMEYER** — The Leader of the Opposition asks how many are in training. There are 427, and that is a record number of police officers in Victoria's training academy. That contrasts with 153 on 30 June 1999.

**Mr Smith** interjected.

**The SPEAKER** — Order! The honourable member for Glen Waverley, once again!

**Mr HAERMEYER** — I am also pleased to advise the house that the police recruiting advertisements have now netted some 37 000 inquiries. The government has enormous confidence that from those it will get a high calibre of police officers. It is unfortunate that the honourable member for Wantirna, who poses as the alternate police minister, stated on 3 October 2000 in the grievance debate:

I have serious concerns about the quality of recruits that may result from an operation of such a large scale.

He was calling into question the quality of the recruits. There is no question about the quality of the recruits and one can only surmise what the opposition will do in the future. I suspect it would scale back the whole operation. The government inherited a police force that was going backwards. All honourable members would remember the 1999 budget. The previous government promised 400 additional police, but from June to

October 1999, when it lost office, police numbers went backwards. Despite promising 400 extra police Victoria ended up with 60.4 full-time equivalent police less than at the turn of that budget year. That is in sync with everything the previous government did. When it came into office in 1992 it promised 1000 police, yet between 1996 and 1999 it cut back 800 police.

This morning the honourable member for Brighton, the shadow Treasurer, came into the house and said that the government was spending too much. Where will the opposition make cuts? It is pretty obvious. The opposition loves to cut the police force to ribbons. It will return to form and cut police numbers.

**Dr Napthine** interjected.

**The SPEAKER** — Order! The Leader of the Opposition will not interject in that manner.

**Mr HAERMEYER** — The government is working together with Victoria Police and the Police Association. The target of a net 800 additional police will be achieved, not in four years but four months ahead of schedule, by the end of June 2003. Let me say this again — —

**Mr Maclellan** interjected.

**The SPEAKER** — Order! I ask the honourable member for Pakenham to cease interjecting. It is clear to the Chair that the Minister for Police and Emergency Services is providing information.

**Mr HAERMEYER** — Let me say it very loudly and clearly. After years — —

**Dr Napthine** interjected.

**The SPEAKER** — Order! I have asked the Leader of the Opposition not to interject in that manner. I will not hesitate to use sessional order 10 if he persists.

**Mr HAERMEYER** — I can understand the opposition's discomfort, Mr Speaker. Let me say it loudly and clearly: after years of Liberal and National party cutbacks to police numbers the Labor Party is rebuilding our great police, and Victoria Police figures show that the government is easily on target to make its commitment to police numbers.

**Attorney-General: former Chief Magistrate**

**Dr DEAN** (Berwick) — My question is again to the Attorney-General. In the light of the sordid role played by the Attorney-General in the conspiracy to get rid of the former Chief Magistrate, Michael Adams, and the fact that he made a payout to Mr Adams of around

\$750 000 in excess of entitlements, is it not the fact that this massive payment was made with taxpayers' funds and was to satisfy his personal vendetta to get rid of Michael Adams?

*Honourable members interjecting.*

**The SPEAKER** — Order! The house will come to order to allow the Attorney-General to answer the question.

**Mr HULLS** (Attorney-General) — At the request of Michael Adams, he asked that any terms and conditions of any amounts he received be kept confidential. At his request — —

*Honourable members interjecting.*

**Mr HULLS** — At his request! As a result I do not intend to impinge upon that, save to say — and I repeat — that in relation to Mr Adams it is nonsense to suggest that he is no longer Chief Magistrate for any reason other than the ones I have already mentioned — that is, complaints were received against him and a motion of no confidence was passed. The advice I received from David Habersberger made it clear that if the complaints were to have proceeded they may have resulted in the Supreme Court becoming involved, which would have resulted in a long, drawn-out process. I expect Michael Adams took into account the view that that would have dragged the Magistrates Court through more trauma and drama. Even though the allegations against him were just allegations, he decided to take the course of resigning and not to call into question the repute of the Magistrates Court.

### **Liberal Party: policy forum**

**Ms DUNCAN** (Gisborne) — Is the Minister for State and Regional Development aware of requests by the Liberal Party to recruit senior government officers from the Department of State and Regional Development to assist the Liberal Party treasury policy? Will he make those officers available for such a purpose?

**The SPEAKER** — Order! In allowing the question, I ask the Minister for State and Regional Development to indicate how this refers to government administration.

**Mr BRUMBY** (Minister for State and Regional Development) — It relates very much to government administration because a request has been made for the use of officers of the Department of State and Regional Development for a specific purpose. It therefore involves their work responsibilities and the expenditure

of taxpayers' money. It is clearly a matter that falls within the Parliament's jurisdiction.

**Mr Leigh** interjected.

**The SPEAKER** — Order! The honourable member for Mordialloc!

**Mr BRUMBY** — Earlier today the Liberal Party's budget reply was delivered in the house by the shadow Treasurer. I sat through most of the reply and listened to it. It was a detailed response by the shadow Treasurer.

However, the most extraordinary aspect about the shadow Treasurer's budget reply was the attempt by the honourable member for Warrandyte to sabotage it. On this day, the opposition's budget response day — and we have been waiting 16 days for the shadow Treasurer's big day to deliver the opposition's response — the honourable member for Warrandyte, in a press conference earlier this morning, released to the media a freedom of information document that he had been sitting on for 20 days!

**Mr McArthur** — On a point of order, Mr Speaker, when the question was asked you quite rightly raised a concern about how it related to government business. The minister managed to convince you that he could in some way link this, however tenuously, to government business. I put it to you that he has strayed far and wide and is entirely irrelevant to the matter that he said was government business.

**The SPEAKER** — Order! I uphold the point of order raised by the honourable member for Monbulk. I ask the Minister for State and Regional Development to come back to answering the question.

**Mr BRUMBY** — I will certainly come back to the specific question that was asked of me. The point about the budget response today is that in the hour that we listened to the shadow Treasurer there was not one new policy — not one! We have been waiting 16 days —

**The SPEAKER** — Order! I again ask the minister to come back to answering the question and to cease debating it.

**Mr BRUMBY** — I have a letter from the Liberal Party of Victoria. Essentially, it explains why there was not one new policy in today's budget response. Here is a letter —

**Dr Napthine** — On a point of order, Mr Speaker, the minister continues to defy your ruling rather than answering the question as to how it relates to government business.

**The SPEAKER** — Order! I do not uphold the point of order. It is not clear to the Chair what the minister is trying to say. I will continue to hear him if he is relevant to the question.

**Mr BRUMBY** — The question was whether I would make available officers from my department to assist the Liberal Party. I have a letter dated 4 May from the Liberal Party of Victoria addressed to Mr Graham Jackson, managing director, Small Business Victoria, 5th Floor, 55 Collins Street, Melbourne, Victoria 3000. It states:

Dear Graham,

Liberal forum — state treasury and finance policy

The Liberal Party in Victoria is currently developing policies to take to the next state election —

and it goes on —

In order —

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

*Government members interjecting.*

**The SPEAKER** — Order! Government benches will come to order!

**Dr Dean** — I think it is quite obvious what my point of order is going to be. The minister is still defying your original ruling, which was that he come back to the question and answer it.

**The SPEAKER** — Order! I do not uphold the point of order. However, I ask the minister not to quote extensively from the document.

*Honourable members interjecting.*

**The SPEAKER** — Order! Government benches will come to order. The Minister for Agriculture! I ask the minister to come back to answering the question and conclude his answer.

**Mr BRUMBY** — I will quote selectively from the letter.

*Honourable members interjecting.*

**Mr BRUMBY** — Here is a request — it is a serious matter — from the Liberal Party of Victoria to use taxpayers' funds to assist it to develop its policies. The letter says:

In order to consult as widely as possible, the shadow Treasurer and shadow Minister for Finance, Louise Asher ... will hold three forums ...

It goes on:

I stress that the aim of the forum is to listen to your ideas and views and to encourage debate regarding the issues encompassed by the themes outlined above.

...

I do hope that you and/or your colleagues will attend this forum.

The letter is to the managing director of Small Business Victoria.

*Honourable members interjecting.*

**The SPEAKER** — Order! The house will come to order!

**Mr BRUMBY** — It is no wonder that not one new policy was announced today!

I was asked the question whether I will be making officers from the department available. I assure the opposition parties that I will certainly not be making officers of the department available.

**The SPEAKER** — Order! I ask the minister to conclude his answer or I shall cease hearing him. He advises me he has concluded.

**Education, Employment and Training:  
secretary**

**Mr HONEYWOOD** (Warrandyte) — I refer the Premier to his election promise to cut — —

*Honourable members interjecting.*

**The SPEAKER** — Order! The honourable members for Springvale and Melton! I ask government benches to come to order.

**Mr HONEYWOOD** — I refer the Premier to his election promise to cut the perks of what he termed public servant fat cats. I also refer to documents signed by the Premier when he appointed the new head of the Department of Education, Employment and Training, Mr Stuart Hamilton. On top of Mr Hamilton's \$290 000 salary, \$58 000 performance bonus and generous relocation expenses, I ask how the Premier justifies signing off on entitlements in excess of his own guidelines, including \$4000 pocket money for unspecified expenses, four months in a luxury \$1000-a-week St Kilda Road apartment and a blank cheque to pay for stamp duty on any home he chooses to purchase in the future?

*Honourable members interjecting.*

**The SPEAKER** — Order! Opposition benches will come to order. The honourable member for Geelong North! The house is wasting its own time.

**Mr BRACKS** (Premier) — I refer to a document given to the honourable member for Warrandyte under freedom of information some 20 days ago. I am happy to again furnish the document to him if he so wishes. It is a copy of the public service guidelines from the Department of Premier and Cabinet that have been there throughout the last government and previous governments going back some 20 years.

*Honourable members interjecting.*

**The SPEAKER** — Order! The honourable members for Mordialloc and Mornington!

**Mr BRACKS** — The guidelines are clear. Under the heading 'Employment — Attachment 3(b) — Details of Relocation Costs' they state:

... costs associated with sale of residence interstate, including estate agents commission, legal costs and other reasonable costs — stamp duty and registration fee on discharge of mortgage.

That has been the established criteria for many years.

*Honourable members interjecting.*

**The SPEAKER** — Order! The honourable member for Springvale!

**Mr Honeywood** — On a point of order, Mr Speaker, on the issue of relevance the question referred to the Premier's own guidelines. If the Premier was signing blank cheques he should just admit it!

**The SPEAKER** — Order! Clearly, that is not a point of order.

**Mr BRACKS** — These are the guidelines, which go on to say:

... costs associated with permanent accommodation in Victoria, including legal costs and other reasonable costs — stamp duty, registration fee on the transfer of any mortgage, valuation fees and payment of an appropriate depreciation allowance.

These are the guidelines not just for the heads of departments but for any executive officer in the state of Victoria. They are less generous than the commonwealth guidelines and are consistent across all areas.

**Dr Napthine** — On a point of order on the question of relevance, Mr Speaker, the question to the Premier related to the fact that he signed off payments in excess

of the guidelines. Why doesn't the Premier tell the house why he is spending taxpayers' money in excess of the guidelines from which he is now quoting?

**The SPEAKER** — Order! I do not uphold the point of order. The Premier was being relevant, and I will continue to hear him.

**Dr Napthine** interjected.

**The SPEAKER** — Order! the Leader of the Opposition!

**Mr BRACKS** — Written advice on these guidelines under the Department of Premier and Cabinet, ones that have been in place for many years and were applied in this case, was given to me by the Commissioner for Public Employment, Mr Peter Salway. He negotiated under these guidelines and gave me advice in written form. He said they were in accord with the guidelines. Absolutely in accord!

**Dr Napthine** interjected.

**Mr BRACKS** — The Leader of the Opposition is interjecting, but he is absolutely wrong and he will be proved to be totally wrong. They are totally in accord with the guidelines and were signed off by the Commissioner for Public Employment.

Honourable members should compare that with what occurred with the previous head of the education department, Mr Geoff Spring. These arrangements were within the guidelines and signed off by the Commissioner for Public Employment, but under the previous government, Mr Geoff Spring, outside the guidelines, had a \$250 000 top-up to his superannuation scheme because his superannuation scheme was not as good as the state scheme in Victoria — an ex gratia \$250 000 top-up was given to his superannuation. It was outside guidelines, yet we are within guidelines.

This question has come from a shadow Minister for Education on the day that his colleague the shadow Treasurer was delivering her budget reply. It has been known for some weeks that the shadow Treasurer would deliver her reply today, and one would think there would be some coordination to try not to upstage the shadow Treasurer. On the same day as the shadow Treasurer's budget reply the honourable member for Warrandyte, the shadow Minister for Education, says in his budget reply more recurrent spending was needed in education, in direct contradiction of the shadow Treasurer, who said less recurrent spending is required and the government was spending too much.

Not only is the honourable member trying to upstage the shadow Treasurer, but he is contradicting her on the same day that one would think there would be support for her when she is delivering her budget reply.

*Honourable members interjecting.*

**The SPEAKER** — Order! The honourable member for Mitcham! I ask the honourable member for Mornington to cease interjecting in that manner.

### **Tourism: funding**

**Mr HOWARD** (Ballarat East) — I ask the Minister for Major Projects and Tourism to inform the house of the impact of the failure of the federal government to provide additional resources for tourism on the Victorian government's attempts to grow this important industry across the state.

**Mr PANDAZOPOULOS** (Minister for Major Projects and Tourism) — The federal government's decision in its budget not to increase funding for tourism but to deliver real cuts to tourism will have two impacts. The first is the implications flowing from the cut in funding and the second is the message it has sent to its colleagues throughout the country, including opposition members in Victoria, to deflect attention from the decline in funding and criticise state-based tourism industries and by implication those industries.

The federal government has failed to address the funding imbalance. The Aussie dollar is the lowest it has been for a long time, and the spending power of the international marketing budgets is down, but does the federal government increase funding to harness these opportunities? No. In effect it is providing a real drop of \$2 million. It means possibly that overseas offices will be closed, that we will withdraw from markets and that there will be less promotion of tourism in Australia and in Victoria, because what the federal government does impacts on the Victorian economy.

Every time I have met with the federal minister for tourism I have highlighted the need for the commonwealth to be flying the Victorian flag a bit more. The federal government has said that Victoria should put more money in: well, this government has contributed an extra \$4 million, but the federal government has reduced its funding! It has also increased the departure tax by \$8 per person. Does any of that money go to tourism? The answer is no. The federal government has turned its back on the tourism industry and the quarter of a million Victorians employed directly or indirectly in tourism.

The federal government has turned its back on regional communities that rely on the tourism dollar. That is exactly what it is doing. It has forgotten the value of tourism. The tourism dollar sells Victoria and Australia to the world. It tells the world what we are and what we have to offer, and tourists like what they see. We have to be out there spending and telling people constantly.

What did the federal government provide in its budget? A big zero! Unfortunately, the government is supported by its state colleagues. In an attempt to deflect attention away from the federal government's poor performance, with Victoria increasing its funding for international tourism and flying the flag for Australia and Victoria with the additional \$4 million, the federal government has told its colleagues in Victoria to bag the state tourism industry and the state government. They are trying to talk it down. It is no coincidence that in recent days the shadow minister for tourism and the honourable member for Polwarth have been criticising the state government in tourism. Did they do a press release to criticise their federal colleagues? No.

**The SPEAKER** — Order! The minister is debating the question. I ask him to come back to answering the question.

**Mr PANDAZOPOULOS** — The shadow minister issued a press release a few days ago bagging the performance of the wine tourism industry in Bendigo. On WIN TV the Bendigo wine industry criticised the state opposition and said the state government is supporting regional tourism.

