

PARLIAMENT OF VICTORIA

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(HANSARD)**

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FIFTY-FOURTH PARLIAMENT

FIRST SESSION

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¹ Resigned 3 November 1999

² Elected 11 December 1999

³ Resigned 12 April 2000

⁴ Elected 13 May 2000

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Tuesday, 20 March 2001

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 2.06 p.m. and read the prayer.

DISTINGUISHED VISITORS

The SPEAKER — Order! It gives me great pleasure to welcome to the Victorian Parliament the members of a distinguished delegation from Somalia. They are Professor Abdura Hman Aden Ibrahim, Dr Elmi Farah Nur and Dr Abdulkadir Osman Yusuf. The delegation is in Australia to learn about parliamentary democracy. I welcome them and hope they find today's question time interesting.

ABSENCE OF MINISTER

The SPEAKER — Order! I wish to advise the house that I have been notified that the Attorney-General will not be in attendance during question time. I have been advised that the Premier will answer on all the ministerial responsibilities held by the Attorney-General.

QUESTIONS WITHOUT NOTICE

Business: ABS data

Ms ASHER (Brighton) — I refer the Treasurer to the Australian Bureau of Statistics (ABS) data on state business investment released today, which shows that Victorian business investment has declined in every quarter since the election of the Bracks Labor government. Will the Treasurer now admit that Labor's \$100 million in business tax cuts will be too little, too late?

Mr BRUMBY (Treasurer) — The data to which the honourable member refers was released today and shows the figures for state capital works for the December 2000 quarter. Apparently there has been some misunderstanding by the honourable member for Brighton. The data is quarter on quarter, so it compares the December 2000 quarter with the September 2000 quarter.

Ms Asher interjected.

Mr BRUMBY — It shows a reduction from what was a peak figure in September 2000. If you compare the December 2000 figure with the December 1999 figure, you can see that private sector capital investment is actually up, not down.

Honourable members interjecting.

Mr BRUMBY — Despite the views put forward by the opposition and the uncertain national economic environment being created by the Howard government, a string of positive economic data for Victoria has come out over past months. The figures for housing show that Victoria's share of national building approvals is at a record high; motor vehicle registration figures show that Victoria's share of the national figures is at a record high level; and the employment data released last week shows that over the past year Victoria has had the fastest rate of employment growth of any state in Australia — 4.1 per cent! So despite the GST, the Ryan by-election result and the Howard government's shoot-from-the-hip economic policy, this state is doing well, and it has been referred to in a number of newspaper articles as the Silver Lining State.

Government members are proud of Victoria's positive economic performance. We do not know why the opposition keeps persisting in talking the state down when the government is trying to boost investment.

The most recent Access Economics report lists Victorian investment projects worth \$22 billion that are already under construction or committed to. That is a lot of dollars — \$22 billion is greater than the budget of the state of Victoria. The Victorian economy is proceeding well!

Victoria is the Silver Lining State. It has its nose ahead of most of the other states in terms of employment growth and growth in gross national product and state final demand, and the government is determined to keep it that way. The only threat to economic strength and growth in Victoria comes from the uncertain economic environment being created by Prime Minister Howard and Treasurer Costello.

Economy: performance

Ms BARKER (Oakleigh) — I refer the Premier to the difficulties facing the Australian economy and ask him to inform the house whether Victoria is managing to continue to achieve employment and investment growth in key sectors.

Mr BRACKS (Premier) — I thank the honourable member for Oakleigh for her question and her interest in this area. As the Treasurer has said, and to which the honourable member's question referred, a slowdown in the Australian economy was recorded in the last quarter, from which no state will be immune.

The slowdown has occurred as a result of percentage growth in the United States economy cooling to almost

zero, the GST biting into business confidence, and petrol prices continuing to affect business and consumer confidence. As the Treasurer indicated quite correctly in answer to a question from the shadow Treasurer, the Victorian economy has sound fundamentals that will lead it through this slowdown in the Australian economy.

Over the past two weeks reports in the business sections of the newspapers have suggested that Victoria is clearly the best prepared of any state in Australia for the downturn that is occurring in the Australian economy. One of the indicators referred to by the Treasurer is employment growth, which for the past month in Victoria was 4.1 per cent. Some 17 000 new jobs were created in Victoria in the last month alone!

If you compare state with state on the graph, you will find that Victoria is the only bright light for the Prime Minister to speak about — the only bright light! The only place that fuelled employment growth was Victoria. Some 17 000 new jobs were created in Victoria last month. It now has the second-lowest unemployment rate of any state — that is, 6.3 per cent — which is lower than the national rate of 6.9 per cent. For the 12-month period last year Victoria had half of the national job growth — a full 50 per cent. Some 90 000 of the 180 000 new jobs created in Australia were in Victoria.

Victoria is much better placed than any other state. The vibrant fundamentals of its economy are sound enough to cope with any downturn caused by federal government policies or any downturn in the economy of the United States.

The Treasurer referred to some of those positive figures. Victorian exports are up 20 per cent on last year. They have been fuelled not only by the low Australian dollar but are also up compared with other states. Not long ago Victoria's export performance was the second worst in the country — it is now the second best. An increase of 20 per cent in export outcome has occurred over the past year. Victoria has a diverse economy.

I advise the house of two major events that have happened in Victoria over the past two days. Firstly, yesterday I had the pleasure of launching a new Pricewaterhousecoopers tax assurance centre in Melbourne — a \$10 million enterprise that will create 100 new jobs. Effectively Victoria has been picked as the corporate tax centre for the Asia-Pacific region. I am proud that that will happen in Melbourne, and I congratulate Pricewaterhousecoopers for working with the government towards that achievement.

Secondly, all members of the house — even probably opposition members — will congratulate BHP on its decision to join with Billiton, the biggest resource company in the world. It is a joint listing of the two companies and a recommended merger, which will result in \$58 billion of capitalisation in the company's head office in Melbourne. The good news is that not only is the move a good one for BHP — and I congratulate the chief executive officer, Paul Anderson, and the board for taking that positive step in competition worldwide — but also that BHP chose Melbourne, Victoria, as the world headquarters for the biggest company in the world.

The government has worked to facilitate these new headquarters on the former Queen Victoria Hospital site with a new \$600 million project. It is a great announcement for BHP. The building will be available in mid-2003 as the lease expires on the current BHP building. The new building will be purpose built. The head office of the biggest resource company in the world will be in Melbourne!

As I move around Victoria I hear people saying, 'Good on you, Premier' or 'Good on you, Treasurer' — 'Good on you for talking up the economy'. The only person currently not talking up the economy is the Prime Minister of Australia.

Honourable members interjecting.

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

Honourable members interjecting.

The SPEAKER — Order! I ask opposition members to come to order. I ask the Premier to conclude his answer.

Mr BRACKS — In conclusion, the Prime Minister by his actions is talking down the economy.

Honourable members interjecting.

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

Mr BRACKS — Every policy decision the Prime Minister is taking is politically motivated. It is not good for the Australian economy and I urge him to forget the politics and return to the economic path.

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Bentleigh!

Mr BRACKS — In summary, the fundamentals of the Victorian economy are sound and robust. They will carry the state through the downturn caused by two factors: the policies of the federal government and the downturn of the United States economy.

Hospitals: nurses agreement

Mr RYAN (Leader of the National Party) — My question is to the Minister for Health and Matters Maternal. I refer the minister to the current renegotiation of — —

The SPEAKER — Order! The Leader of the National Party shall address ministers by their correct titles.

Mr RYAN — I refer the Minister for Health to the current renegotiation of a pay deal with the nurses union. Will the minister guarantee country health services that the government will fully fund any cost increases arising from this process?

Mr THWAITES (Minister for Health) — I thank the honourable member for his question, and indicate that in his preliminary question he did, indeed, overstate my role. As the person concerned said today, this was another case of the ministerial adviser doing all the work and the minister taking the credit.

In relation to the question, the enterprise bargaining agreement with the nurses went before the commission last week. It ordered that the number of nurses to be employed was to be capped at 1300, which is the number the government initially indicated would be employed. The government is doing that. I also indicate to the honourable member that it is funding hospitals fully to employ those nurses.

Melbourne: electoral reform

Mrs MADDIGAN (Essendon) — Will the Minister for Local Government inform the house of the government's planned reforms of the electoral system for the City of Melbourne?

Mr CAMERON (Minister for Local Government) — Last December the government announced a fresh start for the City of Melbourne and said it wanted to have elections for the city during winter of this year. Following a period of mediation at the council it was clear that the arrangement would not last in the long term and that there needed to be a democratic solution, with earlier elections. In addition, structural changes were needed because the structure imposed by the previous government was inadequate.

Honourable members interjecting.

Mr CAMERON — Certainly Liberal members recognised that the structure they imposed was not acceptable. The government consulted with stakeholder groups across the City of Melbourne, taking into account the diversity of interests — residential, business, cultural and sporting — to determine the best structural arrangements that should apply as the process goes forward. I thank all the groups involved.

Many people wanted the direct election of a lord mayor. They believed that would help with stability, because councillors would not continually be jockeying for position. However, that of itself could create problems if the lord mayor were out on his or her own without the support of other councillors. To that end, the government worked through those issues, and I am pleased to advise the house that it will introduce legislation for a directly elected lord mayor and deputy lord mayor. In other words, to help bring about that team there will be a mayoral election for both positions, tied together on the one ticket.

In addition, a further seven councillors will be elected by proportional representation in the style of Senate elections. People will be able to vote above the line for a group or a team, or below the line, if that is what they want. That will help to bring councillors around the lord mayor and to bring about the stability we all want.