That is the contrast! Rather than criticise the Victorian government I ask the opposition to do the right thing. Send this message to the Howard government: top up your funding in tourism and do what has been done in Victoria — put Victoria on the world map of tourism.

## APPROPRIATION (2001/2002) BILL

### *Second reading*

#### Debate resumed.

**Mr HONEYWOOD** (Warrandyte) — In rapidly concluding my budget response, I point out that whether we look at the Middle Years of Learning program, the Curriculum and Standards Framework, the notebook computer initiative for teachers or the early numeracy initiatives, all of these so-called Bracks government-funded programs were paid for hook, line and sinker by the previous Kennett government. All the Minister for Education has done is grab the media headlines for taking over innovative education

programs put in place by the big-spending education budget of 1999–2000 that gave a 10 per cent increase, which of course the current government inherited from the previous government. What did the current government put in place for the coming year — 1.6 per cent!

Perhaps it is time for the Minister for Education to be promoted to the expenditure review committee of cabinet. The senior minister for education, the Minister for Post Compulsory Education, Training and Employment, is able to extract a 14 per cent increase on occasions but poor old Mary gets a 1.6 per cent increase.

Education was the no. 1 priority for the government at the last election. Not only was it going to cut the public servant fat cat perks, it was also going to give education top billing. To find now that education is not even in the top five priorities of funding for the budget because the ministers on the expenditure review committee got the big increases for their pet projects is an indictment on the government's election promises. We all know it promises but never delivers.

**Mr HELPER** (Ripon) — I say at the outset that it is a ripping good budget, and it gives me enormous pleasure to rise in support of the Appropriation (2001/2002) Bill. With little fear of contradiction I can say that many of the aspirations of members of the communities in my electorate have been addressed by the budget. In local newspapers and when walking up and down the shopping centres in my electorate the feedback on the budget is positive. There is a constant patting on the shoulders and saying, 'What a fantastic budget it is and what a fantastic government you are a part of'.

More broadly the budget is a financial management tool in a climate of increasing difficulties brought on by external pressures such as the black hand of the GST and the slowing world economy. The budget delivers responsibly on the commitments made by the government. In the circumstances facing us the only responsible measure is to build a buffer into the budget in the form of a surplus — that surplus for 2001–02, as many speakers have said previously, is \$509 million — and at the same time the budget grows the whole of the state. No longer are rural and regional communities subjected to the analogy of 'toenails'. Lifted from regional communities is the black hand of the Kennett government. Infrastructure investment for the future delivered in the budget is \$780 million for transport, \$366 million for community safety and a whopping big \$514 million for health infrastructure. The budget

expands the \$1 billion Growing Victoria infrastructure reserve by a very large amount of \$175 million.

I would like to highlight some of the practical outcomes of the unprecedented infrastructure investment in the electorate of Ripon. Honourable members might be aware — though I doubt that opposition members would recognise its significance — of the \$7.4 million for the Australian College of Wine to establish three campuses, one of which, the Aradale campus, will deliver the commitment that the government has made from opposition into government and has kept faith with — to build a wine centre of excellence at the Aradale site.

The Aradale site is a former psychiatric institution and the community as a whole feels a strong link with it, its buildings and what it has meant to the history of Ararat. The redevelopment of the Aradale site has a long history, including a commitment just before the last election by the then outgoing government to encourage a developer to put a drug rehabilitation centre with strong links to the church of scientology at Aradale. The Ararat community rallied against that and behind the policy proposal of the government for a centre of excellence to be established at Aradale.

I am pleased to acknowledge that great development for Ararat. I pay tribute to Russell Rachinger from the Ararat community, who worked tirelessly towards the utilisation of the Ararat site. I know he is proud to see the development go ahead. The Australian College of Wine proposal and development is presented in partnership with the Northern Melbourne Institute of TAFE, and I congratulate them on the constructive roles they have played and their vision in taking on this project.

An article in the *Ararat Advertiser* entitled 'Aradale vision to finally bear fruit' states:

Ararat Rural City Mayor Cr Peter O'Rourke described the news as a terrific outcome for Ararat.

'This facility will put Ararat on the map and bring many new people into the town, it's fantastic', he said.

One can compare this tangible outcome to the whingeing, whining and bleating of members opposite. During the nearly two years that we have been in government, every time they have found their way to Ararat they have whinged and bleated and moaned about Aradale. They seem to forget that for seven years they have had precious few achievement in Aradale, and I now hope the salt of jealousy will be rubbed into the wounds of opposition members.

I turn to more improvements to my electorate as a result of the budget, such as the return of passenger rail services to Ararat in mid-2003 at a cost of \$5.4 million.

**Mr Doyle** — Just in time for our new member.

**Mr HELPER** — The honourable member interjects from the other side of the chamber, and the sentiment expressed is, 'Just in time for our new member'. I have news for members on the other side of this chamber — go and take a straw poll in the main street of Ararat, because everybody remembers that you closed the railway line down and you destroyed the services.

I turn to the return of rail services to Mildura. I am pleased for the community of Mildura, but I have more parochial interests as well. The Mildura line goes through Maryborough and St Arnaud and will return the passenger services that were so savagely ripped out of those communities by the former government. I pay tribute to the community of St Arnaud because it had the vision and foresight to fight against the bulldozing of the St Arnaud railway station, which was supposed to occur after the closure of the line under the previous government. I congratulate the community of St Arnaud on standing up to a bunch of bullyboys back in those dark days.

Next I refer to further improvements for my electorate, and in particular to the rail standardisation initiative. Some \$96 million will set right what 120 years of predominantly conservative governments have not been able to address. For 120 years Victoria has suffered under the hodgepodge of gauges in operation and the inability to connect ports with regional areas. It has taken a Labor government two years to put in place a \$96 million initiative that addresses this historic anomaly.

The impact for the west of Victoria is that the mineral sands deposits in the north of the state will be connected to ports such as Warrnambool, which will be in the new electorate of South-West Coast. I sincerely hope, because I know the community would dearly like it, that the honourable member for Warrnambool has the opportunity to stand for election in that electorate.

Health infrastructure investment has significantly benefited my electorate and surrounding areas.

**Mr Doyle** interjected.

**Mr HELPER** — I will talk about Ararat and Stawell with a great level of pride. For example, I turn to the Ararat hospital and the redevelopment investment of \$7.3 million.

**Mr Doyle** — It is our project.

**Mr HELPER** — I will not take up the interjection from the other side of the chamber, but I make the point that nowhere in the budget we inherited on coming to government was there reference in the forward estimates — or the backward or upside-down estimates — to a commitment to the dollars that were necessary for the Ararat hospital. For the former Minister for Health to come rocking into Ararat and make a pork-pie promise and commitment to upgrade the Ararat hospital is hardly a real financial commitment to undertaking the project. The former government did not commit to doing anything — we did! The Bracks government committed \$7.3 million for the Ararat hospital and \$3.3 million for the Stawell District Hospital.

I acknowledge the positive work that the honourable member for Wimmera has put into funding the proposal for the Stawell hospital; I am sorry he is not in the chamber. I am very proud that our government is funding stage one of the redevelopment of the Stawell hospital. Honourable members might remember that these two hospitals are in alliance, and the practicalities of an alliance are that savings are made in administration and there is increased cooperation between the two hospitals. However, they maintain their links to their own communities.

The biggest issue that came out of the Ararat Hospital discussions when I met with representatives after gaining power was the question of whether I could convince the government, as the previous government could not be convinced, that an alliance was a positive model and did not have to result in merger — that is, the stripping of hospital communities from their town communities. This is another achievement by the Bracks government, because we adopted that model and we accept it as a positive move towards keeping country hospitals, in particular, in direct touch with and responsible to their communities.

**Mr Doyle** — What are you doing in Maryborough?

**Mr HELPER** — With great delight I will come to that.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member for Ripon should not be concerned about interjections across the table. The honourable member for Ripon, without assistance!

**Mr HELPER** — Concern may have been an excessive description of what was coming across the table.

In the east of the electorate the Maryborough District Health Service comprises three facilities: the Maryborough, Avoca and Dunolly hospitals. From a residential aged care development package of some \$25 million the government has, at long last, committed well over \$2 million to the Avoca and Dunolly hospitals.

**An opposition member** interjected.

**Mr HELPER** — I hear from the other side of the chamber that it is too late and they hate us. I suggest members opposite remember who wanted to close down those hospitals. I remind them who was going to bulldoze the Dunolly hospital and close the Avoca hospital. It was not the Labor government. I remind opposition members that in the lead-up to the last election Labor members were working towards the preservation of their hospitals.

I praise the communities of Avoca and Dunolly for saving their hospitals. They stood up for and saved their hospitals, in the same way that the community of St Arnaud stood up and saved its railway. I also praise the Avoca and Dunolly communities for raising funds to support the development of the hospitals. All honourable members know how difficult it is in small communities to raise funds for local institutions such as hospitals, but both communities have done a sterling job and deserve to be congratulated on and recognised for their work.

Now it is up to the federal government to set right the aged care bed allocations for the Dunolly and Avoca hospitals. It would be great if honourable members opposite could tap their federal mates on the shoulder and say, 'How about Dunolly? How about Avoca?'

I turn to another exciting initiative in the budget for the Maryborough community — that is, the proposed Maryborough education precinct. That new concept in education integrates a number of tiers of education into one facility so that the linkages within education are strengthened.

**Mr Doyle** — Who started it?

**Mr HELPER** — Thanks very much! The concept was floated in 1987 by the then Labor Party candidate for the seat of Ripon, John McQuilten, who is now an honourable member for Ballarat Province in the other place. What came out of that earlier election? I regret that he did not win the seat.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member for Ripon may like to calm down a little. We can all hear. He does not need to

shout across the chamber. I am sure the house is happy to hear his contribution.

**Mr HELPER** — In dulcet tones!

**The ACTING SPEAKER (Mr Kilgour)** — Yes, in dulcet tones.

**Mr HELPER** — It is such an exciting budget that I got carried away. I apologise to honourable members who have had to suffer the high decibels.

That concept was proposed by the then Labor Party candidate for Ripon, John McQuilten. What happened for the seven dark years of the Kennett government? Without any planning or idea of educational concepts, it plonked facilities here, there and everywhere, willy-nilly. It never addressed the problem with the lack of facilities in the Maryborough area. When Labor came to government it ended up with run-down educational infrastructure in Maryborough.

**Mr Hamilton** interjected.

**Mr HELPER** — In Maryborough they are still open, but they are labouring under difficult circumstances because of the pathetic infrastructure that was left behind by the previous government.

The budget delivers to the Maryborough precinct \$600 000 to take that innovative concept through the stages of community planning and final capital planning. I hope my advocating on behalf of its community will lead to the speedy construction of the new education precinct in Maryborough — something the whole community will be proud of.

I turn to community safety. The budget delivered good news for the community of Ripon. I have just talked about the education precinct of Maryborough. The budget also commits \$4.5 million to the construction of a new police station, which will be welcomed. I have had the opportunity of inspecting the existing Maryborough police station. It is not before time that the atrocious facilities under which the police operate in Maryborough are to be remedied.

The Clunes community will benefit from a \$250 000 police station development. The present Clunes police station is nothing more than a run-down portable building. It is not before time that the Clunes community received the good news that the budget will provide \$250 000 for a new police station.

The police station in nearby Skipton — and dare I speculate on the draft redrawn electoral boundaries, as Skipton will become part of the Ripon electorate —

will be redeveloped at a cost of \$260 000, which is another great win for central Victoria.

I will conclude by saying that the budget is a very good financial instrument for the whole of the state. It is a fantastic budget for Ripon on current and proposed boundaries. In summary, it is a ripping good budget. I commend the Appropriation (2001/2002) Bill to the house.

**Mr CLARK (Box Hill)** — I expect that when most honourable members were younger, at some stage they would have gone to a theme park such as Luna Park and would probably have taken a ride on the Scenic Railway or, if they were very brave, perhaps the Big Dipper. If they did that they would remember what it was like. As you left the station the rail cars slowly and steadily moved foot by foot up the slope until eventually you reached the summit and there was a moment of change as the balance tipped over and suddenly you plunged rapidly down and your stomach rose into your mouth and you were off on the roller-coaster! Once you had experienced one of those dips you knew what was coming next time, and even before you plunged down again you got that sickening feeling in your stomach. That is exactly where we are in Victoria at the moment. The upward momentum has ended, the point of change has come, we have tipped over the top and those of us who have been through it before have that sickening feeling in the stomach because we know with this budget in which direction we will be heading in the years ahead.

That feeling was reinforced by the confirmation this morning that one of the present Treasurer's heroes is a past Treasurer, Mr Jolly. Mr Jolly was an expert at this sort of thing. Back in Mr Jolly's day the slogan was 'modern financial management'. Mr Jolly and the Labor Party were very proud of that slogan; in fact, they were so proud of it that a racehorse was named after it. If I recall correctly it was called Modfinman and was a pacer. My colleague the honourable member for Malvern may know more about that than me. The slogan now is 'financially responsible management', but I suspect we will not see a racehorse called Finresman because that might bring back too many unpleasant memories. However, whatever the mantra, the outcome is the same: the one enduring truism in politics is you cannot trust Labor with money.

Mr Jolly had a habit with his budgets. He usually managed to knock the current year's figures into some sort of shape but one had to look at the past years because that was where a lot of the skeletons were buried. Of course, one could always put reasonable looking figures in the forward estimates. The trouble

was that when the next year rolled around the forward estimates of the previous year had long been forgotten.

I will refer to a particular feature of this and last year's budgets that is reminiscent of the budgets of Mr Jolly and his successors — it is the funny money stuff, the con. We had the zero interest rate swaps under the previous government and under this government we have the so-called Growing Victoria reserve. It is a complete con, one that is designed to shift money between budget years in order to manipulate the result. If the government wants to go out and spend extra money on capital that is fine, but let it declare and account for it openly. This Growing Victoria fund was created for only one reason — that is, to understate the cash surplus in the early years and conceal the fact that in subsequent years the budget will be going into cash deficit and debt levels will be rising. If not for the con of the Growing Victoria fund, the present Treasurer would not be able to stand up and tell the people of Victoria that debt levels are falling.

**Mr Lenders** interjected.

**Mr CLARK** — I will come to the point raised by the honourable member for Dandenong North in a moment. Firstly, I want to look at what exposes the con: it is the tables at the back of budget paper 2. As the shadow Treasurer remarked this morning in her contribution, these tables have been put into the budget papers for national consistency, so the government cannot really cook the figures in them. The true net debt figures in table D4 show a revised 2001 figure of \$1.76 billion. The figures go up to \$1.79 billion, \$2.08 billion, \$2.22 billion and \$2.36 billion in subsequent years.

The con is when one looks at the bottom line in the light italic print, which shows the net debt excluding the Growing Victoria fund. That is the line the government has tacked on to try to claw back some of its position. When one takes into account the Growing Victoria fund the debt figures run as follows: \$2.89 billion, \$2.68 billion, \$2.57 billion, \$2.52 billion and \$2.49 billion in successive years. With the Growing Victoria fund the government can make it look like the debt is falling but without it it is clear that the debt is rising.

A similar thing can be seen in some of the other tables. Table D1 shows the figures on the government finance statistics (GFS) basis. It shows what it is happening with GFS lending and borrowing over successive years. For this year it shows a revised lending figure of \$606 million but then successively borrowings of

\$423 million, \$640 million, \$487 million and \$477 million.

Table D7 in the budget papers is the general government sector cash-flow statement which shows surplus cash of \$1.2 billion this year and in successive years deficits of \$22 million, \$295 million, \$142 million and \$138 million. Again at the bottom of this table the light italic print shows the surplus/deficit without the Growing Victoria fund. The surplus figures are then \$1081 million, \$204 million, \$111 million, \$49 million and \$32 million.

Using the Growing Victoria fund switches the situation from a true deficit into an apparent surplus on a cash-flow basis. The same thing can be seen in table 8.5 of the budget papers which shows the difference between the financing and investing activities on the one hand and the purported decrease in net debt when the Growing Victoria fund is taken into account on the other.

To take up the interjection of the honourable member for Dandenong North about these documents being audited, I indicate that only one part of the budget papers is audited and that is the middle bit. The Auditor-General only signs off on the estimated financial statements and it is a fairly limited review. I say to the honourable member for Dandenong North and others that if they look through the estimated financial statements, the part of the budget papers the Auditor-General audits, they will find that there is not one mention of the Growing Victoria fund. The assets of the Growing Victoria fund are there. They are not in a pot of money sitting outside the estimated financial statements but they are also not labelled as a Growing Victoria fund in that part of the budget papers that is subject to audit scrutiny.

Take out the Growing Victoria fund and you see that in the early years of 1999–2000 and 2000–01 there is a surplus on the back of a strong economy left by the former Kennett government, but that on a cash and government financial statistics basis we are into deficit from 2001–02. The consequence of that is that the debt level is rising.

There is still an accrual accounting surplus, but as any wise person in business will know, you cannot simply go on pumping money into fixed assets in the balance sheet without having regard to your cash-flow position and your debt position. Particularly worrying are not just the figures for this financial year but what they signal about the deterioration in the ongoing financial position of the state. There are ominous warning signs for the future that give that sickening feeling in the

stomach because you know from past experience what is likely to happen in the future.

The problem occurs in particular when there is an economic slowdown or an economic downturn. Over recent years revenue expectations have come in successively ahead of budget, and that is terrific for governments. It means more money into the coffers. When the crunch comes, as Mr Jolly and other previous Labor treasurers found, a downturn in revenue caused by a downturn in the economy leaves you locked into high recurrent spending levels. That is exactly the direction in which the budget is pointing Victoria.

The point has already been made that tax revenue continues to rise and the purported tax cuts give very little now and the rest is on a not-yet basis. In the meantime bracket creep, particularly with stamp duty and payroll tax, means that as property values and wage levels rise purchases are pushed into higher brackets and more businesses are pushed across the payroll-tax-free threshold and revenue goes up. There has been clawback through additional items being included in the payroll tax net this year. Victoria has traditionally had high stamp duty rates. It is something that needs to be addressed, something the previous government devoted some revenue to and something more attention needs to be paid to it in the future if stamp duty is not to continue to be a drag on efficient property allocation in Victoria.

Not only in the current year's budget but for the past year the budget papers show spending levels have increased a lot. The government boasts about being responsible and declares it has an increase in total expenses of only 3.1 per cent. It gets that figure from table 3.3 of *Budget Statement 2001-02*, which is budget paper no. 2. A breakdown of the figures that make up that total, however, shows that the dominant reason why total expenses have risen by only 3.1 per cent is that borrowing costs have fallen by 20.7 per cent. Look at the hard-wired items of expenditure. Employee entitlements, for example, are up by 5.3 per cent, superannuation is up by 6.0 per cent and depreciation is up by 6.6 per cent. Those lines of expenditure, which are likely to be reflected in future years expenditures, show that the budget is locked into levels of expenditure that have increased considerably above the level of inflation.

Despite all of the boasting about infrastructure spending increases, the budget still does not deliver any new major infrastructure projects. The Minister for Major Projects and Tourism has not commissioned a single new major project since the Bracks government came to office. He remains the Minister for Finishing Kennett

Government Major Projects, and more recently, the Minister for Finding Hazardous Waste Sites.

**The ACTING SPEAKER (Mr Kilgour)** — Order! I ask the Minister for Local Government to return to the table. I am quite happy for him to have a discussion with the honourable member for Bendigo East provided she comes down and sits beside him. The minister at the table should be at the table.

**Mr CLARK** — One of the dynamics underlying the government's budget is a focus on a few headline projects, because it has to make up for an enormous shortfall in private sector funds and has had to cut capital expenditure drastically in other areas. As an example, for a long time in my part of the world the Whitehorse Community Health Centre has been hoping for capital funding for the eight-chair dental clinic promised under the former Kennett government and still not delivered under the present government. Although the commitment was made by the former Kennett government during the 1999 election campaign the funding allocated to health capital works has been severely squeezed, and that worthwhile Whitehorse project, like scores of others I am sure, has missed out.

The big hole in the capital side of the Bracks government's budget is caused by its failure to attract private sector capital to fulfil its rail projects. Taxpayer funds have had to be poured in to fill that gap, leaving less revenue available for other needed capital works. For example, where is the funding for the showgrounds upgrade? The former Kennett government committed \$50 million to that project, and the incoming Bracks government made all sorts of warm and supportive noises about it. A lot of studies were done and a lot of work was put into them. Then last year the Minister for Planning issued a news release, which again made encouraging noises about the project being funded, but it has not happened. The budget contains only a \$2 million allocation for essential works and, the hallmark of the government, further planning.

What has happened to the Melbourne Exhibition Centre — the proposal to extend it with the addition of a 5000-seat plenary hall, something the tourist industry has been looking for many years? Those two items were promised in the Kennett government's election policy but nothing has been seen of them from the present government.

To take one further project, what has happened with the work on the north bank? We have had a very successful redevelopment of the south bank of the Yarra on a bipartisan basis. It commenced under the previous Labor government and was delivered under the

previous coalition government. What is happening on the north bank?

To celebrate the first anniversary of the Bracks government, the Premier made encouraging noises about things being done on the north bank, and one might have expected that something would have happened. But this government has been unable to find even \$4 million to demolish the horrendous road overpass from Flinders Street over Kingsway that has been a blight on that part of town for so many years. It has interrupted views and access to the river and has led to some seedy blocks in the CBD. For \$4 million that overpass could have been demolished, which is a marvellous opportunity that is available now that City Link has been opened. The government could not find even \$4 million for that project as a first step towards promoting what I would argue ought to be a green, treed, leafy, open and accessible north bank to complement the hustle and bustle on Southbank — but it did manage to find \$4 million a year to pay for extra ministerial advisers.

Why are infrastructure projects important for the state? It hardly needs saying that they are important because they can deliver benefits to Victorians, in both economic development and services. They can deliver an improved quality of life, better transport and better access. Furthermore, even the present government has recognised that in principle there are advantages in those projects being delivered with private sector involvement. If private sector involvement is handled properly, it can deliver projects earlier with reduced risk and innovative techniques, technology and methods, as well as greater efficiency. That was something that even the Bracks government audit review supported. However, in the first place it has actually to be done, and it also has to be done well, whereas this government has been very big on talk and not very good on delivery.

The other point that needs to be made is that capital works projects — that is, major infrastructure projects — need to be delivered on a continuous basis. You cannot afford to have a stop-start approach because otherwise the resources, expertise and skills dissipate and it becomes more expensive to get things moving again, not to mention the disruption to people's employment and to industry. With a number of the Kennett government major projects now completed or well advanced, the Bracks government ought now to be scheduling new major projects which will be able to take their place. Furthermore, when there is the prospect of an economic downturn, major projects should be brought on stream for counter-cyclical purposes.

The Bracks government has said a lot about the matter. It has had its glossy brochures, including its Partnerships Victoria, et cetera, but it has failed to deliver. Only the County Court project has been actually signed up. Many other potential projects have not been delivered under the Bracks government's own Partnerships Victoria policy but have been delivered in the old-fashioned way. As well, a number that have been announced have not yet been able to be brought to fruition.

The government needs to be on notice that it is rapidly losing the confidence of the private sector — that is, those who have been willing and ready to sink their funds into supporting such projects. They are seeing the government meander on. They are seeing project after project that was potentially available for a Partnerships Victoria project not being taken down that route. I make the point that under the Bracks government policy the direct service provision role has been taken from the private sector, which now has mainly the construction, support and ancillary aspects of major projects. The government has also complicated the process tremendously. The government has had consultants running around everywhere doing work on the policy. But what the private sector is crying out for is real projects.

Unless the Premier, the Treasurer and the Minister for Finance can swing the numbers in the cabinet to commit to and go ahead with projects under the Partnerships Victoria policy, there will be a loss of confidence in those three ministers and in the government overall, and therefore a loss of the availability of private sector finance and expertise, which will ultimately involve greater cost to the taxpayer and infrastructure projects being delivered less quickly and with much less satisfactory results.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member's time has expired.

**Mr LANGDON (Ivanhoe)** — It is with great pleasure that I contribute to debate on the second Bracks budget and the first by the Treasurer, John Brumby. So far in the past two days I have picked up this general theme from the opposition: firstly, they do not like the budget because it spends too much; and secondly, they do not like the budget because it does not spend enough — which is rather a contradiction.

**Mr Doyle** interjected.

**Mr LANGDON** — As I said the other day, the opposition likes having a bet both ways: they do not want the government to spend money and they do want

the government to spend money. The position is a contradiction.

I note that the previous speaker, the honourable member for Box Hill, mentioned major projects. That issue is dear to my heart. The shadow Minister for Health, who is at the table, knows that the government does have a major project. It is called the Austin and Repatriation Medical Centre. Just because it is not under the control of the minister with responsibility for major projects does not mean it is not a major project. Some \$325 million is being spent on the biggest hospital project in the history of this state.

**An honourable member** interjected.

**Mr LANGDON** — Yes, it is and will still be in the middle of my electorate if the electorate boundary changes go ahead as proposed.

That major hospital development is a major project. For the opposition to come in here and moan that there are no major developments shows how wrong they have got it. Granted, the Austin hospital is not a monument to the Premier, in the style that the previous Premier used to do things, and it is not a museum. The major project is about public health, and that is very important. The people of this state changed their government because they were sick of monuments. They wanted things done about infrastructure for services such as health, education and transport. So we are finally getting to it, but the opposition is not happy with it — not happy at all.

I am pleased to advise the house that the government, apart from undertaking the Austin hospital redevelopment, is about to commence the master plan for the repatriation site. Obviously, the Austin hospital is on two campuses — the Austin campus and the repatriation campus. That master plan could include a number of concepts.

I am aware the Banyule Community Health Centre, which asked for an upgrade — I am the first to concede that it needs it — may be relocated to the repatriation site, which will add to that site. The Banyule Community Health Centre wanted to move to the corner of Bell Street and Oriel Road, the old Colosseum Hotel site. I am sure the house is familiar with its history, as it has been related by me as the member for Ivanhoe. The Colosseum Hotel site was sold to Bruce Mathieson, so we could not get it for the Banyule Community Health Centre. Any relocation to the repatriation campus, if it goes ahead, will not be far away from where the Banyule Community Centre originally wanted it to be.

I refer to police services, an issue that is near and dear to my heart. We all know the previous government's history of broken promises concerning police stations in my electorate. Firstly, there was the issue of the Heidelberg police station at the Colosseum Hotel site, on which I have elaborated on more than one occasion in this house. I am pleased to restate the announcement made by the Minister for Police and Emergency Services the other day, that the Heidelberg police complex will go ahead. During the 1996 election campaign and again during the 1999 election campaign the previous government promised a police station at the Colosseum Hotel site, so we were a bit successful in finding out what it was going to do, but its allocation of funding was approximately \$7.58 million. Granted, the courthouse was added, which was good. When the Labor government came to office it increased that amount to \$9.2 million.

Over time, as architects went through maps and plans, the government realised the allocation was still short, so an extra \$4 million has been allocated in this budget. The funding for the Heidelberg police station and courthouse has been increased to \$13.2 million, which will mean a whole new police station rather than just some major works, a coat of paint and so on. The government is moving in the right direction.

An honourable member for Templestowe Province in another place has been campaigning for that, but he was very silent between 1996 and 1999 when the former government's proposed police station failed to get up. He now seems to have found his voice in opposition — perhaps it is easy in opposition to find a voice when there is a government like the Bracks government.

The issue of education has been raised frequently in this house by the opposition. It has criticised the government for not spending enough money; now it is criticising the government for spending too much. In 1999 the Honourable Carlo Furletti, an honourable member for Templestowe Province in the other place, promised half a million dollars for a school. The government has gone ahead with that, and the master plan is being prepared. The government has almost doubled the half a million dollars Mr Furletti originally promised. The government is moving ahead on these things: it is spending more money on education, health and other areas, and it is providing the infrastructure the electors want.

I am pleased to say that the issue of planning, which is a significant issue in the electorate of Ivanhoe, has also been addressed. In my electorate the *Good Design Guide* was nicknamed the Greedy Developers Guide, because places like Eaglemont and East Ivanhoe were

exploited. They had some fabulous old mansions and enormous blocks of land with trees and so on. Unfortunately, developers saw the potential in them for making mass bucks. In principle I do not object to anyone making money, but when developments destroy streetscapes and other people's residential amenity they should come into question.

The City of Banyule now has overlays for the entire city, which I support. As a result those areas are now protected. I commend the Minister for Planning on that, and Rescode, which he brought down last week, adds to that. I know some of the many town planning activists in my electorate were there when it was announced, and generally speaking they are very happy. As the minister has said, you can never make people 100 per cent happy, but generally speaking they are happy.

Obviously developers will try to get their 2 cents worth, which is their wont, and residents will try to get what they want, but generally speaking it is a positive step for the Ivanhoe electorate. The Austin hospital, the Heidelberg police complex, new schools and town planning issues have been addressed for the benefit of the City of Banyule and my electorate of Ivanhoe in general.

I raise the issue of transport — specifically, the recent developments in my electorate. I take the opportunity to explain to the house the concerns of my electorate. For example, the *Heidelberg* of 22 May reports the Honourable Carlo Furletti, an honourable member for Templestowe Province in another place, as making a few comments that I wish to correct and clarify not only for the electorate but also for Mr Furletti, because he seems to be confused about this issue. The editorial states:

Mr Furletti said a recent suggestion by Ivanhoe state Labor MP Craig Langdon to link the two roads with a tunnel had created confusion in the community about what was needed for the area.

The two roads to which Mr Furletti refers are the Greensborough Highway and the Eastern Freeway. The editorial continues:

Mr Furletti said that by ruling out an above-ground freeway option, Mr Langdon was creating grave concerns among residents and conservation groups while raising unrealistic expectations for those suffering the heavy congestion in the area.

He got one thing right — there is heavy traffic congestion in the area. However, from a bit of research I can tell the house that it is apparent that the issue has been around for some time.

**An honourable member interjected.**

**Mr LANGDON** — It was 1996.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member for Ivanhoe should ignore interjections across the table, which are disorderly.

**Mr LANGDON** — But entertaining! I quote from the *Templestowe News* of 21 June 1995, which was before I became an honourable member and before the Honourable Carlo Furletti was a member for Templestowe Province in the other place. The article appeared with the headline 'Tunnel in radical road plan'; a tunnel was proposed through Ivanhoe and under Viewbank. This idea, which Mr Furletti takes pride in as his own, has been around since 1995, during the time of the previous government. It is true that he was not a member of that government, but it was during its term.

On 24 October 2000 the Bracks government was in office and the issue of a Bulleen link — a link between Greensborough Road, the Western Ring Road and the Eastern Freeway — was raised again. It concerned a possible tunnel.

The issue in my electorate is basically twofold. What do you do with the traffic? Unfortunately it comes down the Greensborough Highway, hits Rosanna Road and has nowhere to go. It goes to the Eastern Freeway via residential streets. What do we do? Should we put an outer ring-road through Eltham? I am sure the honourable member for Eltham would love that; and I am sure the honourable member for Templestowe Province would love a ring road through Eltham! It is clearly not going to happen. Lobbying from conservation groups and the impact and cost would be far too great. I can relate to that. Unfortunately the upper house members who represent my area cannot seem to relate to that. You cannot put a ring-road through Eltham or Warrandyte. I am sure the honourable member for Warrandyte would love a ring-road through his electorate as well! Clearly that is not going to happen. The cost is extremely prohibitive.