In addition, we want to encourage a better relationship between the state government and the capital city government, and there are provisions to help bring that about.

I have spoken with some interested groups this morning, and I am pleased to advise that the measure is supported by the Carlton Residents Association, by key business groups within the city such as the Melbourne Chamber of Commerce, the Victorian Employers Chamber of Commerce and Industry, the Australian Retailers Association, the Property Council of Australia, the Committee for Melbourne and the Central City Retailers, among many others.

We have put in place a structure. What is now important is that good people come forward to be good candidates and good councillors. Let the election begin!

Business: taxes

Ms ASHER (Brighton) — I refer the Treasurer to his statement that the *Harvey Review of State Business Taxes* is not a government report, and I ask: can the Treasurer inform the house why his department has spent \$14 000 on a consultancy by Essential Media

Communications to do a media review for this so-called independent Harvey committee?

Mr BRUMBY (Treasurer) — I had trouble hearing. Would the honourable member repeat whether she said 14 million dollars or 14 thousand dollars?

Ms Asher interjected.

Mr BRUMBY — Fourteen thousand? It was \$14 000! The Bracks government commissioned the Harvey review last year. The committee, including the former head of the Victorian Employers Chamber of Commerce and Industry, Nicole Feely, worked an extraordinary number of hours on that report for the best part of a year, without being remunerated. The committee presented to the government an independent report which is currently being considered and to which the government will respond at or by budget day on 14 May this year.

Dr Napthine interjected.

Mr BRUMBY — You're in no position to speak, Denis, are you? And it is not surprising that you haven't spoken today — no questions! Where are the questions?

The SPEAKER — Order! I ask the Leader of the Opposition not to invite interjections across the table, and I ask the Treasurer to cease responding to interjections.

Mr BRUMBY — The Harvey report is the first major review of the state business taxation system since 1983 — the first one in 18 years.

Ms Asher interjected.

Mr BRUMBY — I am happy to let the house know your views on land tax if you would like me to.

Ms Asher interjected.

Mr BRUMBY — The opposition has been circulating a fair amount of material about land tax and how the Harvey report makes certain recommendations about land tax, so I did some research on the views of the former Minister for Small Business on the issue of land tax. This is very instructive about the public and the people who are getting —

Mr Ryan — On a point of order on the question of relevance, Mr Speaker, as I heard it the question related to an expenditure of \$14 000 for the promotion of a report.

An honourable member interjected.

Mr Ryan — I understand the figure was \$14 000.

The SPEAKER — Order! The Leader of the National Party, on his point of order.

Mr Ryan — Mr Speaker, I ask you to bring the minister back to the question and the relevant issues, as opposed to his debating the question.

The SPEAKER — Order! I do not uphold the point of order. However, I ask the house to remain silent so that the Treasurer's answer can be heard. I remind the Treasurer of his obligation to answer the question.

Mr BRUMBY — The question was about the Harvey report and, implicitly, about some of the report's recommendations on land tax. I did some research on the former Minister for Small Business and land tax. In 1997 the then minister was asked whether the Kennett government's:

... changes to land tax mean that some small businesses will pay land tax for the first time because the tax threshold will be reduced from \$200 000 to \$85 000.

That brought 77 000 new land tax payers into the system. The then Minister for Small Business said:

I am delighted to point out —

Mr McArthur — On a point of order, Mr Speaker, I know the Treasurer is floundering, but I ask you to remind him of the rules of the house about debating the question.

The SPEAKER — Order! I do not uphold the point of order. The obligation of the Chair is to remind the Treasurer to be relevant in responding to the question; the Chair cannot direct him as to the way he must answer it. However, I remind the Treasurer that it is not proper to debate the question, and I ask him to come back to answering it.

Mr BRUMBY — I am bringing the answer to a close. In response to the fact that 77 000 new Victorians paid land tax for the first time, the then Minister for Small Business is reported as saying:

I am delighted to point out to Mr Walpole that these land tax changes have a particular impact in favour of small business.

When householders get this sort of rubbish circulated by the Liberal Party, they should ask why it is that the deputy leader —

Mr McArthur — On a point of order, Mr Speaker, you have already advised the Treasurer of the requirement not to debate the question. He is now clearly flouting your ruling.

The SPEAKER — Order! I uphold the point of order and ask the Treasurer to come back to answering the question.

Mr BRUMBY — I am happy to do that. The answer to the honourable member's question is that the \$14 775 is disclosed on the web site of the Department of Treasury and Finance.

Drugs: family support

Ms OVERINGTON (Ballarat West) — I refer the Minister for Health to the important work the government is doing to help families deal with the impact of drug use on their lives. Will the minister inform the house of the latest action the government is taking to provide this critical support?

Mr THWAITES (Minister for Health) — I am pleased to advise that the government has established two major initiatives to help families cope with the tragedy of drug abuse. Today the government launched the Family Drug Helpline, which will provide telephone information, advice and counselling services for families with drug problems. This major initiative being implemented by the Bracks government will be a first in Australia by providing at the other end of the telephone line both experts in drug and alcohol issues and volunteers who have been through family drug-related tragedies themselves. I am pleased to announce —

Mrs Peulich interjected.

The SPEAKER — Order! The honourable member for Bentleigh!

Mr THWAITES — I am pleased to announce that the service will operate for 24 hours per day.

Opposition members interjecting.

Mr THWAITES — I am glad to see the opposition is maintaining its bipartisan view in relation to drugs.

Mr Wilson interjected.

The SPEAKER — Order! The honourable member for Bennettswood!

Opposition members interjecting.

Mr THWAITES — Members opposite are saying, 'It's our idea'. Thank you. We all agree that what we are doing is a good thing. Well done to everyone!

However, let us acknowledge in particular the 35 volunteers who have already signed up with the

service and who, from tonight, will be answering the telephone and helping the many families that are going through crises.

It was moving to hear Brenda Irwin say at the launch today that parents who have been through a drug or alcohol crisis with a family member will now be able to put something back into the community. That is what this initiative is all about. Drug and alcohol abuse is a community problem and cannot be solved by government alone.

Opposition members interjecting.

Mr THWAITES — Opposition members were invited to the launch, which was held in Queen's Hall and was open to everyone — but they were all at a party meeting doing I don't know what.

Dr Napthine interjected.

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

Mr THWAITES — The other important part of the program is the Family Drug Help service, which aims to assist by setting up self-help groups for families affected by drug abuse. The aim is to establish the self-help groups in nine regions across the state to provide services that include strengthening links between families and drug treatment services, representing the views of families of drug users and liaising with the various treatment agencies.

The initiatives are part of this government's \$77-million boost for drug programs, which I would have thought all honourable members would support. Family Drug Help is a positive program that will link families with drug treatment services and help with rehabilitation and prevention. I commend all those involved.

Human Services: consultancies

Dr NAPTHINE (Leader of the Opposition) — I ask the Minister for Health whether it is a fact that a \$45 000 consultancy was awarded by his department to Bracks Labor mate, Mr Neil Pope, without its adhering to department policy that purchases between \$15 000 and \$100 000 require three written quotes.

Mr THWAITES (Minister for Health) — I thank the current Leader of the Opposition for that devastating question. All proper processes were followed in this case, as in all cases by this government.

On the point of consultancies, here we have an opposition that, when in government, wasted millions of dollars on consultancies. Since the Labor Party came to government the Department of Human Services has reduced the level of consultancies by more than 10 per cent across the board and has gone through the process.

The person concerned is highly skilled and is used by businesses around the state. Perhaps the Leader of the Opposition ought to concentrate on his own back.

Schools: funding

Ms DUNCAN (Gisborne) — I refer the Minister for Education to the substantial resources the government has invested in Victorian schools, and I ask: will the minister inform the house of the impact of this investment in terms of a better education for Victorian children?

Ms DELAHUNTY (Minister for Education) — I thank the honourable member for Gisborne for her question and her continuing interest in the opportunities for students.

When the Bracks government came to power Victoria was spending less per pupil than any other state or territory in the nation. When it came to education, the Kennett government was the Scrooge of the nation.

Since this government has come to power it has invested an extra \$600 million in education, but the investment has been carefully targeted to the greatest need. We have added an extra 2000 new staff and we now have the best teacher–pupil ratio since coming to office. The investment is now starting to pay dividends.

Let us look at the investment in those crucial early learning years. This government has invested over \$160 million over four years and has put on an extra 800 primary school teachers to start to bring down those ballooning class sizes it inherited. There has been a significant drop in the class sizes across the state. The projection for the year 2001 is now 22.4 students per class. When we came to government less than 18 months ago it was an average of 25.1.

This is not just about delivering on a political pledge — we said we would bring down the class sizes, and we are on track with the four-year plan — it is about improving student results. That is what parents want to hear.

Today I am pleased to announce to the house that in the past 12 months the year 3 reading levels have improved. We are now seeing more year 3 students reading at the national benchmark. The level has gone

up from 86.2 per cent to 89 per cent. That is a significant increase, and that is what parents want to hear.

The class sizes are also coming down in years 3 to 6. We are now seeing an average of 25.6 — down from 26.2 — and an improvement in the year 5 reading levels. The number of year 5 students who are reading at or above the national benchmark has improved from 88 per cent — when we came to government — to 92 per cent this year.

Year 12 retention rates are also improving. We inherited an appalling situation, with young people not staying in school to complete their education or training. Already with our pathways and middle years investments we have seen retention rates — that is, those of young people staying on at school to complete their education — improve from 69.8 per cent in 1999 to 71.1 per cent in 2000.