I quote from the article in the *Heidelberg* of 24 October 2000. Dr Paul Mees, the president of the Public Transport Users Association, is quoted as saying:

The state government and Vicroads could regard the F-18 road link as less sensitive politically than carving the metropolitan ring-road through the green wedge.

Again the F-18 freeway reservation has been lifted and basically it would go through Viewbank — through the heart of my electorate.

The *Age* of 15 May discusses the issue of outer ring-roads, the Scoresby freeway and what have you. I am not a member in that area, but from all reports both sides of the political spectrum are supporting the Scoresby freeway. There is some argy-bargy between the state government and the federal government, but the issue of the Scoresby freeway, which will have an effect on my electorate of Ivanhoe, has been supported by both political parties out in the eastern suburbs. I support that because they seem to want it. I am sure members of both sides of the house and both political parties who represent that area are doing what they believe is best.

In the article that appeared in the *Age* of 15 May unfortunately a section of a map on page 5 has a yellow line going right up through Ivanhoe and right up through Heidelberg saying, 'This is a possible roadway'. Again this has not been raised by me; it has been put on the public agenda by people in the know.

I turn again to my own electorate. I remind the house of the words of the upper house member Mr Furletti, who said that I seem to be raising these concerns. A public meeting was called for 26 March at 7.45 p.m. at St John's Anglican Church Hall in Burgundy Street, Heidelberg. The flyer for the meeting is headed 'Heidelberg/Bulleen Freeway'. It has a map of possible links, and above the maps it has the headline, 'Don't wait for the bulldozers'. It was not an emotive leaflet, but 250 people turned up for the public meeting. I was there, but the upper house members for Templestowe Province were not. They were missing in action yet again. Of course Mr Furletti and Mr Forwood are not aware of what happened at the public meeting because they were not there; they were doing their usual stunts or doing other work or whatever. This was an issue regarding the freeway and a possible tunnel, and it was the public who raised the issue at a public meeting.

At the meeting there were several speakers. Dr Paul Mees was also there and put out a leaflet entitled 'Proposed Yarra Flats freeway'.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The Minister for Major Projects and Tourism and the Deputy Leader of the Opposition should not be conducting a conversation across the table. The honourable member for Ivanhoe, without assistance!

**Mr LANGDON** — The leaflet sets out the whole issue and goes through how Vicroads and previous governments have all planned a tunnel or freeway through the area. Just to get a general picture of how leafleting can work and how public attention can be drawn, a couple of weeks later a leaflet appeared about

a possible freeway. Vicroads, through the Minister for Transport, was working on a few minor works down Rosanna Road. All of a sudden a beautifully produced leaflet entitled 'Say no to the destruction of Rosanna Road' came out claiming that this state government is going to put a five-lane highway down the road. It is total and utter fiction; they were minor works. Vicroads may take half a metre off two blocks of land or maybe a footpath here or there, but all of a sudden someone has put out a leaflet saying the government is building a five-lane highway down Rosanna Road.

Clearly people are playing tricks with other people's emotions. Clearly there is a problem, and I am aware of it. At that public meeting in March, which I attended, several resolutions were passed, one of which was against the Scoresby freeway. I was amazed that the anti-freeway people arrived from all around Melbourne — from Craigieburn, Scoresby, and the inner east. They were all against any proposal for any freeway, and again I believe that the meeting was kidnapped by the anti-Scoresby freeway people. A resolution passed at that meeting was for the setting up of an independent public consultation process.

To be honest, Dr Mees does not trust Vicroads. That is his belief, and others may agree or disagree with him. There was a desire for a genuinely independent process. So, as the member for Ivanhoe I established that process. My upper house colleagues representing Templestowe Province seem to be missing the point. They were not at the meeting. How could they possibly know what the meeting resolved if they were not there?

**Ms Asher** — Perhaps they had a report.

**Mr LANGDON** — I can assure the house that I know one or two Liberals in the area, and there were one or two Liberals at the meeting, so I am sure it was reported back to them, but they themselves were not there. A lady named Barbara Temby was there — some honourable members might know who she is.

Basically the issue of what is happening with any possible link between Greensborough Highway and the Eastern Freeway is not on the political agenda at present. But these issues have been beaten up and have been the subject of scare tactics by Dr Mees and others. Clearly there is a problem. I know the honourable member for Bulleen is in the chamber. I am not sure whether he knows there is a problem. Bulleen and Ivanhoe have become the unofficial links between two major roads, and with the expansion of the Eastern Freeway and the construction of the Scoresby freeway it will get worse. We must look at it further down the track independently. I have organised public

consultation. I have always gone back to my electorate to see what it wants. I am more than pleased to share that responsibility with the honourable member for Bulleen, if he so wishes.

This has been an excellent budget for my electorate. As I said, it provides allocations for the Austin hospital, the police station and town planning. But transport is an issue in the electorate. I am aware of it and plan to address it. It will not happen overnight, and there is not just one solution. I am happy to return to this place and again report on that situation down the track. All in all, if we can all work together on this process I am sure we can find a solution.

**Mr DOYLE (Malvern)** — What a pleasure to stand up 5 minutes before the end of the business for today and begin my contribution to the debate on the appropriation bill!

If you are to believe the government's press releases, health is the centrepiece of its budget. It promises \$1.1 billion of recurrent funding and \$500 million of capital works over the next four years. I am delighted to follow the speech of the honourable member for Ivanhoe because I, too, will speak very briefly about the Austin hospital development, which represents the majority of that \$500 million promised over the next four years.

I make it clear at the outset that because I have a real passion for this portfolio I actually welcome every single extra dollar that goes into health because at the end of that more Victorian patients will be treated if extra money goes in. I do not wish to cavil or be miserable about that — I do welcome every extra dollar. However, my concern is that this is a government which governs by press release and not by actions or results. Let's have a look at the four elements that make up the majority of that \$1.1 billion of recurrent and \$500 million of capital works.

I will commence with what the honourable member for Ivanhoe recently talked about — the Austin hospital. He mentioned \$325 million, but the budget papers said \$311 million would be allocated to the Austin redevelopment. I am happy to work that out with the honourable member, but I am pretty sure it is \$311 million. I just ask the honourable member for Ivanhoe whether that includes the Mercy hospital redevelopment. Remember, that is the same Mercy which is operating a public hospital for the government in Werribee and the same Mercy which was going to build a hospital for it in Berwick, but which is apparently not now able to come to a commercial arrangement.

**An honourable member** interjected.

**Mr DOYLE** — We can discuss that at a different stage. I simply point out that that is the same Mercy that is supposed to be on the Austin site. The Austin hospital project is interesting. It will be a major project and a great addition to Victoria. The opposition has an ideological difference with the government on how it should be built. One thing that saddens me is that I believe it is on the wrong site. It should have been built on the repatriation site, not on the Austin site; it should have been a greenfield rather than a brownfields-type project. Interestingly, that is what the government was told. It commissioned Bernie McKay and Associates to report on a range of issues to do with the Austin project, including the appropriate site. Key finding 3 of that report, which the government funded, is:

The repatriation site is significantly better as a development site because it is larger and flat and allows redevelopment to proceed with less impact to existing service. It also allows greater long-term flexibility.

So, in choosing the Austin site over its own advice, the government has gone against what is a better short-term and long-term option. Nevertheless, the Austin hospital will be a very important development. I might say that if you have \$500 million as the total of your promises over the next four years and \$311 million of that is for the Austin, it does not leave you very much.

The honourable member for Ripon is in the house. I listened carefully to his contribution to the debate earlier, when he castigated the opposition parties for not putting money in the forward estimates, saying that if it is not in the forward estimates it is not there. All that this government has in the capital forward estimates is \$500 million. I point out that in the last four years of the former government the Department of Human Services allocations were: \$357.6 million in 1995–96; \$455.9 million in 1996–97; \$274.8 million in 1997–98; and \$318.2 million in 1998–99. So in its last four years the Kennett government allocated \$1406.5 million — \$1.5 billion — for human services, compared with this government's promise of only \$500 million.

I move to the other elements of this package. One point about the Austin redevelopment is that we are talking about planning a major infrastructure project. Honourable members will recall that at election time the Labor government promised a new Austin, saying it had completely funded figures from Access Economics. From its own document, it said it would have a project of:

\$155 million over four years starting in 2000–01 for redevelopment and upgrade of the Austin and Repatriation Medical Centre ...

It is now a \$300 million project. In other words, it has blown out by 100 per cent on those costed figures provided by Access Economics.

I turn to the other elements of the budget, including the \$384 million promised over four years to increase hospital capacity, the \$150 million promised over four years for the patient management strategy, and the \$469 million for the nurses enterprise bargain agreement over the next four years — —

**Debate interrupted pursuant to sessional orders.**

**The SPEAKER** — Order! The time has arrived for completion of consideration of items on the government business program. I am required by the sessional orders to interrupt business and to put the required questions. The honourable member for Malvern will continue his remarks immediately after all that is done.

### **BUILDING (SINGLE DWELLINGS) BILL**

*Second reading*

**Debate resumed from 30 May; motion of Mr THWAITES (Minister for Planning).**

**Motion agreed to.**

**Read second time.**

*Remaining stages*

**Passed remaining stages.**

### **HEALTH (AMENDMENT) BILL**

*Second reading*

**Debate resumed from 30 May; motion of Mr THWAITES (Minister for Health).**

**Motion agreed to.**

**Read second time.**

*Remaining stages*

**Passed remaining stages.**

### **POST COMPULSORY EDUCATION ACTS (AMENDMENT) BILL**

*Second reading*

**Debate resumed from 30 May; motion of Ms KOSKY (Minister for Post Compulsory Education, Training and Employment).**

**Motion agreed to.**

**Read second time.**

*Remaining stages*

**Passed remaining stages.**

### **CORRECTIONS (CUSTODY) BILL**

*Second reading*

**Debate resumed from 29 May; motion of Mr HAERMEYER (Minister for Corrections).**

**The SPEAKER** — Order! As the required statement of intention has been made pursuant to section 85(5)(c) of the Constitution Act 1975 and as there are fewer than 45 members present in the chamber, I ask the Clerk to ring the bells.

**Bells rung**

**Members having assembled in chamber:**

**Motion agreed to by absolute majority.**

**Read second time.**

*Third reading*

**Motion agreed to by absolute majority.**

**Read third time.**

*Remaining stages*

**Passed remaining stages.**

### **RACING (RACING VICTORIA LTD) BILL**

*Second reading*

**Debate resumed from 29 May; motion of Mr HULLS (Minister for Racing).**

**Motion agreed to.**

**Read second time.**

*Remaining stages*

Passed remaining stages.

**GAS INDUSTRY BILL***Second reading*

Debate resumed from 29 May; motion of Mr BRUMBY (Minister for State and Regional Development).

The SPEAKER — Order! As the required statement of intention has been made pursuant to section 85(5)(c) of the Constitution Act 1975 I am of the opinion that the second and third readings of the bill are required to be passed by an absolute majority. As there are not 45 members present in the chamber I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

Motion agreed to by absolute majority.

Read second time.

*Circulated amendments*

Circulated government amendments as follows agreed to:

1. Clause 52, lines 21 and 22, omit "in accordance with this Act and orders made under it".
2. Clause 53, line 17, omit "2" and insert "52".
3. Clause 120, line 29, before "is" insert "the person".
4. Clause 219, line 22, omit "Part" and insert "Division".

*Third reading*

Motion agreed to by absolute majority.

Read third time.

*Remaining stages*

Passed remaining stages.

**GAS INDUSTRY LEGISLATION  
(MISCELLANEOUS AMENDMENTS) BILL***Second reading*

Debate resumed from 29 May; motion of Mr HAMILTON (Minister for Agriculture).

Motion agreed to.

Read second time.

*Remaining stages*

Passed remaining stages.

**URBAN LAND CORPORATION  
(AMENDMENT) BILL***Second reading*

Debate resumed from 29 May; motion of Mr THWAITES (Minister for Planning).

Motion agreed to.

Read second time.

*Remaining stages*

Passed remaining stages.

**APPROPRIATION (2001/2002) BILL***Second reading*

Debate resumed from earlier this day; motion of Mr BRUMBY (Treasurer).

Mr DOYLE (Malvern) — The second area I refer to is the \$469 million allocated in the budget for the nurses enterprise bargain agreement (EBA). It is an important part of the budget and needs to be tracked, so I went back to compare the last Stockdale budget of the previous government, the first budget of the Bracks government delivered by the Premier and this budget.

If one looks at page 65 of the Stockdale budget one sees the output group costs for employee-related expenses for acute health. In other words, it shows how much the government is paying its nurses year by year. That same output group costs table is contained on page 65 of the first Bracks government's budget paper 3. The amount we pay our nurses is an important part of the budget. Therefore, I turned to the Brumby budget to find the same table, but it is simply not there — that table has disappeared entirely. It is not to be found. From now on we will not be able to track what the employee expenses are, particularly for nurses. We simply will not know.

That contravenes the Independents charter, which states as item 1.3 that the government has to:

... ensure that budget documents are properly comparable from one year to the next, by including parallel information in both formats where a format change is deemed desirable.

In response to the charter the Labor Party states:

I commit a Bracks Labor government to the following:

Ensure that budget information is consistent with previous formats to allow for full and transparent comparison by including parallel information in both formats where a format change is deemed desirable.

In this budget any ability to track the critical indicator of the major spend in health — that is, the EBA for nurses — has simply disappeared. There is no parallel information: the table has just gone. There is a table for the entirety of the department but not for the acute health services output group. That is a shame, because we deserve to know what we are paying our nurses year by year under the EBA.

Also, \$384 million dollars has been earmarked over the next four years for treating an extra 14 000 patients in emergency departments, an extra 280 intensive care places and 11 800 elective surgery patients. The government does not say that the revenue stream to provide all that comes straight from the commonwealth under the Australian Healthcare Agreement negotiated by the previous government. A general component in the Medicare agreement increases year by year. If one goes back and looks at the increases, one finds that in 1999–2000, it was \$89.597 million; in 2000–01, \$88.634 million; the projected figure for 2001–02 is \$94.193 million; and for 2002–03, \$93.622 million. Without one extra state dollar being put in the Medicare agreement will pump an extra \$90 million into the state's coffers every year for that purpose.

What the Labor government is trumpeting as something it is doing is already being provided for by the Australian Healthcare Agreement, negotiated by the previous government and delivered to the state as a normal part of the funding between commonwealth and state. It is not extra money; it is not money the government has put in above and beyond. Yes, I am happy if those patients are treated, but let us be under no illusions: the money comes to the government direct from the Australian Healthcare Agreement and not from any budget allocation of its own.

It is one thing for the government to say that it is putting the money in — and that is what it did this time last year — but it is a different thing to have confidence that it will use the money to treat the 11 000 people on the waiting lists or the 14 000 more in the emergency departments. The same promises were made last year,

when \$177 million was to fix the health system. It simply did not happen.

One can tell it did not happen because the figures were available to compare year on year what happened in the previous government's health system and what happens in the Bracks government's system. The hospitals services reports directly compare the key indicators of waiting lists, ambulance bypass times and people waiting on trolleys for more than 12 hours.

It is interesting to compare the two quarters, September and December 1999 and 2000. The September–December quarters cover the period during the changeover of government in 1999, and a year on into the Bracks government we can tell what has happened to the key indicators. It is important to compare quarter to quarter — not quarter on quarter — with what happened the year before, because seasonal fluctuations mean that is the only valid comparison.

In September 1999 the waiting list totalled 40 293, and by September 2000 it had risen by 3513 to 43 806. Instances of ambulance bypass went up 300 per cent, from 367 occasions in September 1999 to 1108 in September 2000. People waiting on trolleys for more than 12 hours was up by more than 30 per cent, from 4712 people in September 1999 to 6158 in September 2000.

By comparing the quarters from December to December one can contrast the first couple of months of the Bracks government with a full year in office. Waiting lists were still up by 3000, from 40 301 people in December 1999 to 43 410 in December 2000. The effects of the government's cancellation of elective surgery for three weeks will be revealed in the figures for the next quarter, which are already overdue but are being hidden by the health minister.

Instances of ambulance bypass were up by 35 per cent, from 588 instances in December 1999 to 843 in December 2000. People waiting on trolleys for more than 12 hours was up by 50 per cent, from 4160 people in December 1999 to 6066 in December 2000. On all those key indicators, despite the promises of the first budget, the services were simply not delivered.

Because of time constraints I cannot go through the entire concerns I have with the budget. However, I shall flag a couple of concerns that appear to be holes in the health budget, despite what the government promised. First, the government has budgeted for 1 020 800 patients next year in the public hospital system. Last year some 995 000 patients were treated by the system. That was 45 000 more than the

government had budgeted for. What if that figure again goes up by 45 000? Demand is not slackening. Has the government budgeted to treat sufficient patients without causing waiting lists to grow? I predict that it has not and that waiting lists will grow.

My second concern relates to emergency services. I pointed out earlier that the Independents charter requires the government to present parallel information. However, in this budget the government has fudged the figures. The health minister has failed significantly with emergency departments. He has not fixed the problem; instead he has changed the way the information is reported. Until now people presenting to emergency departments statewide — rural and city, small and large — were counted, regardless of whether they were admitted.

However, from now on only presentations to 30 hospitals — the document does not list which ones — and admissions to only 12 major metropolitan hospitals will be taken into account. Will Geelong Hospital, for instance, be in or out of the count? Instead of being able to manage the emergency crisis the government, in effect, has simply changed the reporting of indicators in the budget. I have no doubt that the hospital services report will also change down the track so that the figures cannot be compared to the previous record. If the Independents charter requires parallel information, where is it? It is simply not there.

The other interesting point is that the \$150 million extra allocated to the case management of elderly people or people with chronic conditions will go to, by and large, the 12 major metropolitan hospitals. It will become a self-fulfilling prophecy and the government will say, 'Never mind what the real story is; our figures tell you that things are okay in emergency departments'. But that will not be the case.

The next area concerns the dental field. Once again, this area is reported completely separately in the budget. I have no problem with that, because more information is provided. However, the information is not parallel with that of previous years. The school dental service is interesting. It was not an easy area for me because I was the one who had to work through the cut by the federal government. One very simple and important measure in the budget was 'Occurrences of service by the school dental service'. However, that measure has disappeared from the budget. It now totals community, school, preschool and specialists — a meaningless figure with which to see what is happening in the service.

In mental health two simple measures used to apply. How many clients and how many contacts do you

have? Not any more. The budget now refers to contacts and available bed days — whatever that might mean or however that might be compared. Again, no parallel information is supplied.

The final point I refer to is an area that honourable members have been concerned about for a long time — that is, the question of drugs. The Premier made an announcement today about drugs. To my disappointment there was nothing in the budget that showed the government was serious about alternative pharmacotherapies. Methadone has a well-known worldwide best result for people coming off heroin.

**Ms Duncan** — Not for everybody.

**Mr DOYLE** — Not for everybody, quite right, but it is probably the best weapon we have. I would love to see Naltrexone funded.

**Ms Duncan** — It is disastrous for some.

**Mr DOYLE** — Of course it is disastrous for some, but it is still the best generic treatment we have. My disappointment is that in 1999–2000 some 7500 people were budgeted for on the methadone program. Last year 8800 people were budgeted for and this year the number does not increase. If the government is serious why not say, 'Let us budget for 12 000 people on the program'. If it does not hit the target the opposition will not come into this place and belt it for that because it will be an attempt and will be praised. To not even suggest that the target for methadone treatments should be increased is raising the white flag. The opposition was also disappointed that the targets do not seem to be increased for waiting times between screening and residential care and screening and community care, which stay about the same as they were two years ago after worsening last year.

I turn to one critical project that I think is possibly the most important thing Victoria will face in terms of investment — that is, the synchrotron. The synchrotron is the most exciting project now before Victoria. It is bigger than the Olympics and bigger than any major project. What it will generate for industry and medicine in Victoria is incalculable, yet only \$2 million has been allocated. The government is not running fast enough and the Queensland Premier, Peter Beattie, is running faster.

In the last year, for the first time the Queensland Institute of Medical Research overtook the Walter and Eliza Hall Institute, or WEHI, as the biggest medical research institute in Australia. Peter Beattie is running faster than Victoria. This is not something that should be a football kicked by both sides of the house; it is

something that Melbourne needs. It is the most exciting project on the Australian horizon. The opposition offers wholehearted support in chasing the synchrotron. If it needs more than \$2 million, it should be put in, but let us have it in Melbourne and not in Queensland.

It was Melbourne researchers who were first involved. Honourable members may remember Peter Coleman who in the 1980s used a synchrotron to look at a protein on the surface of the influenza virus. From that, work was carried out at Monash that a year ago resulted in the release of the drug Relenza. That is the power of the synchrotron. For the imprinting of circuitry it is unsurpassed. The opposition is concerned that \$2 million is a paltry sum for what the government needs to do to get the project in Melbourne.

The opposition sees that as a challenge. If Victoria cannot capture the synchrotron, everything else together will not make up for its loss. It seems to be the most important thing. Peter Beattie is running faster than the Bracks government, and it needs to run faster to overtake him.

The opposition would welcome every extra dollar for health. Forget the rhetoric, forget the press releases, the actual delivery of service in Victorian hospitals has seen a deterioration in every key indicator. If \$1.1 billion seems a lot of money, I assure honourable members that in health, over four years with increasing demand, it is not. What will happen is that waiting lists will increase, there will be more ambulance bypasses, people will wait longer on trolleys and Victoria's health system will be in a greater crisis.

The opposition will be sorry to see that happen. The budget is not enough targeted in what it does in the health sector, and the opposition is yet to be convinced that the government has an understanding of the health system that can deliver better services to Victorians — press releases or budget notwithstanding. I hope it is proved wrong. In the end, it is not about budgets, figures, dollars or tables, but about patients and people receiving the best care possible. I hope we are wrong, but I fear we will not be.

**Debate adjourned on motion of Ms DUNCAN (Gisborne).**

**Debate adjourned until later this day.**

## **HOUSE CONTRACTS GUARANTEE (HIH) BILL**

*Second reading*

**Ms KOSKY (Minister for Finance) — I move:**

That this bill be now read a second time.

The House Contracts Guarantee (HIH) Bill implements the rescue package that the government announced on 14 May for house owners whose builders warranty insurance cover has been adversely affected by the collapse of the HIH Insurance Group.

The collapse of HIH is probably the biggest corporate collapse in Australia's history. The ramifications of the collapse are being felt in many businesses and communities. The state government has moved as quickly as possible to provide relief for the home owners and builders who have been so destabilised by the HIH debacle.

Builders warranty insurance covers home owners for up to seven years in the event that their builder is unwilling or unable to complete a new home or renovations, or remedy building defects that have become apparent during that time. Without builders warranty insurance, builders cannot build; home owners are not protected against defects or the financial failure of their builder; and home owners cannot sell their house.

Builders warranty insurance is a unique product. Its form and the nature and extent of the coverage provided is specified by ministerial order. It is purchased by builders, to whom it generally provides no protection. Builders warranty insurance protects home owners who ultimately hold the policy but who do not choose the insurer who provides the cover. It creates a direct obligation to home owners by the insurer, unlike, say, professional indemnity insurance, which indemnifies a professional person but does not create a direct liability on the insurer to that person's clients in the event of a claim.

The government accepts that, while the state does not have a legal obligation to assist home owners who are no longer adequately covered by builders' warranty policies issued by HIH, it nonetheless has a moral responsibility to do so.

Our community also would expect the government to minimise the adverse effects of the HIH collapse and do everything reasonable to keep the building and associated industries in Victoria moving. There are three main problems that have arisen as a consequence of the HIH collapse:

the difficulties faced by some builders in obtaining ongoing cover for new building work, leading to financial problems for those builders, delays for people waiting for new homes to be built, and disruptions for subcontractors, suppliers and the building industry generally;

delays in property sales and settlements because of doubts whether builders warranty insurance underwritten by HIH as shown on the section 32 certificate satisfies the legal requirement for ongoing insurance; and

the lack of adequate protection for home owners whose houses or renovations have not been completed or have defects and their builder is unable or unwilling to complete building or remedy the defects.

This bill addresses all three of these problems, and complements other administrative actions taken by the government and the building and insurance industries.

Turning to the details of the government's proposals, this bill:

establishes a state indemnity scheme to take over HIH claims;

provides for the Housing Guarantee Fund Ltd (HGFL) to manage the scheme on the state's behalf;

establishes a separate fund into which all receipts relating to the scheme must be placed and from which all expenses relating to the scheme must be paid;

allows for the making of claims, subject to a claimant's rights of recovery against other parties being assigned to the state;

provides for an additional building permit levy to meet part of the cost of the scheme;

enables HGFL to recover costs from builders to the extent that HIH could have done so, and to take action against builders who do not contribute as required;

enables the Building Practitioners Board not to impose the mandatory suspension on builders who do not have the required insurance at the time of their registration, provided that delays consequent on the HIH collapse are the only reason for their not having insurance;

protects home owners' rights to contest decisions made by HGFL in respect of claims; and

overcomes concerns about the validity of HIH Insurance cover in relation to property settlements.

HGFL currently handles and is liable for the outstanding claims under the former housing contracts guarantee scheme, which was terminated when the

current privately written builders warranty insurance regime was introduced five years ago.

HGFL is a company established under Corporations Law. It is a controlled entity of the state. Its experience in dealing with issues relating to domestic building defects and completion of building works makes it the most appropriate vehicle to manage this scheme. The bill provides for the memorandum of association of HGFL to include clauses permitting it to undertake this task. The government appreciates the willingness of the directors, management and staff of HGFL to accept these additional responsibilities.

The bill makes it clear that HGFL's responsibilities are those of an agent of the state. HGFL is not assuming any liabilities in respect of claims against HIH, nor having assigned to it any rights. Those liabilities and rights remain with the state. The scheme will be managed by HGFL entirely separately from its existing responsibilities in respect of the former housing contracts guarantee scheme, and the bill clearly provides that HGFL's assets are not available to claimants under this HIH builders warranty insurance indemnity scheme.

The bill establishes a separate fund, the Domestic Building (HIH) Indemnity Fund, to handle all financial transactions relating to this scheme. This fund will be audited by the Auditor-General, and its audited financial statements published. The fund is required to have paid into it money appropriated by the Parliament to cover claims and the costs of claims, money raised by the new building permit levy, money recovered from builders and other persons, distributions from the liquidator, and investment income. Paid out of the fund will be amounts paid in respect of claims, HGFL's administration costs in respect of this scheme, including legal costs, the Auditor-General's audit costs, and amounts returned to the consolidated fund.

The bill establishes an indemnity from the state in favour of a home owner for claims made to HGFL for events that would have been covered under a HIH builders warranty insurance policy had HIH continued in normal operation. In return, the claimant is required to assign his or her rights of recovery from other persons, including a liquidator, to the state. The bill explicitly provides that the indemnity provided by the state does not apply to:

a builder or owner-builder;

events (if any) that are covered by any other contract of insurance;

events for which full payment has already been made; and

events that have already been finally determined by VCAT or the courts not to give rise to a valid claim.

The indemnity applies only to works for which a building permit was issued before 30 April 2001. The Building Control Commission informed building surveyors on 6 April 2001 that they must not issue permits unless current insurance cover underwritten by an insurer other than HIH was in place.

The scheme will cover works commenced on the basis of a building permit issued before 30 April 2001 but not completed until later, i.e. works in progress. The government is aware that some commercial insurance cover is available for works in progress, and that some policies have been written. The government and its advisers considered very carefully whether it would be possible to make commercial work in progress cover mandatory. However, the conclusion reached was that this was not practicable. It might leave some works that were completed in recent weeks without cover, and it would be unacceptable to the government to expose the unfortunate owners to this risk.

The government acknowledges the time, effort and resources put into developing a work in progress insurance product by the insurance industry.

Honourable members should note that the scheme does not apply to domestic building works that had not commenced before 31 May 2001. In certain circumstances a builder will need to obtain a fresh permit and insurance for these works to proceed. Any builder who is about to start building or renovating a house pursuant to a building permit issued before 30 April 2001 with HIH Insurance cover, must obtain replacement insurance before starting that work.

The government has determined that the costs of the scheme will be met by equal contributions from the building industry and the consolidated fund. The bill provides for an additional building permit levy of \$32 for every \$100 000 value of domestic building works, an increase of 50 per cent in the current levy. Amounts raised from this additional levy are to be placed in a separate account and transferred to the new fund managed by HGFL. As with the current levy, this additional levy only applies to building works valued at more than \$10 000.

It is estimated that this levy will raise some \$2 million a year. The government gives an undertaking that the new fund will be closely monitored and reported publicly to ensure that the 50-50 balance is achieved.

The bill provides that the levy will cease to operate from 30 June 2010, but may be discontinued earlier.

The bill provides HGFL will have similar powers to those of insurers to recover costs from builders, and to take action against builders who do not contribute as required.

The government has been very concerned about the disruption to the building industry that has resulted from the HIH collapse. The remaining insurers have had to cope with a flood of applications for ongoing insurance from builders formerly insured by HIH.

While the backlog is now steadily being cleared, the industry and the Building Control Commission remain concerned that not all applications for insurance will be processed before builder's registration renewals are considered by the Building Practitioners Board on 13 June. Currently suspension of registration is mandatory if a builder does not have insurance or proof of eligibility for insurance when annual registration is renewed. The bill therefore provides a discretion for the Building Practitioners Board not to impose the mandatory suspension on builders who do not have the required insurance at the time of their registration, provided that the builder has applied for insurance and not had that application denied, and there is no other reason for suspension. This discretion applies until 31 July 2001.

The bill protects home owners' rights to contest claims decisions made by HGFL through VCAT, or through the courts. The bill also empowers HGFL to enter into agreements with the liquidator or provisional liquidator, on the approval of the minister, in relation to certain rights and obligations of the liquidator. While it is not possible for a state to extinguish certain rights and responsibilities that are provided under commonwealth law, it is the state's intention to negotiate with the provisional liquidator, or liquidator if one is subsequently appointed, for a reasonable settlement of certain issues. Preliminary indications are that the provisional liquidator is willing to enter into such negotiations that will streamline his administrative processes without detriment to HIH creditors.

Finally, the bill aims to overcome concerns regarding the sale of houses which have HIH builders warranty insurance cover. A number of property settlements have been delayed through concerns that the section 32 certificate, required under the Sale of Land Act 1962, names a company in provisional liquidation as the insurer. The creation of this state government indemnity scheme alleviates that concern, as successor owners can bring claims under the builder's warranty

cover to HGFL. The bill makes explicit provision that the presence of HIH Insurance is not a barrier to the sale or settlement of houses.

Mr Speaker, in closing I would like to thank the many organisations outside government who have assisted in the rapid development of this proposal. These include the Housing Industry Association, the Master Builders Association, Dexta Corporation Limited, Royal and Sun Alliance, and the Housing Guarantee Fund Limited.

I also extend the government's appreciation to the cooperation of all parties who have agreed to fast-track this legislation so that home owners and builders across Victoria can find some relief from the HIH debacle.