This is value-added education. We are seeing a need, we are targeting the investment, and parents and students are now starting to see the dividends of that targeted investment and are voting with their feet. We have seen a restoration of confidence in public education, with an improvement in enrolments this year of 5000. The Bracks government is getting on with the job in education.

Human Services: consultancies

Dr NAPTHINE (Leader of the Opposition) — I again refer the Minister for Health to the \$45 000 consultancy contract awarded by the Labor government to Neil Pope without proper process. Will the minister inform the house how many other consultancies have been awarded in his department without the proper process of obtaining three written quotations?

Mr THWAITES (Minister for Health) — The Leader of the Opposition is trying again, so perhaps I will inform him again. Under the previous government — —

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Mordialloc!

Mr THWAITES — They do not like to hear this! In the past year — —

Honourable members interjecting.

The SPEAKER — Order! I ask the Leader of the Opposition to cease interjecting. He has asked his

question. I ask the honourable member for Melton not to interject in that manner.

Mr THWAITES — Unlike the previous government, this government follows proper process. The opposition is so proper now, but the Leader of the Opposition sat at the cabinet table when a decision was made, for example, to award a \$23 million contract, without advertising or tender, to Troughton, Swier and Associates. Today he is complaining today about amounts of \$45 000, \$13 000 and \$14 000.

Mr Honeywood interjected.

Mr THWAITES — The honourable member for Warrandyte is yelling out! Was he involved in the awarding of the half a million dollar consultancies contract to Kevin Donnelly without a single tender?

Unlike the other side and the Leader of the Opposition this government does follow proper process.

Opposition members interjecting.

Mr THWAITES — Opposition members are laughing but the fact is that this government does follow proper process. My department has reduced the amount spent on consultancies considerably. It has a lot to be proud of. The Leader of the Opposition has very little to be proud of today, which is obviously why he has not wanted to ask the Premier a question. Where do his ratings stand next to those of the Premier? The answer is 10 per cent to 69 per cent. I would stick to your —

Honourable members interjecting.

The SPEAKER — Order! Has the Deputy Premier concluded his answer?

Mr THWAITES — Yes, Mr Speaker.

Beaches: Port Phillip Bay

Ms LINDELL (Carrum) — Will the Minister for Environment and Conservation inform the house of the latest action the government is taking to protect Melbourne's beaches?

Ms GARBUTT (Minister for Environment and Conservation) — I thank the honourable member for her question. Given the beautiful beaches in her electorate, it is an understandable one. I was expecting the question from the honourable member for Sandringham because he has been busy in the Sunday papers complaining about the lack of funding. I thought he might have been interested in facts, so I will give some to the house.

Honourable members interjecting.

The SPEAKER — Order! I ask the honourable members for Pakenham, Bentleigh and Berwick to cease interjecting. I cannot allow question time to continue with the current level of interjection.

Ms GARBUTT — I will place a few facts before the house to assist the honourable member for Sandringham. Under a \$1.1 million program, the government has spent nearly half a million dollars so far on renourishment and risk management works on beaches. It might jog the honourable member's memory if I run through a few figures.

The government has spent \$15 000 to have sand transferred to the southern end of Brighton beach.

Ms Asher interjected.

Ms GARBUTT — The Deputy Leader of the Liberal Party knows about it; it is funny that the honourable member for Sandringham does not.

The government has also spent \$20 000 on maintenance works to the rock seawall west of Portsea Pier in the electorate of the honourable member for Dromana. Perhaps the honourable member needs to talk to the honourable member for Sandringham. He could also mention the \$20 000 worth of works at Camerons Bight bike path at Blairgowrie beach.

Perhaps the honourable member for Sandringham could talk to his colleague the honourable member for Mornington about the \$15 000 spent on stabilising a cliff at Tanti Creek in Mornington. The honourable member for Mornington could also tell him about the \$30 000 spent to abate erosion at Marina Cove in Mornington.

To make a long story a bit shorter, I mention two final projects that might jog the memory of the honourable member for Sandringham. The government has spent \$150 000 repairing the seawall damage at Black Rock, in the honourable member's own electorate. In case he has missed that one, I also mention the \$25 000 —

Mr Thompson interjected.

Ms GARBUTT — Perhaps this is an apology!

Mr Thompson — On a point of order, Mr Speaker, I was wondering whether the minister could clarify whether the Black Rock seawall works are the ones carried out before Christmas, which have since collapsed, or the new works that are being undertaken.

The SPEAKER — Order! I do not uphold the point of order. The honourable member cannot ask a further question or make a statement.

Ms GARBUTT — To jog the honourable member's memory further, I mention the \$25 000 allocated for a geotechnical study of Red Bluff, also in his electorate. The honourable member for Sandringham has ignored \$175 000 worth of works in his own electorate. I am surprised at that, and I would be happy to provide further details to him.

Unlike the approach of the previous government, this government's approach has been to plan works and set in place a framework to prioritise them. Part of the problem under the previous government was that it had absolutely no strategy. It carved up the Port of Melbourne Authority in 1995 and simply handed over all the beaches, all the assets and all the problems with no funding or strategic plan.

The first proposal, to dump it on local councils, was resisted and some funding appeared; however, it did nothing at all to ensure maintenance and a long-term framework.

Mr Rowe — On a point of order, Mr Speaker, apart from the fact that she did not mention Cranbourne, the minister has been reading for some time from a prepared speech. I ask that the minister make all such documents available to the house.

The SPEAKER — Order! Was the minister quoting from a document?

Ms GARBUTT — Honourable Speaker, I was referring to my notes, both handwritten and typed.

The SPEAKER — Order! I do not uphold the point of order.

Ms GARBUTT — Finally, I advise the house that last Friday I announced the launch of a \$100 000 study, the Beaches at Risk study, which will identify beaches around Port Phillip Bay that are at risk of erosion. It will establish a planning framework for 15 years and prioritise the works required. It demonstrates the government's clear commitment to improving Victoria's beaches.

PETITIONS

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

Warburton Highway: traffic lights

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 the citizens of Woori Yallock request the government and the Minister for Transport urgently [to] provide funding for traffic lights at the intersection of Warburton Highway and the Koo Wee Rup–Healesville road, Woori Yallock. The citizens of Woori Yallock urge the Minister for Transport to provide pedestrian lights on Healesville–Koo Wee Rup road at the Woori Yallock shopping centre.

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

By Mrs FYFFE (Evelyn) (398 signatures)

Irabina Early Intervention Program

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

The humble petition of Irabina Parents Action Group and supporters sheweth [the] Autism Services Irabina Early Intervention Program, which provides services for families and their children who are diagnosed with autism spectrum disorder.

Lack of funding is causing chronic waiting list problems and denying children access to these services.

Your petitioners therefore pray that immediate emergency funding will be provided by the government to address the waiting list problem at [the] Autism Services Irabina Early Intervention Program and increased recurrent funding for servicing children within the program.

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

By Mrs ELLIOTT (Mooroolbark) (2057 signatures)

Corpus Christi

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

The humble petition of undersigned citizens of Victoria sheweth that we oppose the play *Corpus Christi* because it is blasphemy against Jesus Christ. Your petitioners therefore pray that all public funding be removed from the Midsumma Festival of which *Corpus Christi* is a part.

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

By Mr LEIGH (Mordialloc) (5685 signatures)

Laid on table.

Ordered that petition presented by honourable member for Evelyn be considered next day on motion of Mrs FYFFE (Evelyn).

Ordered that petition presented by honourable member for Mooroolbark be considered next day on motion of Mrs ELLIOTT (Mooroolbark).

ROAD SAFETY COMMITTEE**Vehicle roadworthiness**

Mr LANGDON (Ivanhoe) 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

Alert Digest No. 2

Ms GILLET (Werribee) presented *Alert Digest No. 2* of 2001 on:

**Constitution (Supreme Court) Bill
Health Records Bill
Liquor Control Reform (Amendment) Bill
National Parks (Amendment) Bill
Prostitution Control (Proscribed Brothels) Bill
Transport Accident (Amendment) Bill
Water (Amendment) Bill**

together with appendices.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Crown Land (Reserves) Act 1978 — Section 17DA Order granting under s 17D a lease by the Yarra Bend Park Trust

Drugs, Poisons and Controlled Substances Act 1981 — Documents pursuant to s 12H — Poisons Code:

Standard for the Uniform Scheduling of Drugs and Poisons No 15 Amendment No 3

Notice regarding the amendment, commencement and availability of the Poisons Code

Financial Management Act 1994 — Budget Sector — Quarterly Financial Report for the period ended 31 December 2000

Financial Management Act 1994 — Reports from the Minister for Health that he had received the 1999–2000 annual reports of the:

Chiropractors Registration Board of Victoria
Dental Board of Victoria

Interpretation of Legislation Act 1984:

Notice under s 32(4)(a)(iii) in relation to Amendment No 8 of the Building Code of Australia 1996

Murray-Darling Basin Commission — Report for the year 1999–2000

National Environment Protection Council — Report for the year 1999–2000

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

Alpine Resorts Planning Scheme — No C4
Ararat Planning Scheme — No C1
Ballarat Planning Scheme — Nos C7, C38
Banyule Planning Scheme — No C17
Bayside Planning Scheme — No C12
Casey Planning Scheme — No C31
Darebin Planning Scheme — No C23
Frankston Planning Scheme — Nos C6, C10
Glen Eira Planning Scheme — No C6
Golden Plains Planning Scheme — No C6
Greater Geelong Planning Scheme — Nos C2, C6, C24
Indigo Planning Scheme — Nos C5 Pt 2, C9
Manningham Planning Scheme — No C2
Maroondah Planning Scheme — No C10
Monash Planning Scheme — No C8
Moreland Planning Scheme — No C9
Mornington Peninsula Planning Scheme — No C50
Northern Grampians Planning Scheme — No C1
Whitehorse Planning Scheme No C11
Wodonga Planning Scheme — Nos C3, C4
Wyndham Planning Scheme — No C27

Statutory Rules under the following Acts:

Building Act 1993 — SR Nos 14, 15, 16

County Court Act 1958 — SR No 17

Health Act 1958 — SR No 13

Pathology Services Accreditation Act 1984 — SR Nos 11, 12

Tobacco Act 1987 — SR No 19

Subordinate Legislation Act 1994 — SR No 18

Subordinate Legislation Act 1994:

Ministers' exception certificates in relation to Statutory Rule Nos 17, 18

Ministers' exemption certificates in relation to Statutory Rule Nos 14, 19

Tattersall's — Financial Report for the year 1999–2000, together with an explanation for the delay in tabling

The following proclamations fixing operative dates were laid upon the Table by the Clerk pursuant to an Order of the House dated 3 November 1999:

Building (Legionella) Act 2000 — Section 9 and remaining provisions on 1 March 2001 (*Gazette G9*, 1 March 2001)

Children and Young Persons Act 1989 — Section 21(1) on 2 March 2001 (*Gazette G9*, 1 March 2001)

Children and Young Persons (Reciprocal Arrangements) Act 2000 — Remaining provisions except for s 7(4) on 2 March 2001 (*Gazette G9*, 1 March 2001)

Gambling Legislation (Miscellaneous Amendments) Act 2000 — Sections 4, 6, 7, 8, 44 and 45 on 1 March 2001 (*Gazette G9*, 1 March 2001)

Gaming No. 2 (Community Benefit) Act 2000 — Sections 21, 26, 28 and 29 on 1 March 2001 (*Gazette G9*, 1 March 2001)

Transport Accident (Amendment) Act 2000 — Section 12, ss 14(1), (2) and (4), and ss 16 and 30 on 1 March 2001 (*Gazette G9*, 1 March 2001)

University of Melbourne Land Act 2000 — Whole Act on 14 March 2001 (*Gazette G10*, 8 March 2001)

Victorian Curriculum and Assessment Authority Act 2000 — Provisions on 1 March 2001 (*Gazette G9*, 1 March 2001)

Victorian Qualifications Authority Act 2000 — Provisions (including the items in the schedules) on 1 March 2001 (*Gazette G9*, 1 March 2001).

APPROPRIATION MESSAGES

Messages read recommending appropriations for:

Constitution (Supreme Court) Bill
Water (Amendment) Bill.

CORPORATIONS (COMMONWEALTH POWERS) BILL

Introduction and first reading

Mr BRACKS (Premier), by leave, introduced a bill to refer certain matters relating to corporations and financial products and services to the Parliament of the Commonwealth for the purposes of section 51(xxxvii) of the Constitution of the Commonwealth, to amend section 85 of the Constitution Act 1975 and for other purposes.

Read first time.

JOINT SITTING OF PARLIAMENT

Drugs: education and prevention strategies

Mr BRACKS (Premier) — By leave, I move:

That so much of standing orders and sessional orders be suspended on Wednesday, 21 March 2001, so as to allow —

1. This house to invite Mr Neil Comrie, Dr David Penington, Dr Rob Moodie, Major David Brunt, Archbishop Pell, Professor Margaret Hamilton, Mr Andy Hamilton and Mr Peter Wearne to attend on the floor of the house on Wednesday, 21 March 2001, at 3.00 p.m. and address the house on drug education and prevention and to remain on the floor, save in the event of a division, until the conclusion of the period allowed for questions.
2. Mr Neil Comrie and Dr David Penington to attend on the floor of the house and address the house on drug education and prevention for a maximum of 20 minutes each.
3. Dr Rob Moodie, Major David Brunt, Archbishop Pell, Professor Margaret Hamilton, Mr Andy Hamilton and Mr Peter Wearne to attend on the floor of the house and address the house on drug education and prevention for a maximum of 5 minutes each.
4. At the conclusion of all such addresses, members of the Legislative Assembly and members of the Legislative Council be permitted to address questions to Mr Comrie, Dr Penington and the other expert advisers for a maximum period of 30 minutes.
5. Following the conclusion of any such questions:
 - (a) the members of the Legislative Council shall retire to their chamber; and
 - (b) there shall be debate on the motion 'That this house takes note of the addresses of Mr Neil Comrie, Dr David Penington and the other expert advisers'.
6. The Speaker to put the question at 10.00 p.m. (or sooner if there be no further debate) and the time limits for each member's speech, with the exception of the lead speakers from the government, opposition and third party, shall be 10 minutes. No amendment to the motion to be accepted by the Speaker.
7. After such question has been resolved:
 - (a) if the question was put at 10.00 p.m. the Speaker shall forthwith propose the question 'That the house do now adjourn' in accordance with sessional order 5(2)(b);
 - (b) if the question was put prior to 10.00 p.m. the house shall proceed, in accordance with sessional orders, with government business as set down on the notice paper.
8. The lower public gallery on the opposition side of the house be deemed to be part of the Legislative Assembly chamber for the duration of the addresses and questions

to provide additional accommodation for members of the Legislative Council.

9. The Speaker of the Legislative Assembly shall chair the addresses, questions and debate, and the conduct of the proceedings shall be in accordance with the standing orders of the Legislative Assembly.

Motion agreed to.

BUSINESS OF THE HOUSE

Program

Mr BATCHELOR (Minister for Transport) — I move:

That, pursuant to sessional order 6(3), the orders of the day, government business, relating to the following bills be considered and completed by 4.00 p.m. on Thursday, 22 March 2001:

Health Records Bill
Land (Further Revocation of Reservations) Bill
Environment Protection (Liveable Neighbourhoods) Bill
Forestry Rights (Amendment) Bill

In speaking briefly to the motion I point out that in addition to this legislative program another bill will be dealt with by leave because of its urgency. An agreement across the chamber will add that fifth bill to the list of bills the Parliament will debate this week. Because of that, there is no need for it to be contained in this motion.

By way of explanation I may say that of course the address to the Parliament on Wednesday afternoon and the following debate on drugs will take extra time that was previously set aside for the legislative program. Because of those two additional facts the government is proposing to have only four bills on the government business program.

However, if debate on all those bills were completed, it would be the government's intention to proceed with another bill. More than likely it would be the Professional Boxing and Martial Arts Bill, subject to the available time that may be remaining.

Mr McARTHUR (Monbulk) — The Liberal Party will not be seeking to amend or oppose the government business program. Since about Friday of last week there has been considerable discussion on the program between the office of the Leader of the House and myself and members of the opposition. It is worth noting that during that time a very large number of changes have been made to what the government proposed. At one stage the relationships legislation was

in and then it was out; at another stage other legislation was in and now it is out; then, lo and behold, late yesterday afternoon the shadow Attorney-General was first advised of the need for the urgent bill to be included.

Although the Liberal Party is willing to assist the government with the passage of this urgent legislation, I make the point that it would have appreciated more advance notice because it is complex legislation. It deals with a High Court decision and is required for the good management of both state and federal offices and programs now and in the future. Therefore it would have been sensible for government members to have made this information available to the shadow Attorney-General some time before close of business yesterday, preferably a week or two earlier.

Before government members say, 'Hang on, we didn't know about this any earlier', I point out that the New South Wales Parliament has also been asked by the Prime Minister's office to pass an urgent bill to deal with the same problem. The New South Wales Parliament dealt with the legislation two weeks ago. It is highly unlikely that the federal government made a request to the New South Wales government at a different time from the request it made to the Victorian government. Therefore I believe it is likely that the government has been in receipt of this request for several weeks but has simply not bothered to notify the opposition or to brief the shadow Attorney-General on the matter.

That is a pity, given that the government was and is seeking bipartisan support on the issue and is hoping for the support of the Liberal Party to have the legislation dealt with as a matter of urgency. The shadow Attorney-General has been busy on a range of issues in the past few weeks, and the only time it will be possible for the opposition's bills committee even to read the legislation, given that it did not arrive until late yesterday, is this afternoon. Nevertheless Liberal Party members anticipate being able to assist the government in dealing with the matter.

I ask the Leader of the House and the Premier in future circumstances such as these to urge their ministers to ensure that the appropriate opposition shadow ministers are properly advised and briefed so that this sort of hiccup does not arise.

Mr Batchelor interjected.

Mr McARTHUR — I welcome the interjection by the Leader of the House saying that that will be done in future. I appreciate that assurance, and I am sure all

ministers will take note of that statement from the Leader of the House and that the Liberal Party will receive that courtesy in future. Thank you very much, Minister — it is very sensible of you!

As the Leader of the House has mentioned, all of the time after question time tomorrow is likely to be taken up with discussion of the proposals for dealing with drugs to be put by the former Chief Commissioner of Police, Mr Comrie. The Liberal Party is happy to proceed in the spirit of bipartisan cooperation and looks forward to joining with government members in discussion on this issue. We hope there will be positive and real outcomes from the discussions and that they provide a genuine benefit for the community in dealing with the drug scourge.

I believe the legislation can be dealt with in the required time, and I am happy to provide opposition support to the government to enable it to manage the business program for the week and to deal with the issues that will be before the house.

Mr MAUGHAN (Rodney) — The National Party is happy to support the government's business program. I thank the Leader of the House for keeping National Party members informed on discussions. Like the honourable member for Monbulk, I also express concern that an important piece of legislation that will be dealt with this week is coming before the house today. The Leader of the National Party will speak on the legislation, but he has been given very little time to prepare. As the Leader of the House has pointed out, it is important legislation, and I believe the government had access to it much earlier than this week.