I commend the bill to the house.

**Debate adjourned on motion of Ms ASHER (Brighton).**

**Ms KOSKY (Minister for Finance) — I move:**

That the debate be adjourned until next Tuesday.

That is on the condition that opposition members find no problems with the bill.

**Ms ASHER (Brighton) —** On the question of time, it would have to be an exceptional bill for the house to agree to waive procedural requirements of a two-week adjournment period. I thank the Minister for Finance for giving the opposition access to the bill in advance — again, an unusual circumstance — and for providing a briefing. Clearly the opposition will consult over the weekend, but given the importance of having a funding flow, the crisis in the building industry and the impact on the real estate industry, opposition members have agreed to waive the usual two-week period.

I place on record that the opposition already has a view on deficiencies in the bill but that the overwhelming imperative is to get a funding flow. I again thank the minister for providing material and a briefing in advance of the bill being introduced in Parliament. It is a good example all round of the way parties can sometimes work together to get a good result quickly.

**Mr MAUGHAN (Rodney) —** I also express the thanks of National Party members to the minister and her advisers for advising us in advance of the legislation coming before the house and for providing a briefing.

Like the honourable member for Brighton, I assure the minister that this is something we regarded very seriously. We are only too happy to cooperate, and we thank the minister for the courtesy she has extended to the National Party in providing that briefing.

**Motion agreed to and debate adjourned until Tuesday, 5 June.**

**Remaining business postponed on motion of Ms KOSKY (Minister for Finance).**

## ADJOURNMENT

**Ms KOSKY (Minister for Post Compulsory Education, Training and Employment) — I move:**

That the house do now adjourn.

### Major projects: initiatives

**Ms ASHER (Brighton) —** I raise with the Minister for Major Projects and Tourism the action I would like him to take to commence construction of a major project, preferably one of his own. Previously I thought the government's failure to have a major project in over 18 months of government was incompetence. I thought perhaps it might like to have more reviews or more committees to avoid making a decision.

I have now found out that the cause of the backlog, the cause of the non-action, is the Treasurer. I refer honourable members to an article in the *Bendigo Advertiser* of 26 April 1979 when the now Treasurer was a candidate for the then state seat of Midlands. The article, which was authorised by John Brumby, quotes him as saying:

... it was essential for electors to appreciate just how much taxpayers' money had been squandered on Melbourne projects 'of little use to Melburnians, and of no use to country Victorians'.

What are the projects on which the previous government squandered money? Mr Brumby went on to name such examples of projects as the West Gate Bridge, then \$200 million; the Melbourne underground rail loop, then \$375 million; the F19 freeway, \$90 million; the proposed Gardiners Creek freeway, \$94 million, and the proposed World Trade Centre, \$56 million, a total of more than \$800 million.

In addition, he said that the foundations alone of the Victorian Arts Centre in Melbourne had cost \$23 million — \$2 million more than it cost to build the entire Adelaide Arts Centre, a centre boasting almost identical facilities to the Melbourne centre on which work was then in progress. He went on to lambaste the then government in 1979 by saying that \$800 million has been squandered on these Melbourne projects.

I urge the Minister for Major Projects and Tourism to stand up for his portfolio and acknowledge that major projects stimulate the construction industry —

something we have just touched on — and provide much-needed infrastructure. It is clear that the Treasurer thinks that expenditure on major projects in Melbourne is a squandering of money. That is not correct. I urge the Minister for Major Projects and Tourism to stand up to the Treasurer and commence a major project of his own.

### **Muscular Dystrophy Association**

**Mrs MADDIGAN** (Essendon) — The matter I raise with the Minister for Community Services relates to the Muscular Dystrophy Association, and I ask what assistance she and the government can give to the association to allow it to amalgamate its services on a new site.

I understand that the association has been offered space at St Vincent's Hospital. It is keen to move there since, because of the cramped space at its headquarters in Moonee Ponds, it is unable to operate all of its services from that site. The services have to be spread over four different locations around the city, which adds significantly to administrative costs. The association would be keen to take the opportunity to move to the St Vincent's site, but would like some assistance, particularly financial assistance, from the state government to enable it to do so.

The Muscular Dystrophy Association is a worthy association and does great work in the community for people suffering from muscular dystrophy. The incidence of muscular dystrophy is perhaps much more widespread in the community than we realised. According to the annual report of the association, the incidence is high, with 1 person in every 1000, or more than 20 000 children or adults in Australia, being affected by some form of muscular dystrophy.

The term 'muscular dystrophy' actually covers 40 separate disorders: it is much more complex than people may realise. The association works extremely hard under its executive officer, Boris Struck. When I met with him some time ago I was impressed by how hard the association works in funding itself as much as possible. It raises something like \$300 000 a year and makes another \$300 000 from sales of equipment.

Some time ago I raised with the minister the possibility of the government assisting the Muscular Dystrophy Association, because it seems to me that it provides an excellent service to many people across Victoria. I believe the association would be able to get the St Vincent's site at a fairly low rent, which would enable it to provide a much better service to its clients and possibly even expand its client base.

Over the years the association has worked to develop a fine reputation. Not only does it have on-site services for its clients and sufferers of muscular dystrophy, it also runs an excellent respite program that allows parents of children suffering from the disease to have a break while the children are entertained in worthwhile and exciting programs. In fact, those services are so well regarded that there is quite a waiting list for them.

I would be very pleased if the Minister for Community Services could examine whether there is some way she can assist the association and enable it to take advantage of the very generous offer made by St Vincent's Hospital.

### **Schools: Shepparton hearing impaired**

**Mr KILGOUR** (Shepparton) — I raise a matter for the attention of the Minister for Education. I fully understand why the minister is not in the house this evening, but I expect she will reply to my concerns in due course. The matter is about the teaching of the hearing impaired. The hearing-impaired education facility in Shepparton is based at the Guthrie Street Primary School. It was established by the previous government in 1995 with great support from a previous Minister for Education, Don Hayward. It provides for deaf and hearing-impaired children who require intensive language support.

Students who are deaf or hearing-impaired are placed in regular classes with hearing children of the same age. The students have the opportunity to maintain both deaf and hearing friends. They participate in the same range of activities, subjects and curriculum as other children. At the same time all deaf and hearing-impaired children receive school-based support from qualified teachers of the deaf, deaf adults and interpreters.

At the moment 13 students are enrolled at the Guthrie Street deaf facility. One need only visit the school to see the magnificent work being done and speak to the parents who did so much work to get the school started in 1995. I thank the honourable member for Rodney for his support in getting the facility established.

I am sure the minister will understand that, as we have been providing the necessary educational facilities for children with hearing impairments, they have grown older and have been able to succeed with their education in the primary school system. They have now reached the stage where they need to move into a secondary facility similar to the primary facility at Guthrie Street. The establishment of the primary facility was really only phase 1 in providing support for the

deaf. Now we need to establish a secondary support facility in the Shepparton area.

I ask the minister to look particularly closely at the proposal lodged with the regional office at Benalla. It is a submission to the Department of Education, Employment and Training about providing a facility for secondary students. It needs to be provided either as a separate facility or in conjunction with the primary facility at the Guthrie Street school.

*Honourable members interjecting.*

**The SPEAKER** — Order! The honourable member for Glen Waverley!

**Mr KILGOUR** — Establishing the secondary facility in conjunction with the one at Guthrie Street would allow liaison between the two facilities and would be an excellent result. I implore the Minister for Education to look seriously at this situation. We now need to get the children into a facility in the secondary system that will complement what has been done in the primary system. I hope the minister will look at this matter.

### **Asylum seekers: assistance**

**Mr MILDENHALL** (Footscray) — I raise a matter for the attention of the Minister for Community Services. The issue concerns the amount of state assistance required for asylum seekers — in this case, applicants for permanent protection visas. I raise this on the day that Amnesty International has claimed Australia has hit an historic low or rock bottom on its human rights record for asylum seekers.

I have a constituent who will be living in my community for at least the next 12 months but who, as I understand it, is legally unable to either work or receive any social security benefits during that period. That leaves the Victorian government and its funded agencies in the situation where they must support that person, as they do many others.

My constituent lost a High Court appeal to remain in Australia despite what I believe was a compelling case and is now awaiting a decision from the federal immigration minister, Mr Ruddock, on an appeal to stay in Australia on humanitarian grounds. He has approached my office for housing assistance because, as I said, the state-funded agencies must now pick up the tab for the federal government's restriction on his ability to do what he must to stay alive. He has no access even to medical services unless he has an income — but he is not legally able to learn an income.

The federal government appears to have a starve-them-out strategy for dealing with such people.

I will not name the constituent because I want to focus on the policy issue. The state has to carry the can. I know what pressure is on housing in my electorate and how difficult it will be to give him assistance.

The case is extraordinary. The constituent is a law graduate and speaks five languages. He comes from a country where — despite a decision from one tribunal he went to that it was a stable place — two of his brothers, a sister-in-law and a nephew have been killed by the militia. The country has been in civil war frequently. His house has been bombed and the militia were after him for his trade union activities in the state public service. Clearly the case is a difficult one.

Since his arrival in Australia five years ago he has been an exemplary citizen. I opened a poetry event he put together for the local library. He has also been a contributor to Red Cross and a number of other humanitarian causes.

The application will no doubt take its course through federal tribunals; but in terms of services available, my request to the Minister for Health is to look for ways we can assist people like my constituent and take up the case with the federal government.

### **Ambulance services: community officers**

**Mr PLOWMAN** (Benambra) — Through the Minister for Community Services I draw to the attention of the Minister for Health in this International Year of the Volunteer the recognition we give to the volunteers who make up the backbone of our communities, and particularly those volunteers in smaller and more remote country centres who provide ambulance services. They are among the best and most respected of community volunteers. They give freely of their time and provide a service which would not otherwise be provided in those places.

Until now support for community ambulance officers has been unanimous. However, now that members of the Ambulance Employees Association are involved in a wage claim they want to get rid of the volunteers or, at the very least, have their name and uniform changed.

Have a guess what name change the association requires? It wants to change the title of a volunteer from community ambulance officer to ambulance community officer. Make sense of that if you can!

It gets worse. I quote from an article in the Ambulance Employees Association *Bulletin* headed 'The battle begins', which states about Rural Ambulance Victoria:

RAV insist on calling people, who do not have an ambulance officer qualification, an 'ambulance officer' and parade these well-intentioned people on the unsuspecting communities in ambulance uniform.

The article goes on to say:

The union says these people should be called ... 'ambulance community officers' ... and they should not look like a counterfeit ambulance paramedic.

...

They should not be used as scabs to undermine ambulance paramedics and their award.

That is the important thing: they are worried about the award and their money.

In the face of this vitriolic attack on those volunteers I seek an assurance from the minister that their title will remain 'community ambulance officer' and that their continued role in their communities is assured and supported by the minister.

### **Neighbourhood houses: Dandenong North**

**Mr LENDERS** (Dandenong North) — The issue I raise is for the Minister for Community Services, who is certainly aware of the great work done by neighbourhood houses, particularly in my electorate, but across the state generally. The minister is a passionate supporter of neighbourhood houses. In seeking action from her I draw the attention of the house to the fact that on at least four occasions during my short time in Parliament the minister has visited neighbourhood houses in my electorate. She has an amazing empathy for the programs provided by neighbourhood houses and for the entire concept of neighbourhood houses.

A couple of weeks ago the minister was with me at the Mulgrave neighbourhood house where she announced funding for some capital improvements for the child-care area, which will make that great service far more useable and friendly. She has also been to Wellsprings, where Sister Anne Halpin from the Presentation nuns runs a fantastic service for women in Dandenong. I also accompanied the minister when she visited the Jan Wilson Centre in my electorate to announce funding for more information technology equipment.

I ask the minister, following her observations of how neighbourhood houses function, to again visit my electorate — perhaps on a number of occasions — and

to continue talking about the program with local communities, particularly as the government moves into the exciting concept of community building.

I ask the minister to talk further with people at neighbourhood houses about how they can better integrate their various community activities. Bearing in mind the support they put into their communities, perhaps the minister can advise them how their support can continue, particularly where it ties in with the budgetary process of community development introduced by the government. Communities in my electorate value neighbourhood houses.

**An honourable member** interjected.

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

**Mr LENDERS** — My community values neighbourhood houses for their ability to bring people together, to give them a chance to get out of their homes and work together and to offer various programs. They also value the support from the state government — sometimes it may be small amounts of funding, and at other times it can be large amounts — to make that happen. I ask the minister to visit and work with those people more so the community can get an even better product.

### **Tertiary education and training: BIGS**

**Mr BAILLIEU** (Hawthorn) — I raise a matter for the Minister for Post Compulsory Education, Training and Employment. It concerns the Building Industry Group Scheme. BIGS is a group training scheme run by the Construction, Forestry, Mining and Energy Union and in particular, by Martin Kingham. Tragically the BIGS scheme has collapsed, and 220 apprentices have been dislocated as a consequence.

The interesting thing about BIGS is that the minister and the department gave it a clean bill of health last June. I ask the minister to make available to the house the administrator's report on BIGS and to explain why BIGS failed. I note the minister's public suggestion that the government sought a deal to save BIGS by passing it off to the Master Builders Association of Victoria. I ask her to make available the details of that deal and to explain to the house why the MBAV rejected that proposal. I also ask her to advise what further negotiations have taken place to keep that prospective deal in place.

### **Goulburn Ovens Institute of TAFE**

**Ms ALLEN** (Benalla) — I raise with the Minister for Post Compulsory Education, Training and Employment the important issue of training. I want the minister to take action to ensure that country and regional Victorians have access to quality training. Goulburn Ovens Institute of TAFE is a major regional training organisation with four major campuses in Victoria — at Benalla, Shepparton, Seymour and Wangaratta.

The Benalla campus in my electorate offers training in the multimedia, information technology, business and management, hospitality and tourism, and sport and recreation industries. Students come not only from the township of Benalla but also from the small surrounding towns. Because of the quality of training being delivered by the exceptionally caring teachers, the college is now attracting students from all around Victoria.

Youth unemployment in country Victoria — and throughout Australia — is far too high. TAFE colleges are providing exceptional new or extra training to allow youth to gain skills so they may obtain employment. The minister needs to take action to ensure that the government continues to invest in regional providers such as the Goulburn Ovens TAFE institute so that the college can further enhance the knowledge and skills of regional Victorians.

### **Preschools: funding**

**Ms McCALL** (Frankston) — I direct to the attention of the Minister for Community Services some issues I have discussed at great length with the shadow minister relating to preschools in the electorates of Frankston and Frankston East. I refer specifically to understaffing and concerns about funding and support for preschools.

My electorate is blessed with a number of extremely good private preschools, but it also has council-run preschools that are obviously financed by the state government. I spent some time talking to the staff and parents at Mount Eliza Preschool Centre the other day. I will also be spending Saturday morning with the parents and staff of Baden Powell Preschool Centre to hear more concerns first hand.

The issues I raise are, firstly, the gross underfunding of the preschools; secondly, the discrepancies between the teaching staff — whether they have been members of the community services and health services departments by tradition and whether they should now

become members of the teaching profession; and thirdly, support for computers, information technology knowledge and the problems of managing finances. The house may be aware that a number of preschools, some of which are in my electorate of Frankston East, faced problems with financing issues, including someone running off with the petty cash tin.

A decision needs to be made on the basis of any evidence that may have been collected over the past 12 months or so, any reports or other information. I am more than happy to supply local empirical information to the minister if she wishes. I would like the minister to take action to address the current problems facing preschools in Victoria, particularly in the electorates of Frankston and Frankston East.

### **Villamanta Legal Service**

**Mr TREZISE** (Geelong) — I direct to the attention of the Minister for Community Services a matter relating to Villamanta Legal Service, which is based in my electorate of Geelong. It provides legal assistance to people with disabilities, particularly people with intellectual disabilities, not only in my electorate of Geelong but right across Victoria.