On behalf of the National Party I am happy to support the business program. It will be an interesting week. The drugs debate will take up a significant amount of the time of the house. It will be an important discussion on probably the most important topic currently before the community, and the National Party is more than happy to make time available for that discussion.

However, eight people addressing the house on any particular issue sets a new precedent. The National Party hopes that that does not happen as a matter of course. It is important that it be done on special occasions — and this is one of those times — but we must be careful that it is not done so frequently that it becomes almost routine.

The National Party supports the government business program but expresses concern that insufficient time has been given to allow it to prepare for the debate on this important legislation concerning the

commonwealth and all other states. I reiterate the comments of the honourable member for Monbulk that New South Wales has already passed the legislation. Obviously it has known about it for some time, as have some of the other states. That poses the question: why did Victoria not know about it — and if it did, why was the information not given to the opposition parties?

Motion agreed to.

MEMBERS STATEMENTS

Prisons: witness protection

Mr WELLS (Wantirna) — I refer to a serious issue involving an apparent lack of protection for prisoners who act as witnesses against fellow prisoners accused of criminal offences. The case in question demonstrates the inability of the Minister for Corrections to resolve simple problems.

Recently a County Court trial collapsed when a prisoner, while acting as a prosecution chief witness, was intimidated by the accused, a fellow prisoner, when travelling to court. How did that happen? Both the witness and the accused were transported to court in the same van with only a partition separating them. On arrival, the witness refused to testify against the accused, and the court trial subsequently collapsed.

The incident occurred despite the Office of Public Prosecutions having given two separate warnings that the prisoners should remain separated. Worse still, the two prisoners were transported back to Port Phillip Prison, where they were kept in the same area. The witness was allegedly assaulted by the accused when they were left alone in the prison gymnasium.

Through his failure to ensure that prisoners who give evidence against other prisoners are adequately protected, real questions are raised as to the competency of the Minister for Corrections. This serious breach of witness protection procedures in the prison system should never have happened. Not only was the welfare of the prisoner at risk, but the judicial system was undermined. A criminal trial was aborted at a cost of many thousands of dollars.

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

Eritrean Festival

Mr LANGUILLER (Sunshine) — I inform the house that I represented Premier Bracks at the celebration of the first Eritrean Festival, held in

Melbourne. The festival highlighted the growing involvement of the Eritrean community in the multicultural life of Victoria and Australia. For many years the people of Eritrea endured an ongoing conflict, which resulted in the shattering of thousands of lives and which continues to be the reason for their displacement.

Although issues arising from international events are the responsibility of the commonwealth government, Victoria has its own responsibility to ethnic minority groups in meeting their essential settlement and welfare needs as they arrive. The Bracks Labor government is committed to meeting those needs. On behalf of the Premier I had the honour to welcome the Eritrean ambassador, Mr Tewolde Woldemikael, and a special guest — the Eritrean federal Minister for Health, Dr Saleh Meky.

The success of the festival was an important step in the direction of national unity and in promoting greater cooperation among the diverse ethnic minorities that constitute Australia. At the festival it was evident that when Australia is enhanced as a progressive multicultural society it grows stronger as a nation.

On behalf of Premier Bracks I extended congratulations to Dr Meky, the festival organisers and the many hundreds of Eritreans who attended the festival. I reassured them that religious and racial tolerance is a fundamental premise of Australia's multicultural and democratic society.

Cohuna Retirement Village

Mr MAUGHAN (Rodney) — *The Herald Sun* of 3 March contained a grossly inaccurate and misleading article by Fay Burstin entitled 'Raid after dim sims for a year'. The essence of the story was that the Cohuna Retirement Village had been raided by federal officials investigating claims that residents were malnourished and hungry after being fed dim sims and soup for 365 days in a row.

I visited the facility five days after the *Herald Sun* article and can report to the house that the story was both mischievous and misleading. There was no raid. Departmental officers had been invited to visit at any time. Dim sims were not served 365 days in a row but had been on the menu once in the previous 13 weeks.

Residents are offered a choice of two main courses at both lunch and dinner, their special needs are catered for and menus are changed every six weeks. I can personally attest to the high standard of care, the high level of satisfaction of the residents and the very strong

community involvement in making Cohuna Retirement Village among the very best in Victoria.

The article was poorly researched, sensationalised, inaccurate and inflammatory, and does no credit to the *Herald Sun* or to the journalist concerned.

Aviation: hazard detection

Mr ROBINSON (Mitcham) — I place on the record my congratulations and I am sure the congratulations of all members of the house to the Melbourne company, Integrated Avionic Systems, and the CSIRO's Aspendale research staff for the development of the world's first airborne hazard detection technology system, which was unveiled at this year's Australian International Airshow at Avalon. This system detects volcanic ash, which is invisible to the naked eye, at very high altitudes. Volcanic ash is extremely damaging to aircraft at that altitude. Ten seconds exposure to ash can strip coatings from turbine fans and force engines to cut out. Over the past 30 years it is estimated that 90 jet aircraft have encountered volcanic ash. It is further estimated that Boeing 747s alone have suffered damage totalling some \$80 million in that time.

The launch of the project was featured in last week's *New Scientist* magazine. An article which focuses international attention on this state and our scientific research efforts states:

The detector has been a long time coming: the idea was hatched a decade ago ... but it has only just become a reality. Costing A\$100 000 ... and no bigger than a thermos flask, CSIRO's detector should give pilots up to 10 minutes warning of an ash cloud — more than enough to take evasive action.

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

Millgrove: river camp

Mrs FYFFE (Evelyn) — I advise the house of an intolerable situation facing the residents of Millgrove. Millgrove is a very beautiful village on the banks of the Yarra River on the road to Warburton. For six long weeks residents have had to put up with the awful conditions created by a couple who, with their dogs, have camped on the banks of the river.

Although they are camped on Parks Victoria land the department has been completely hopeless in performing its duties. For six weeks Parks Victoria has known about this. The minister has known about it for five weeks because I sent a handwritten note to her senior adviser, yet there is total abrogation of their duties. The

people of Millgrove have had to put up with the rubbish, the smell, the noise, and the chopping down of trees. In every other part of the Shire of Yarra Ranges you must get a permit to chop down a tree. It can often take eight months before approval is given. If I were to pitch a tent anywhere in the state forest around Warburton without a permit or in a designated area, I would be moved on within 24 hours. If this had happened on the banks of the Yarra at Richmond or at Southbank, they would not have been allowed to stay there, but the people of Millgrove have had to put up with the smell, the noise, the pollution of the river banks and the river and the continuous accumulation of rubbish because the minister will not show leadership or make a decision. Her department will not act.

The couple has chosen to live in this way. They have built a humpy. They have all their tattered possessions there and they say they are not moving. It is an appalling situation and it must be dealt with now.

Geelong: gaming venue

Mr TREZISE (Geelong) — I raise an issue of great concern and relevance to the people of the Breakwater–Whittington area in the electorate of Geelong. Late last year a number of residents raised with me their concerns relating to a proposed gaming complex to be built at the Geelong racecourse. The residents have expressed concern that there are already two major complexes within 500 metres of the Geelong racecourse.

Due to these understandable concerns I embarked on a postal survey of nearly 1000 residents in the immediate area of the racecourse. The very simple question asked was, ‘Do you support a gaming complex at the Geelong racecourse?’. Of the 1000 people who were surveyed, 170, or 19 per cent, replied. Of those, 24, or 14 per cent, were for the complex; and 146, or 86 per cent, were against it.

The overwhelming majority of the views were summed up by the following comment, which I quote: ‘Having a third large pokie complex in Breakwater would not be good for the social and economic wellbeing of the area’.

An overwhelming majority of people in the area do not support a third complex in their neighbourhood. Therefore I will be using the information collected through the survey as input when the relevant authorities ask for public consultation if, and when, it is proposed that the complex go ahead.

Port Fairy Folk Festival

Mr VOGELS (Warrnambool) — Once again, and I quote directly from an article in the *Warrnambool Standard* of 17 March:

The Port Fairy Folk Festival has confirmed its status as the no. 1 festival in south-west Victoria and as one of the top events on Australia’s musical calendar.

This year three of my parliamentary colleagues came along to the Port Fairy Folk Festival — namely, the Honourable Bill Forwood, the honourable member for Evelyn, Christine Fyffe, and the honourable member for Frankston, Andrea McCall. It was good to see Christine do a little bit of busking while she was there.

It is conservatively estimated that the festival brings into the community some \$30 million, most of which is spread around very good causes including schools and community centres.

Members of the Yambuk community also get together for the festival. They erect all the marquees on the day and later remove them, for which they receive a tidy sum of money that is distributed in the Yambuk community.

I return to quote from the *Standard*:

The folkie has become an institution during the past 25 years and its future looks bright.

I congratulate the organisation committee for putting together this wonderful event every year.

Schools: Ballarat West

Ms OVERINGTON (Ballarat West) — I wish to place on record my congratulations to the schools in the electorate of Ballarat West, but before I do that I would like to comment on the statement of the honourable member for Warrnambool concerning the Port Fairy Folk Festival. Indeed, that is a fine festival, but I remind honourable members that the Ballarat Begonia Festival was held during the preceding 10 days and concluded on the same weekend. Of course, the Begonia festival is Victoria and Australia’s premier festival.

Over the past few weeks I have had the privilege of attending a number of primary schools in my electorate to present leadership badges. The badges were presented to school captains, school house captains and student school council members. The schools I visited included Black Hill Primary School, Forest Street Primary School and Pleasant Street Primary School. This is the second year that I have had the privilege of attending the presentation. It was great to see all the

young children there. One of the things that impressed me was the processes followed to elect school captains, house captains and the student school council members —

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

PCs for Kids

Mr PATERSON (South Barwon) — The Labor government has once again turned its back on regional Victoria. PCs for Kids is a charitable organisation in Geelong that refurbishes computers for disadvantaged children. It also supports a Bairnsdale group undertaking a similar project, Kids on Line, launched recently by the Premier.

At the launch Colin and Teresa Bayes of PCs for Kids were delighted that the Premier indicated his support for their project. However, last week they were shocked to learn that they had been shafted — that is their word — by this Labor government, with funding going to a Melbourne-based organisation, The Info Xchange.

A successful, regionally based, not-for-profit organisation, backed by Geelong Rotary, the Lions Club and many others has been deserted by the government, which pretends to support provincial Victoria. The truth, of course, is very different. It could not care less.

PCs for Kids was not even given a chance to apply for funding of more than \$250 000. It has more than 30 000 disadvantaged children waiting for help, and it saddens me and should sadden all members of this house to see them being treated in this heartless way by the Bracks Labor government.

Zonta Club

Ms DUNCAN (Gisborne) — On International Women's Day I had the honour of attending the Zonta Club of Kyneton's annual International Women's Day dinner, which 50 to 60 women attended. The Minister for Aged Care, Bronwyn Pike, spoke to us on that evening and emphasised the positive ageing program currently supported by the government. It was an appropriate theme for Senior Citizens Week because it fits in with this week's activities.

I thank the Zonta Club of Kyneton for its continued support and encouragement of women, the fantastic services it provides and the encouragement and support the club gives to the community, and the resulting building of the community. I wish all senior citizens in the electorate of Gisborne and members of the Zonta

Club of Kyneton a happy Senior Citizens Week and hope they will enjoy the many activities that are planned for the week, just as there were many activities that I attended on International Women's Day.

JOINT SITTING OF PARLIAMENT

Drugs: education and prevention strategies

Mr BRACKS (Premier) — I move:

That this house invites members of the Legislative Council to join members of the Legislative Assembly in session following question time on the next day of sitting to hear an address by Mr Neil Comrie and other experts in the drug field outlining their proposals for a drug education and prevention program to protect Victoria's future generations from the drug scourge and to discuss proposals for a bipartisan program to deliver a better, safer drug education, prevention and diversion strategy.

Dr NAPTHINE (Leader of the Opposition) — I welcome the opportunity to second the motion and for both houses to hear from Mr Comrie and other expert speakers on drug education. I trust this debate will provide the house with a real opportunity to make some positive and significant progress on the key imperative of helping young people to be better informed and educated on drug issues and better able to say no to drugs as they continue through their adolescent years.

I congratulate those who assisted the Premier in drafting a very high quality and well written motion.

Mr MAUGHAN (Rodney) — The National Party supports the motion. As I said earlier, it is important that Parliament is being used to discuss this vital issue in a bipartisan way, and I hope as a result of this we will get a bipartisan decision.

I do not think the process has been helped by the government releasing comments on initiatives for drug reform. That could well have been left until after the joint sitting and after honourable members have had the opportunity to consider some of the points made at the joint sitting rather than before, which in some way is pre-empting what may come out of tomorrow's discussions. Nonetheless, I look forward to the joint sitting tomorrow and to the very important information that will be provided to honourable members of both houses and the community on the scourge of the nation — the explosion in the use of illicit drugs in the community.

Motion agreed to.

Ordered that message be sent to Council acquainting them with resolution.

The SPEAKER — Order! Before calling the next item of business I call the honourable member for Preston on a point of order.

Mr Leighton — Mr Speaker, my point of order relates to the sitting of a parliamentary subcommittee on Thursday. Following the adoption of the government business program, it is clear that the house will be sitting this Thursday. In fact that information was publicly available, and that has been the expectation for some time.

I refer you to a motion moved by the Minister for Transport and agreed to by the house on 29 February 2000 entitled 'Committee sittings'. The first part of the motion says:

That leave be granted to:

1. the House, Library, and Printing committees to sit within the Parliament buildings during the sittings of either house of the Parliament, but not while either house is actually sitting.

That enabled the House Committee to meet on sitting days, which it was previously precluded from doing, but only while neither house was in session, which in practice meant that the House Committee could meet at lunchtimes.

Mr Speaker, as the chair of the House Committee you would be aware that it has frequently met during lunchtimes, as is fit and proper. However, the information technology subcommittee, which was established by the House Committee but which in my view is dysfunctional, has met far less frequently than it should have — and unfortunately on a number of occasions it has met while one or both houses have been sitting.

After a gap in meetings of four months members have received notification that the IT subcommittee is to sit between 11.00 a.m. and 12 midday this Thursday.

I ask you, firstly, to give a ruling on whether, in light of this motion, the same requirements apply to a subcommittee as apply to a full committee — in other words, that the motion would preclude the IT subcommittee from meeting at that time, when this house will be in session.

If you cannot rule accordingly, I ask you in your capacity as chair of the House Committee to take the appropriate action to have a subcommittee of a parliamentary committee under your control meet at another time.

It is a gross insult not only to this house but also to those members of the subcommittee who would wish to participate fully but who may be constrained from so doing because the house is sitting at that time.

Mr McArthur — On the point of order, Mr Speaker, the honourable member did not outline either to you or to the house whether he had attempted to deal with this matter within the confines of the House Committee. It may well be that the problem he is complaining of — if indeed it is a problem — can be dealt with by the House Committee itself. Perhaps that is the first recourse the honourable member could seek if he has been unable to resolve it satisfactorily within the subcommittee.

The SPEAKER — Order! In raising his point of order the honourable member for Preston referred to a motion of 29 February 2000, which set up the committee structure for this 54th Parliament.

He questioned whether meetings of the IT subcommittee of the House Committee have been properly conducted and whether Thursday's scheduled meeting is appropriately scheduled.

I indicate to the honourable member for Preston that the Chair will examine standing orders, as well as the motion appointing the committees, and report to the house further on this matter at a later stage.

However, I should note at this stage that every meeting of the House Committee has been held during lunchtime — between 1.00 p.m. and 2.00 p.m. — such meetings have been conducted in accordance with the rules. At the committee meetings a number of reports from informal IT subcommittee meetings have been brought to that committee for endorsement.

HEALTH RECORDS BILL

Second reading

Debate resumed from 23 November 2000; motion of Mr THWAITES (Minister for Health).

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 reading of this bill requires to be passed by an absolute majority.

Mr DOYLE (Malvern) — In dealing with the Health Records Bill today we are dealing with a difficult and sometimes vexing area, not only of the law but also of legislation. Under present Australian

common law, ownership of any document vests in the creator of that document. For many years that has been a vexing and sometimes contentious area concerning who owns medical files and records, what use should be made of them and what control should be exercised over them.

The matter came to a head in 1995 when in its judgment in *Breen v. Williams* (1996) 186 CLR 71 the High Court made a definitive statement about the ownership of and access to medical records. I am glad to acknowledge that in my following comments I will not be quoting directly from but will certainly be referring passim to a publication by Freckelton and Petersen entitled *Controversies in Health Law*. The work was published in 1999 by the Federation Press and contains succinct and learned summation of *Breen v. Williams*. It is interesting that although ownership of documents was not contested in that case — it was not about ownership of the medical file — the High Court found that those records were the property of the doctor, both the physical documents and the intellectual property in them created by the doctor.

In deciding that vexed issue of ownership in 1995, the High Court looked at the commonwealth Copyright Act of 1968 and found that the statutory definition of a literary work was wide enough to capture the medical records and to define the doctor as the creator of that work. The rights decided on by the High Court included who had the right to deal with the documents, including who could refuse requests for access and copying. As honourable members can see, the legislation we are to deal with today has an immediate impact on what the High Court decided in 1995.

The High Court also considered access to those documents. Although ownership and access are different concepts, the access to and ownership of medical records must be interrelated because ownership brings certain legal rights and obligations that affect access. The court also had something to say about access to medical records generally. It ruled unanimously that under the common law a patient has no right to have access to documents in a medical file held by a medical practitioner in private practice. Honourable members will probably remember the case because it was quite a celebrated one and the facts are well known.

In the late 1970s the plaintiff consulted the defendant about breast implants with which she had had problems. They had been inserted one year before but by a different practitioner. The defendant performed an operation to compress the implants, and later I think a bilateral capsulotomy was also performed.

The plaintiff became involved in litigation against the manufacturer of the implants in the United States. She had the opportunity to join a global settlement offered by the manufacturer. To join that global settlement, the plaintiff had to file copies of her medical records to support her claim, so she sought access to the documents in the medical file held by the defendant. Again, it was not as simple as just refusing access. The defendant was prepared to grant access, as I recall, but only if the plaintiff released him from the threat of future litigation. The plaintiff refused to give that release and merely asserted a legal right to have access to the documents. There was no allegation of impropriety against the defendant. All that the plaintiff was asserting was the right of access to the defendant's medical file.

In claiming the existence of this right of access to a medical file, the plaintiff relied on four things — a proprietary right in the information; an implied term of the contract; a right arising as a result of the doctor-patient relationship; and perhaps of most interest to honourable members, an assertion of patients' general right to know about themselves.