I ask the minister to assist the service by providing funding for an information officer. Having visited and worked with the organisation over the past 18 months I appreciate the work it does and understand the need for the provision of an information officer.

It is clear from the nature of the disabilities suffered, combined with the complexities of the law and the importance the law plays in people's lives, that the service being provided is of absolute importance. Although the legal service focuses on people with intellectual disabilities, it does not limit its services to those people.

It provides access to tribunals and advice on financial rights, privacy and confidentiality issues, the rights of people in sheltered workshops, the use of restraints and seclusion in residential services, tenancy rights and integration in schools. The important role Villamanta Legal Service plays is best summarised by the service itself. Its terrific web site states:

Villamanta Legal Service is committed to the rights of people who have a disability. We believe people who have a disability have a right to be treated in ways that are fair and reasonable, and which result in opportunities, freedoms, and a standard of living that are equal to those existing for people who do not have a disability. We aim to make it possible for people with a disability to use the law to make sure that these rights are recognised and acted upon by others.

As I have said, Villamanta Legal Service is an essential service and I look forward to the minister's action in this case.

### **Natural Resources and Environment: leaflets**

**Mr PERTON** (Doncaster) — My question is for the attention of the Minister for Environment and Conservation. A matter has been brought to my attention by the Wilderness Society, the Otways Ranges Environment Network and Doctors for Native Forests. These organisations have raised the matter of two leaflets which were distributed through advertising campaigns and which probably cost the department in excess of \$200 000. The action I ask of the minister is that she issue an edict preventing the department from engaging in misleading political advertising. All three organisations mentioned above have demonstrated to me that the documents are false and misleading.

The first leaflet is entitled 'Water and the Otway forests — a hydrological study', and the other 'Protecting Victoria's powerful owls'. The Otway Ranges Environment Network says that a press release from the minister's office indicates that wildfire is a greater threat to reducing water yields and domestic water supplies than current logging practices. That ministerial view expressed in the advertising campaign does not represent the opinions of the Otway Hydrology Reference Group. The minister's statement contradicted the Sinclair Knight Merz research and other research that demonstrates that the wet forests of the Otway catchments are not fire prone. It is the logging practices the minister has put in place that are increasing the risk of wildfire burning the wet forests of the Otways.

The second leaflet, entitled 'Protecting Victoria's powerful owls', was distributed widely throughout the Gisborne electorate in the hope of propping up the local member, Joanne Duncan. It is a false and misleading document that misrepresents the position on the protection of the owl and misrepresents the position of the environmental movements.

The three groups I have named ask that the government spend the money protecting the wildlife rather than on producing propaganda to protect the honourable member for Gisborne.

### **Neighbourhood houses: Burwood**

**Mr STENSHOLT** (Burwood) — I ask for action from the Minister for Community Services, in particular to continue to provide support to and build up the roles of neighbourhood houses and community

centres in my electorate and throughout Victoria. Already the Bracks Labor government has been doing quite a lot of work to assist community centres and neighbourhood houses, including some excellent centres in my electorate.

Although it is not in my electorate, the Surrey Hills Neighbourhood Centre is a good example, and as half of my electorate takes in Surrey Hills many of my constituents will benefit from the use of that centre. I was very pleased as a local member in Surrey Hills to ensure that the centre received extra funds last year. The Burwood Neighbourhood Centre, which is in the middle of my electorate, received some support last year as well. These centres do a marvellous job. They run a complete range of programs for young mums, provide exercise for disabled people and provide a forum for the community to get together for meetings of historical societies or other groups.

One such group in my electorate produces a local magazine, the *Boroondara Bulletin*. Another group includes the Craig Family Centre, and one in Ashburton is also very commendable. I ask the minister what action she can take to continue to support these centres.

### **Preschools: funding**

**Mrs ELLIOTT** (Mooroolbark) — My question is for the attention of the Minister for Community Services. The action I seek from her is that she immediately release publicly the ministerial review into preschool services. This review was commissioned last year. It was first undertaken by Mr Bill Pimm, who relinquished that role towards the end of the year.

It has now been undertaken by Mr Peter Kirby. I believe it is on the minister's desk. The minister will know from representations from the opposition members that kindergartens and kindergarten teachers throughout the state of Victoria are hurting because of her inaction. They want to know what is in that ministerial review. They want to know what Mr Kirby said about preschool teachers and the needs of committees of management. I call on the minister to publicly release the Kirby review so the community can see it.

### **Responses**

**Ms KOSKY** (Minister for Post Compulsory Education, Training and Employment) — The honourable member for Benalla raised a matter with me regarding training that would assist with employment growth in her electorate. As many honourable members in this house will be aware, in the second Bracks budget

presented several weeks ago \$103 million was put into the development of state-of-the-art TAFE training facilities right around the state.

As I mentioned in the house earlier this week, we have also had — for the first time ever — more than 100 000 people in training in Victoria. That is the first time that any state has achieved such a figure for the take-up of training opportunities. So when it comes to training we have a lot to be proud of. We have the investment, the people who are involved in the training, and the employers who have made the commitment. We have also seen significant jobs growth throughout the state, and that has been shared in rural and regional Victoria.

In country Victoria in the year to March 2001 there was employment growth of 4.1 per cent. This has meant that more than 23 000 new jobs have been provided in rural and regional communities. But we know that in order to keep employment growth going and ensure that people have the skills to prepare them for the employment opportunities right around Victoria we need to make that investment in training facilities.

I am pleased to announce tonight — I know the honourable member for Benalla will also be pleased with this announcement — that the government is providing \$2 million to the Goulburn Ovens Institute of TAFE. The funding will provide for the construction of a multipurpose auditorium with seating for 350 people, additional classrooms and office space. It will support the delivery of multimedia, information technology and performing arts programs from the Benalla campus. The people of Benalla and surrounding district will also have the opportunity to develop the skills that will enhance and support innovation and creativity.

In addition, this facility will also provide for the cultural life of the people of Benalla and throughout north-eastern Victoria through the provision of a performing arts space and better resources to support performing arts training.

The funding of \$2 million for the Goulburn Ovens Institute of TAFE at the Benalla campus will really bring that facility up to scratch for those training in the facility and the general community. This comes on top of the additional \$19 million that we have provided for the Goulburn Ovens institute and other TAFE institutes across the state to enable them to upgrade their information technology capacity and bandwidth for TAFE institutes. I am pleased to announce the \$2 million in funding for the Goulburn Ovens institute at the Benalla campus.

The honourable member for Hawthorn raised a matter relating to the Building Industry Group Scheme — a training scheme — commonly known as BIGS. On 4 April the government was advised that the directors of BIGS had placed the organisation in voluntary administration. However, at this stage BIGS's financial difficulties appear to have stemmed from its industry-specific focus and the fact that there has been a downturn in the building industry.

The government's primary concern was to place the 232 apprentices affected by the collapse of BIGS. The Holmesglen Institute of TAFE has been coordinating the placement of those apprentices with other training providers so they can continue their formal training. Two apprentice field officers have also been assigned full time to assist these organisations to locate job placements for the displaced apprentices and to inform apprentices of the options available to them.

I should say that the company has been placed in the hands of an administrator, so if the honourable member for Hawthorn wanted to see its books or the results of the work of the administrator he would have to seek that through the organisation because it is a private company.

However, discussions were held between the Building Industry Group Scheme and the Master Builders Association about whether they could come together as a single building industry organisation for training. That would have been a fantastic opportunity to bring the union and the industry employers together to provide one group training scheme. The discussions were not successful at that stage; BIGS collapsed and the MBA has continued its scheme separately.

I would still like to see the unions and the employers coming together to run one group training scheme because it would make far more sense, but unfortunately it was not possible at the time it was discussed.

**Mr PANDAZOPOULOS** (Minister for Major Projects and Tourism) — The honourable member for Brighton, who has taken such a keen interest in major projects, is not in the chamber. She will have the opportunity tomorrow at the Public Accounts and Estimates Committee hearing, if she turns up, to test her keen interest.

I listened to some of her budget speech today, and she failed to recognise that the budget contains the biggest capital boost ever of \$2.13 billion. She talked about kick-starting the building industry — that is what

\$2.31 billion does! It is deliberately designed to give a boost to industry.

**Mr Wynne** — Jobs!

**Mr PANDAZOPOULOS** — It enables industry to provide jobs during the decline that has occurred because of the way the federal government manages the economy. Victoria is bearing up well as a state, and it is important for the government to keep giving industry a boost because it builds good things for Victorians, such as roads, schools, hospitals and community facilities. It is strange that the opposition did not listen in the past; if it had, it would have known that was what the public wanted.

The honourable member for Brighton also fails to recognise that the major projects for which I am responsible are only one part of major projects in this state. There is a major projects division in the Department of State and Regional Development, and there are also major projects officers in the departments of Infrastructure, Human Services and Justice. They all have major projects roles, and all that adds up to \$2.13 billion in the budget.

The shadow Treasurer invites public servants to give her advice on what she should be doing about policy — that is how bad the opposition is! She forgets that of the major projects I am responsible for, the biggest is Docklands, with \$4.7 billion of capital value already committed in contracts, and that not long ago we announced the Lend Lease development, which added \$1.8 billion to the life of the project. There was concern about Docklands under the previous government, but this government has it back on track. The biggest major project happening in Victoria is on track and working well with the private sector. In fact, last financial year the total value of major projects that I am responsible for was \$539 million, and \$300 million of that was in the Docklands project itself. That does not sound like a drop in the ocean.

**Mr Clark** interjected.

**Mr PANDAZOPOULOS** — The honourable member for Brighton mentioned a single new major project, and the shadow Minister for Planning is saying the same thing. They forget the Malthouse Plaza that is under development at the moment. The Malthouse Plaza redevelopment —

**An Opposition Member** — Haddon Storey started that.

**Mr PANDAZOPOULOS** — Haddon Storey started it. Did his government provide the money? No,

it did not provide the money. All sorts of ideas get generated in government, but who puts the money in place? The current government does, and other major projects such as the National Gallery of Victoria are happening as a result. I am also responsible for the Commonwealth Games village. Major projects are happening.

**Mr Perton** interjected.

**Mr PANDAZOPOULOS** — Who got that? We have started it. Come off it. Get your hand off it!

**The SPEAKER** — Order! I ask the honourable member for Doncaster to cease interjecting. I ask the minister to ignore interjections.

**Mr PANDAZOPOULOS** — The government has given the biggest amount of funding ever to continue to kick-start the economy. It has also had to ensure that the projects it inherited have been fully funded, and it has done that.

It is good to see the honourable member for Brighton coming into the chamber. I will see her tomorrow at the Public Accounts and Estimates Committee meeting.

The government has had to put \$160 million into Federation Square to make it happen. If it had not had to put that \$160 million into Federation Square, what could it have built? Five state netball and hockey centres could have been built. We would have had all those additional projects, half the new museum or the total cost of the National Gallery of Victoria project. That is exactly what is happening.

Major projects has additional roles with the Department of State and Regional Development. The department has an economic facilitation-type role to work with the private sector, not only to think of projects in central Melbourne — and the previous government did not do much work on the civic-type projects that were needed — but to get them approved by all the different agencies and government. That type of work was not done. All the rhetoric was there but they had not done their homework.

In her speech earlier today the honourable member for Brighton made some derogatory remarks about hazardous waste sites and new toxic sites. The previous government did nothing about that. Our policy on that is there will be no more landfill dumping. The message is that there will be higher environmental standards on industry, with recycling of waste and proper storage and protection of waste. There will be no more, 'It's cheaper to dump in landfill'. Industry will be told to get

its act together and recycle, reduce and reuse, as do households.

We will work with industry and the community to get to the next stage of hazardous waste sites. That is important to the Victorian economy because we all use hazardous materials. What do we do with them in the end? Do we shut down industry or improve the standards that involve the community? We will not take the Werribee approach. That is the major difference between the way we run major projects compared with the previous government.

**Ms CAMPBELL** (Minister for Community Services) — The honourable member for Essendon referred to the Muscular Dystrophy Association. She has been a strong advocate for the MDA over a number of years and has put its case strongly to both me and the department. The honourable member has pointed out the importance of the move to the St Vincent's Hospital site and the fact that the MDA's executive officer, Mr Boris Struck, has stressed the value of relocating MDA to that site. I concur with the honourable member's view on this matter. My department's brief is that this would be a very worthwhile project for it to support. To that end, the disability services division of Department of Human Services has worked with other divisions — acute health, aged, community and mental health and the policy and strategic division of DHS — on a cross-divisional approach to this worthwhile project. I am told that the cost is in the order of half a million dollars, and that the MDA is prepared to put in \$142 000.

Because of this excellent project and the strong representation by the honourable member for Essendon and the work of the MDA, I am pleased to announce that \$348 000 will be allocated for the relocation to the St Vincent's Hospital site. That will enhance the ability of their staff to provide timely liaison with clients prior to and post attendance with neurologists and physiotherapists at St Vincent's Hospital, as well as the muscular dystrophy clinic. I trust this will be a better outcome for the MDA's clients and staff and there will be improved qualities and opportunities from that on-site integration of clients, clinicians, physiotherapists and the MDA staff. I congratulate everybody involved in putting that project together.

The honourable member for Footscray raised a number of issues relating to temporary protection visa (TPV) holders. We must be conscious of the fact that each and every person who is allocated TPV status becomes a legal resident in this country. By its granting of a TPV the federal government is saying, 'You are free to live in Australia and you are free to be in the wider

community in Australia'. Having said that, the federal government's treatment of TPV holders is nothing short of shameful. As the honourable member for Footscray has stated, the federal government's attitude is to starve them out.

The honourable member for Footscray described his constituent as a highly qualified law graduate. He has family that have been eliminated in his country of origin. With his literary work and community involvement, he has been a proactive and productive citizen in this state. It is clear that the honourable member for Footscray is doing his best to help his constituent. The government has and is continuing to advocate with the federal government to recognise the need to provide temporary protection visa holders with English language classes, job search support and migrant research centre support, all of which have been denied by the federal government.

The Bracks government is not heartless. It does not want to see citizens of the world starve in Victoria. It has put in place a range of community-based agency support for TPV holders and has provided \$140 000 for them. In addition it is providing in-kind support of more than \$6 million. I stress that while the government is happy to do that for TPV holders, it is truly the federal government's responsibility. I will take up the case again with the federal government on behalf of the honourable member for Footscray and his constituent.

The next matter was raised by the honourable member for Dandenong North who referred to the importance of neighbourhood houses. He and I share a passionate interest — as he put it — in neighbourhood houses and the wonderful work they perform. I will continue to visit neighbourhood houses. The Greater Dandenong City Council and its staff are well informed about the importance of neighbourhood houses. The city has a wonderful worker called Melissa Permezel who has extensively researched the importance of neighbourhood houses and I will be delighted to work with the honourable member for Dandenong and his local community to improve the community building work of the neighbourhood houses. I congratulate the Mulgrave Neighbourhood House, the Jan Wilson Community Centre and Wellsprings Women's Support Centre on their great work.

The next matter was raised by the honourable member for Frankston. I am pleased she is advocating strongly for community services support in preschools. I am pleased also to inform her that the government has a proud record in that area, as it is one in which it takes great pride. It has invested strongly in preschools and I will run through some of the things it has done. The

government has ensured that preschools have appropriately qualified staff. Through my own office, the Department of Human Services and with employment agencies, it has worked to ensure that community-based preschools have appropriate programs and appropriately qualified staff. People are parading — —

**Ms McCall** interjected.

**Ms CAMPBELL** — I am so pleased the honourable member for Frankston has mentioned Castlemaine. The preschool at Castlemaine has the ability to employ three qualified preschool teachers.