The first claim was of a proprietary right in the information. The plaintiff was not claiming ownership of the documents but claiming property in the information and therefore a right to access the information or the documents containing it. The court disagreed with that. It found that the patient does not have any property in the information given to or acquired by a doctor in the course of or for the purpose of advising or treating a patient, that the doctor owns the documents prepared by him or her to assist in carrying out his or her professional duties, and that the duty of confidentiality owed to the patient does not give rise to any patient rights in the information. The legislation we will consider during this debate overturns that decision by the High Court.

The second ground on which the plaintiff relied was an implied term of contract. The plaintiff argued that a right to access records should be implied in the doctor-patient relationship. The court disagreed with that and relied on what were established legal principles regarding implying terms into contracts, which is a well-trodden area of the law. The court found that the doctor-patient relationship was contractual in nature but that the terms of the contract were to advise and treat and that a right to access medical records could not be implied into that contract because it was not necessary to give effect to the contract. Again, the legislation being debated today reverses that decision of the High Court.

The third ground was a right arising from the doctor-patient relationship where the plaintiff argued that the nature of that relationship was such that it gave rise to the patient's right to have access to medical records. To support that case the plaintiff relied on Canadian case law and the particular relationship between doctor and patient.

The court again did not uphold that ground. It held that there was no implied term in the doctor-patient contract that allowed patient access to medical records. The legislation will reverse that High Court decision.

Finally, and most interestingly because it is the one that in our hearts most of us would feel to be the case, there is the right to know. It was argued that an extension of the doctor's duty of care includes a duty to inform the patient. A movement in the law suggested that the patient had a general right to know — that is, a general interest in his or her own medical records that extended to a right. That would give the patient the right to access those records. The court rejected that as well and held that in Australia there was no general right to know.

I begin my general contribution with a reflection on that 1995 High Court case for the purposes of understanding that the legislation represents a reversal of the High Court's decision. I will explain why in some cases I believe the legislature is doing the right thing, but I will also evince some concerns with the way the government has gone about giving effect to its decision to reverse the 1995 decision in *Breen v. Williams*.

This is a very large and far-reaching bill. It contains about 137 clauses and amends no fewer than 22 acts of this Parliament, 10 of them health practitioner registration acts — the highest expression by which each profession is regulated through this Parliament by a board of registration. The bill's impact will be very far reaching.

Philosophically the bill attempts to reconcile two difficult concepts. The first is access to records and the second is protection of the privacy of health information because of its sensitivity. In my own heart I find support for both those worthy concepts. My difficulty lies in the execution the government has chosen through this bill. I will pick up some of those concerns in my contribution.

My first concern is the breadth of the definitions, in particular three that will form the heart of this legislation. The second-reading speech acknowledges that the legislation is extremely broad and talks about the scope of the bill over a number of pages. The

second-reading speech has deliberately been cast as wide as possible. The definitions that give me trouble are the definitions of 'health information', 'health service' and 'health service provider'. My difficulty with the definitions is not in what they are, but in the fact that when they are read together the net that is cast by this legislation, the coverage implied and actuated by the bill, is so wide that it will cause grave confusion and in some cases distress in the wider community. I will go into that in some detail later, but I wish to flag that I think it comes back to the very general nature of those definitions and their interrelationship.

If the person in the street were told that this bill was about health records they would have in their minds hospitals, general practitioners, primary health care practitioners and a range of other health practitioners, but the effect of those three definitions, echoed in the second-reading speech, will be that the net will be cast over everything from the biggest insurance company in Australia down to the smallest kindergarten in rural and regional Victoria. The legislation will cover gyms, the police and local councils. It will cover every sporting club from the under-9s all the way through to the Geelong Football Club. It will cover universities, TAFEs and schools. One point that I will come to later is that it will also cover members of Parliament. I do not claim any special exemption from legislation for the member of Parliament, but the information that is passed to members of Parliament, sometimes by difficult, might I even say vexatious, constituents, can be of such sensitivity that we should be very careful before opening access to that information to members of the public. I will deal with that later.

My point remains that the reader of the title of the bill would reasonably assume that the bill is about health practitioners and health practitioners only. In fact, the net it casts will be society wide, and that is of concern.

We must always ask what we would do if we had to try to cast this sort of legislation to give effect to the principles the government wishes to enshrine in legislation and how we would go about catching that information. It is interesting that the way the government has gone about it is to catch agencies rather than the information itself. The generality of those three definitions has led us into some difficulties.

I now turn to a couple of the issues referred to in the second-reading speech. The first is on the second page, where the aim of the bill seems to be somewhat undermined by the generality of those three definitions. In the second-last paragraph on that page the minister states:

It is ... the view of the government that in the case of health information the legislative standards must be tailored to health information, and they should not be capable of variation through codes of practice.

I am not sure what that means. Does it mean that no registration board should promulgate a code of practice about health records because legislation has already prescribed how those health records must be treated? If so, it is a fairly obtuse way of saying so. However, on my reading of the second part of that paragraph — I hope I am not being deliberately difficult — it is hard to understand what the government means:

In essence, the modification of general privacy principles has already been undertaken in the drafting of the health privacy principles contained in this bill. As such, further modification should not be required.

I am not sure what that means, in light of how those three definitions will operate.

The second-reading speech contains an unfortunate gratuitous swipe at the commonwealth government in the first part and later an acknowledgment that the bill is in line with commonwealth legislation, which seems to be both having its cake and eating it too. However, I will not dwell on that at any great length.

Interesting cases are made out in the second-reading speech, but as I read through it again the thing that struck me was the woolliness of thinking it evinced. I invite honourable members to think about what the following might mean to the community and the agencies that will have to abide by the proposed legislation:

In sponsoring this bill and the Information Privacy Bill —

which is the companion piece, along with the Freedom of Information Bill —

the government recognises, and is responding to, community concerns about the threat to privacy posed by the exponentially increasing capacity of modern technology.

What does that have to do with giving people access to their health records? The second-reading speech continues with a very pointed phrase:

While new technology brings many benefits for individuals and the community as a whole, the potential exists for technology to be misused, and for people to suffer discrimination or other kinds of harm as a result.

Yes, good things can sometimes be bad; that is true. However, we are then told:

Nowhere is this more evident than in the case of health information, particularly in light of the increase in the use of genetic tests to predict the likelihood of future illness.

This bill provides a regime for access to the very information that is already being asked for and held by insurance companies. The very reasoning of the bill, woolly though it is, seems to contradict not only what is currently happening in the community but what the bill will do when it becomes law. The thinking that runs through a lot of the second-reading speech seems a little woolly.

It is interesting that in a very long second-reading speech most of the concerns are flagged — I will raise a number of those — but not resolved. I would have thought the role of the second-reading speech is to interpret some of the difficult areas of the proposed legislation and inform Victorians about how the government intends it to operate in the real world.

I will not go through the health privacy principles as they seem to be sensible, well thought through and in line with what other jurisdictions have done in this area. With a couple of exceptions — in particular the length of time that records need to be kept, which I will raise later — they seem to be a reasonable set of principles.

The major provision of the bill, which seems a meritorious thought, is dealt with in the second-reading speech as follows:

The bill will also amend the Freedom of Information Act to provide that, where there is a concern that access to certain health information poses a serious threat to the life or health of the applicant, the relevant procedure in division 3 of part 5 of the bill applies. An individual may seek a second opinion about the merits of that decision from a registered health service provider of their own nomination.

That major provision seems meritorious but is indicative of the confused thinking of the government. It is not the information that is dangerous, it is the way that information will be received by the applicant. In other words, information that may be harmless to one applicant may cause another to become suicidal.

That has nothing to do with the objective qualities of the information but with the subjective receptiveness of the recipient of the information, yet the bill seems, as its major theme, to deal with information and agencies rather than individuals. I do not offer that as some sort of condemnatory criticism, but it is indicative of the way a number of different concepts are thought about in a not altogether congruent way.

One thing that is not mentioned anywhere in the second-reading speech or in the legislation and needs to be considered is the state of mind and the actions or behaviour of the recipients of the information, because information may affect people differently. The person who has to give up the information will need to make

quite subjective judgments about what they are to give up and what they will need to refuse.

The part of the second-reading speech I read to the house echoes parts of the health registration legislation that talk about cases where there has been a determination by a registration board and provides that before a board gives that information to the practitioner, if the board thinks the practitioner would be harmed by the information the practitioner can nominate a third party to be almost a filter for the information.

In those circumstances, if you were a medical practitioner you would nominate another medical practitioner to look at the information and be a filter between the board's decision not to release that information or decision to you and your wanting to know what the board had determined. The provision seems to be an attempt to mirror that situation, but it will not work because there is an information asymmetry between the practitioner and the recipient — the member of the public who wants access to the files and the medical practitioner who says, 'These files will be dangerous, perhaps not to person X but to person Y'. Those subjective judgments and the fineness of judgment that will be required is nowhere addressed in the bill or in the second-reading speech.

I note with some concern the retrospectivity provisions in the bill. Normally the opposition finds any retrospective legislation anathema. Even if we believe things should be changed, we should draw a line in the sand and alter the state's laws so they are firmly fixed in one point in time and everybody moves forward from there. The bill does not do that because it reaches back in time in quite a profound way.

The way the government has sought to get around that principle that should be anathema to all legislators is through a mechanism that makes it not too offensive. It has said, 'You need only provide a summary of material that is retrospective'. The health services community is not entirely comfortable with that view, but neither is it up in arms about it. Although I do not think such a mechanism is a reasonable way of getting around what should be a firmly fixed principle I do not intend to make a song and dance about it, but it will give rise to difficulties in the field when deciding, particularly, when refusal of access or granting of access is to be determined by a practitioner. I will cover that aspect later.