**Ms McCall** interjected.

**Ms CAMPBELL** — Although the honourable member interjects, the Castlemaine preschool has been given three names of available and appropriately qualified preschool teachers, but it does not suit a certain organisation's media campaign to take the facts and put them on the table. I am prepared to do that.

The other preschool in the Western District that is being paraded as not being able to find staff in fact had qualified staff working in it on the very day the *Age* choose to report that that preschool was unable to find a teacher. The facts belie the media stories. Preschools are appropriately staffed with appropriately qualified people who provide appropriate programs.

The government has also provided an increase of 12 per cent in recurrent funding to preschools. Contrast that with the 20 per cent cut under the former Kennett government. The Bracks government has put in 12 per cent more while the former government chose to withdraw funding of \$16 million. As a result of putting in those funds and allocating additional money to the per capita funding and holders of health care cards, the first full academic year of the Bracks government has seen an increase in participation rates to the highest ever Victorian standard. This year the increases will be even higher than last year.

The government has put in capital of \$3.75 million over three years to community-based child care that provides preschool services in addition to capital of \$6 million on community-based programs. An additional \$1 million has been put into payroll services to ensure that committees of management no longer need to do their own payrolls. Any Victorian preschool still doing its own payroll is doing it despite Pay Connect being allocated additional funds to provide every Victorian preschool with pay-line services. An investigation into the requirements of committees of management has

been undertaken, and the recommendations will be implemented.

To sum up, the Bracks government has increased participation rates, put 12 per cent more into preschools than the budget showed when it came to power, put additional money into capital and ensured that qualified staff are providing preschool services and that committees of management are supported appropriately. The facts speak volumes for what the Bracks government has stated it will do. The facts show that the government supports preschools.

The honourable member for Frankston referred to the electorate of Frankston East. My oh my! She may be familiar with the Pines Preschool, which was closed by the former Kennett government despite the previous minister saying he would keep it open.

The honourable member for Mooroolbark — gee, I am glad she has found a voice in the adjournment debate and is following the honourable member for Frankston — raised a matter for my attention. The Kirby report will be released. It has been presented to me and is being looked at. It is on my desk, and an implementation strategy is being developed by the Department of Human Services. The government has said all along that the Kirby report is required by the Australian Education Union and Kindergarten Parents Victoria as part of last year's August agreement, under which the government put in 3 per cent more to preschool teachers' salaries and a further 3 per cent will be put in in October, as well as a \$1400 one-off payment. As part of the package the government said it would do that review, which it has done. The Bracks government delivers on preschools!

The honourable member for Geelong raised the importance of the Villamanta Legal Service. Hot on the heels of the honourable member for Geelong raising that matter the honourable member for Burwood presented me with a copy of the *Review of Legal Services in Rural and Regional Victoria*, of which he is a member. He pointed out that the report refers to the importance of Villamanta. The government is committed to the Villamanta Legal Service.

**Mr Spry** interjected.

**The SPEAKER** — Order! The honourable member for Bellarine!

**Ms CAMPBELL** — Last November Villamanta received a capital grant of \$18 000 for upgrading its computer service. At the time it presented a strong case for a full-time information and publicity officer. In seeking the grant it provided the department with strong

arguments why it should have an information and publicity officer, saying that it is a uniquely placed service throughout rural and regional Victoria. It has formed a partnership with the Law Institute of Victoria to work with its members in rural and regional Victoria. Additionally, it will work with community stakeholders, including the Mental Health Legal Centre and the Disability Discrimination Law Advocacy Service to develop legal information, education training modules and publications for the major organisations in rural communities.

That is a commendable partnership, with strong outcomes. As a result of its great presentation and the strong representation by the honourable member for Geelong, I am happy to announce a one-off grant of \$50 656 to enable a full-time position to be established and to cover some operating costs for a 12-month period. I hope the honourable member for Geelong can pass on that news to Villamanta.

The honourable member for Burwood also raised the importance of neighbourhood houses. I acknowledge the importance of neighbourhood houses, and I will be delighted to visit the Surrey Hills and Burwood neighbourhood centres. I point out to the honourable member that the government not only says that neighbourhood houses are important, but in its first budget it allocated an additional \$1.8 million for neighbourhood houses, and that amount has been increased to \$2 million in this budget.

I will pass on to the Minister for Education the matter raised by the honourable member for Shepparton about hearing-impaired children at the Guthrie Street Primary School; to the Minister for Health the issue raised by the honourable member for Benambra on appropriate recognition of community ambulance officers and his request that they retain their existing name; and to the Minister for Environment and Conservation the matter raised by the honourable member for Doncaster about advertising.

**Motion agreed to.**

**House adjourned 5.37 p.m.**

QUESTIONS ON NOTICE

*Answers to the following questions on notice were circulated on the date shown.  
 Questions have been incorporated from the notice paper of the Legislative Assembly.  
 Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.  
 The portfolio of the minister answering the question on notice starts each heading.*

**Tuesday, 29 May 2001**

**Corrections: drug use**

**281. MR WELLS** — To ask the Honourable the Minister for Corrections with reference to — (a) HM Prison Ararat; (b) HM Prison Barwon; (c) HM Prison Beechworth; (d) HM Prison Bendigo; (e) HM Prison Dhurringile; (f) HM Prison Langi Kal Kal; (g) HM Prison Loddon; (h) HM Melbourne Assessment Prison; (i) HM Prison Tarrengower; (j) HM Prison Won Wron; (k) Fulham Correctional Centre; (l) Metropolitan Women’s Correctional Centre; (m) Port Phillip Prison —

1. What was the — (a) total number of prisoners; and (b) percentage of the total prison population that tested positive for illicit drug use at each prison for the years ended 30 June 1999 and 30 June 2000.
2. What was the performance benchmark as a percentage of total prison population allowable for illicit drug use as agreed in the Service Agreement for Public Prison and the Contract Agreement for Private Prison at each prison for the years ended 30 June 1999 and 30 June 2000.
3. What was the total cost of drug treatment programs at each prison for the years ended 30 June 1999 and 30 June 2000.
4. What was the total number of prisoners treated for illicit drug use at each prison for the years ended 30 June 1999 and 30 June 2000.
5. What was the maximum number of prisoners who could access drug treatment programs at each prison for the years ended 30 June 1999 and 30 June 2000.
6. What is the maximum number of prisoners who can access drug treatment programs at each program for the year ending 30 June 2001.
7. What was the total number of prisoners who accessed drug awareness programs at each prison for the years ended 30 June 1999 and 30 June 2000.
8. What was the total number of prisoners who accessed drug treatment programs for — (i) three weeks in duration; and (ii) twelve weeks or more in duration at each prison for the years ended 30 June 1999 and 30 June 2000.

**ANSWER:**

I am advised that:

1. (a) The total number of all tests taken for the year ended 30 June 1999 was 21,694; and for the year ended 30 June 2000 was 23,816.
- (b) The percentage of positive random drug tests for each prison location for the year ended 30 June 1999 is documented in the report *Statistical Profile: The Victorian Prison System 1995–96 to 1998–99* (prepared by the Office of the Correctional Services Commissioner). This report had to cover four statistical years due to the fact that the Kennett Government refused to provide such statistical detail or publish such reports beyond the 1994–95.

The percentage of positive random drug tests for each prison location for the year ended 30 June 2000 will be documented in the report *Statistical Profile: The Victorian Prison System 1999–2000*.

2. The performance benchmark allowable for illicit drug use as agreed in the Service Agreement for Public Prisons and Contract Agreement for Private Prisons for the year ended 30 June 1999 is documented in the report *Statistical Profile: The Victorian Prison System 1995–96 to 1998–99*.

The benchmarks for the year ended 30 June 2000 are the same as the 1998/99 financial year.

3. The private prisons are required to deliver a range of drug and alcohol programs as part of base contract obligations. This includes intensive treatment programs at Fulham and MWCC, as well as a range of lower intensity programs including substance awareness and education. These programs are included in the original base contracts and are not able to be costed separately.
4. A review of the Victorian Prison Drug Strategy by KPMG in 1999 found that up to one in three prisoners attend a Substance Education Program with a similar number attending a semi-intensive or intensive treatment program (*Review of the Victorian Prison Drug Strategy, KPMG 2000*).

Private prisons deliver a number of programs as part of the base contract, plus additional programs funded through *Turning the Tide*. All programs in public prisons are funded through *Turning the Tide*. The current reporting requirements are for *Turning the Tide* programs only.

The table below refers to prisoners enrolled in drug treatment by prison location. For CORE prisons drug treatment encompasses a range of programs including drug awareness, individual counselling and intensive residential treatment. The number of enrolments for private prisons refer only to those programs funded through *Turning the Tide* (base contract obligations including intensive residential treatment at MWCC and Fulham, and a range of education programs are not included as reporting requirements are for *Turning the Tide* funded activities only).

Prison	Number of Enrolments Year Ended 30/6/99	Number of Enrolments Year Ended 30/6/2000
<b>CORE Prisons</b>		
Ararat Prison	490	496
Barwon Prison	892	1215
Beechworth Prison	741	880
Bendigo Prison	797	919
Dhurringile Prison	604	816
Langi Kal Kal Prison	276	401
Loddon Prison	819	1343
Melbourne Assessment Prison	1990	5053
Tarrengower Prison	168	72
Won Wron Prison	447	The program components have been changed from a drug treatment program to a pre-release preparation program.
<b>Private Prisons – TTT funded services only</b>		
MWCC*	777	692
Port Phillip Prison**	919	2659 (range of new programs introduced to meet changing needs of prisoners)
Fulham ***	1722	1805

\*MWCC = count includes individual and group treatment for protection and management prisoners, and individual counselling — excludes substance awareness, education and intensive treatment (base contract obligations).

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\*\*Port Phillip Prison = count includes relapse prevention programs, substance education, semi-intensive treatment and individually tailored intensive programs – excludes substance awareness and a proportion of education (base contract obligations).

\*\*\*Fulham = count includes relapse prevention, substance awareness, substance education and intensive programs – excludes proportion of awareness and education (base contract obligations).

5. All prisoners with drug problems are eligible to access drug and alcohol treatment programs. A range of programs are offered at every prison location. The capacity of these programs is determined by prisoner demographics and need at a specified time.
6. The places available in intensive residential treatment for the year ending 30 June 2001 are determined by prisoner demographics and need at a specified time.
7. Drug awareness is a mandatory program for all new prison receptions and transfers and is offered at all prison locations. The following number of prisoners accessed substance awareness at each prison location in the years ended 30 June 1999 and 30 June 2000:

Prison	Substance Awareness Enrolments Year Ended 30/6/99	Substance Awareness Enrolments Year Ended 30/6/2000
<b>CORE Prisons</b>		
Ararat Prison	311	302
Barwon Prison	375	344
Beechworth Prison	291	266
Bendigo Prison	207	245
Dhurringile Prison	391	364
Langi Kal Kal Prison	180	124
Loddon Prison	373	413
Melbourne Assessment Prison	1360	4295
Tarrengower Prison	71	63
Won Wron Prison	368	The program components have been altered from a drug treatment program to a pre-release preparation program.
<b>Private Prisons</b>		
MWCC	435	541
Port Phillip Prison	903	1105
Fulham	942	1102

8. (a) A three-week program is not applicable to the current treatment framework. Whilst some programs may run over a three-week duration, the reality is that programs are run over 12, 16, 24 and 120 hours. These programs are delivered on schedules that suit the prisons needs.
- (b) Programs run over a duration of twelve weeks are the intensive treatment programs. There are three prisons which provide intensive treatment programs – Bendigo, Fulham and MWCC. In the year ended 30 June 1999 64 prisoners participated in intensive treatment at Bendigo; 289 at Fulham and 32 at MWCC. In the year ended 30 June 2000 99 prisoners participated in intensive treatment at Bendigo; 273 at Fulham and 35 at MWCC.

**Corrections: cell numbers**

- 282. MR WELLS** — To ask the Honourable the Minister for Corrections how many cells designed for one person have contained two or more prisoners on average at — (a) HM Prison Ararat; (b) HM Prison Barwon; (c) HM Prison Beechworth; (d) HM Prison Bendigo; (e) HM Prison Dhurringile; (f) HM Prison Langi Kal Kal; (g) HM Prison Loddon; (h) HM Melbourne Assessment Prison; (i) HM Prison Tarrengower; (j) HM Prison Won Wron; (k) Fulham Correctional Centre; (l) Metropolitan Women’s Correctional Centre; and (m) Port Phillip Prison for the years ended — (i) 30 June 1999; and (ii) 30 June 2000.

**ANSWER:**

I am advised that:

While daily data on prisoner numbers is maintained, it is not retained in a form that enables the calculation of the number of cells designed for one person that are actually occupied by two or more persons. This will vary on a daily basis.

**Treasurer: employment data**

**289(b). MR WILSON** — To ask the Honourable the Treasurer with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.
2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.
3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.
4. How many executives were employed who received a total annual remuneration package of — (a) less than \$90,000; (b) \$90,000–\$100,000; (c) \$100,000–\$110,000; (d) \$110,000–\$120,000; (e) \$120,000–\$130,000; (f) \$130,000–\$140,000; (g) \$140,000–\$150,000; (h) \$150,000–\$160,000; (i) \$160,000–\$170,000; (j) \$170,000–\$180,000; (k) \$180,000–\$190,000; (l) \$190,000–\$200,000; (m) \$200,000–\$210,000; (n) \$210,000–\$220,000; (o) \$220,000–\$230,000; (p) \$230,000–\$240,000; (q) \$240,000–\$250,000; (r) \$250,000–\$260,000; (s) \$260,000–\$270,000; (t) \$270,000–\$280,000; (u) \$280,000–\$290,000; (v) \$290,000–\$300,000; and (w) \$300,001 and above, and how does this compare to figures at 30 June 2000.

**ANSWER:**

I am informed that:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Session.

**Transport: employment data**

**289(c). MR WILSON** — To ask the Honourable the Minister for Transport with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.
2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.
4. How many executives were employed who received a total annual remuneration package of — (a) less than \$90,000; (b) \$90,000–\$100,000; (c) \$100,000–\$110,000; (d) \$110,000–\$120,000; (e) \$120,000–\$130,000; (f) \$130,000–\$140,000; (g) \$140,000–\$150,000; (h) \$150,000–\$160,000; (i) \$160,000–\$170,000; (j) \$170,000–\$180,000; (k) \$180,000–\$190,000; (l) \$190,000–\$200,000; (m) \$200,000–\$210,000; (n) \$210,000–\$220,000; (o) \$220,000–\$230,000; (p) \$230,000–\$240,000; (q) \$240,000–\$250,000; (r) \$250,000–\$260,000; (s) \$260,000–\$270,000; (t) \$270,000–\$280,000; (u) \$280,000–\$290,000; (v) \$290,000–\$300,000; and (w) \$300,001 and above, and how does this compare to figures at 30 June 2000.

**ANSWER:**

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Session.

**Corrections: prisoner pay-and-spend accounts**

- 331. MR WELLS** — To ask the Honourable the Minister for Corrections with reference to prisoners' weekly pay and spend accounts — (a) how many accounts is the Department of Justice running on behalf of prisoners at 31 March 2001; (b) what is the total amount of money in the accounts at 31 March 2001; (c) how many accounts have a deficit balance at 31 March 2001; and (d) what is the total amount of deficit in the accounts at 31 March 2001.

**ANSWER:**

In response to the Members question, I am advised the answers are as follows:

- (a) CORE – the Public Correctional Enterprise, an agency of the Department of Justice manages one bank account on behalf of prisoners.
- (b) Closing balance of \$1,210,403.18
- (c) Nil
- (d) Nil