I see the way the government has moved around the problem. Were the medical practitioner to allow the release of complete copies of retrospective records it would lead to open warfare with all the health

professionals. The government has overcome that by cheating at the edges, and saying, 'We understand you do not like the principle, but what if we make it that you have to provide only a summary?'. That has quietened down the field somewhat.

But a summary in itself may present certain difficulties. Of its nature it will be unsatisfactory to both sides. On the one side the applicant will get a summary, in some cases, of something that has been a cause for them for 20, 30 or 40 years; they will get a summary of the medical history. On the other side, although they will get that medical information, their frame of mind will be, 'It is too brief'. They will ask, 'What has been left out?' because that is the nature of an applicant of that kind.

Then the applicant will think, 'What are my avenues of appeal against this summary?' — because by their nature many summaries will not provide comfort to people with longstanding concerns about their own files. Members need think only about retrospectivity and about what might be in the files of clients of mental health institutions to understand the sensitivity of the issues being dealt with.

On the other side, the practitioner who has to prepare the summary will think, 'This is burdensome and inappropriate'. After all, when deciding whether to release documents a practitioner reads through them and thinks, 'Yes, I will release them in their entirety' or 'No, I will refuse them' or 'I will release parts and will hold back other parts'. It is a once-only operation.

The intellectual endeavour of preparing a summary is far greater when dealing with records created now and in the future, because you need not only to read the files and decide what to release and what to refuse but also to undergo the separate intellectual act of summarising them to present them — and the summary needs to be accurate. In many ways a practitioner will think that the summary forced on him by the retrospectivity provisions is more burdensome than whatever he will do in the future. Although the government has tried to come up with a solution to the retrospectivity difficulty, on the one hand one party will think, 'Too brief, not enough, insufficient. What has been left out?', while on the other hand the other party will think, 'Burdensome, difficult, inappropriate and a lot of hard work'.

I now turn to a matter mentioned only briefly in the bill — that is, the notion of fees, which are of major concern. I will mention just one aspect of the fee structure now, which follows on from what I have said about the difficulty with providing retrospective

summaries and which I will talk about in some detail later on.

One inadequacy of the bill is that there is no fee for the practitioner who reads through all the files and then decides, on very good grounds, that he or she will refuse their release. If you look at where the most work is, you will see it is in that process. Having to go through the intellectual exercise of deciding not only whether what is in the medical files is dangerous to the recipient but also whether the files should be released may take a lot more time than a comparable process that allows their release. Yet the health professional, the gym, the school, the football club, the insurance company, the police, the member of Parliament and any of the others caught by this legislation who have spent all that time doing the difficult work required will be out of pocket and out of time — leaving an unsatisfied recipient, because it will be a matter of refusal. I will come back to those matters, particularly the avenues of appeal.

The proposed legislation gives unprecedented functions and powers to the Health Services Commissioner. It extends the role of the commissioner and his or her office two or threefold. One might predict that the provisions of this bill could become the major work of the Health Services Commissioner. Nowhere in the second-reading speech is there any suggestion that appropriate resources will be devoted to the Health Services Commissioner and her office so the work may be carried out appropriately — yet it is upon the shoulders of the Health Services Commissioner and her office that a lot of the work will fall. Although I welcome the beefing up of the role of the Health Services Commissioner, it is commendable — but naive — to think that the commissioner could do the work without a considerable injection of government resources.

Some aspects of the Health Services Commissioner's powers are cause for thought. For instance, after a conciliation process and an investigation of complaints, the Health Services Commissioner may make a ruling, after which a compliance notice may well be served. I note that the serving of a compliance notice means that five breaches have occurred within two years — which seems a remarkably precise guess at what is a reasonable amount of breaches. If you are not happy with that, you can still go off to the Victorian Civil and Administrative Tribunal (VCAT). It seems a remarkably cumbersome process, but I hope it works to the satisfaction of both health service providers and applicants.

This is important because, as the second-reading speech pointed out, the records that people are fighting over before the Health Services Commissioner or the Victorian Civil and Administrative Tribunal deal with some of the most confidential, vexatious and sensitive issues imaginable in society.

The section 85 statement is briefly described at the end of the second-reading speech, and it is an interesting description. I recall in the halcyon days when the Liberal Party was in government that every time there was a section 85 statement in a bill — —

An Opposition Member — Those good old days!

Mr DOYLE — Those good old days, indeed! I remember them well and I look forward to them again, but I do not think we will go down that track, thank you, colleagues. Suffice to say — —

Mr Haermeyer interjected.

Mr DOYLE — Our memory is sharp, I promise you. It is interesting that every time there was a section 85 statement in any piece of legislation, including bills agreed upon by both sides of the house — —

Mr Wilson — Uproar!

Mr DOYLE — I will take up the helpful interjection from the honourable member for Bennettswood to say there was uproar from the then Labor opposition about section 85 statements in the restriction of the jurisdiction of the Supreme Court. Many of the statements were minor or entirely reasonable, and all of the health professional registration acts contain a section 85 statement which provides — and this shows how basic it was — that if, for instance, the Medical Practice Board found that a medical practitioner should be struck off the roll, the practitioner could not take out an injunction for slander or libel against the board to prevent it from transmitting the decision to strike off a doctor to either the public or to other registration boards. That seems eminently sensible to me. We do not want some shonk who has been struck off being able to prevent the publication of his striking off by the simple means of getting an injunction. Every health practitioner act introduced by the former government had that provision, and I do not think anyone complained about it too much, although there was uproar from the then Labor opposition.

The Health Records Bill contains a real section 85 statement. It is not just one that is of note in passing; it is a fair dinkum section 85 statement. Clause 8 provides that nothing in the bill gives rise to any civil cause of

action or creates any legal right enforceable in a court or tribunal other than as specifically provided. Similarly, nothing in the bill is to be construed as giving rise to any criminal liability except to the extent expressly provided.

That may or may not be reasonable, but the truth is that if the Parliament is to rely on the government's explanation, that is all there is. It is a bald statement of the effect of the section 85 statement. The bill talks a little about rights and obligations and why they are needed, but a lengthy explanation of why that should be necessary should be before the house for something as serious as this real section 85 statement preventing civil and criminal actions and liability.

I am prepared to accept the bona fides of the advisers to the Department of Human Services on this issue, partly because I have a high regard for the public servants who worked on this bill, having worked with them on previous legislation. I will take it on trust, but as a layperson my initial question is: why should it not give rise to civil or criminal action if that is what the medical files reveal once someone is given access to them? Worse than that would be if the reverse were true, and this is the question I ask the government to take up, although I accept that it should not happen. I trust that the reverse is not true and that no-one could avoid criminal liability or civil action by the stratagem of releasing medical files to an applicant and then claiming that it was done under the act and therefore there is no civil or criminal liability. I trust that is not the case, but the reverse position is not made clear in the bill, and if it were the case it would be inappropriate. If there is a proper course of civil action or criminal liability it should not be obviated by using mechanisms such as the section 85 statement in the bill.

I have a number of wider concerns about the bill which I will mention briefly before going to the specifics of the legislation.

I have a query about the exemptions provided under the bill for the media. It is always interesting to look at the exemptions that are created, and there are exemptions in this bill for media reports. I would have thought the big issue of public interest versus privacy is played out nowhere worse than it is in the media. The media has made and continues to make a number of cases about public interest and why a report should be published, but the man in the street and legislators in this place often express distaste at some of the things reported in the media under the blanket of public interest. The media does not have anywhere near an acceptable record, yet an exemption for it is proposed in the bill. The media has a vested interest in presenting

sensational, salacious, sensitive and confidential reports, because, regrettably, that sells newspapers and magazines and gets people watching the news and listening to the radio. Yet, we are asked to accept that the media is somehow able to balance the privacy versus the public interest arguments when reporting on this sensitive issue.

As one would expect of a member of this consultative and deeply caring opposition, I have consulted a number of organisations. I believe many organisations have also had productive conversations with the government. I have mentioned many issues they have raised in passing, and will refer to them again. I will quote from three sections of a letter I received from the Australian Medical Association (AMA) dated 19 February. The first section refers to a concern about the privacy principle in 6.1(c) of schedule 1. The association states:

There is a concern that when an individual is engaged in or is contemplating legal proceedings the discovery and access provisions, which are controlled under court rules, should remain and not be overridden by the legislation.

On my reading of the bill that protection appears to be provided. I would have thought that if such a proceeding were afoot parts of the legislation would allow for the bill to be overridden, but the AMA has suggested that:

The current wording of HPP 6.1(c) only prevents a person from relying on the access requirements if they are engaged in legal proceedings against the collecting organisation. This does not account for anticipated proceedings against the organisation, or anticipated or existing legal proceedings by the individual against others.

The point the association is making is that that may be all very well if we know that legal proceedings are afoot. Its point is: what if someone is contemplating legal proceedings and then uses the provisions of this act as a kind of quasi-discovery. As I said, I believe there are protections against that in the bill, but I suggest the government should note the AMA's suggestion that the wording of 6.1(c) of schedule 1 should become:

... the information relates to existing or anticipated legal proceedings between the organisation or any other person or organisation and the individual and the information would not be accessible by the process of discovery or is subject to legal professional privilege.

That is interesting because the federal national privacy provisions use the terminology, 'anticipated legal proceedings'.

The second point the AMA raises concerns the privacy principle under 10.4 of schedule 1. The AMA's letter states:

HPP 10.4 requires information to be retained in Victoria until it may be destroyed. In the case of information collected while a person is a child that information must be retained until the child attains the age of 25 years. This presents difficulties for practitioners who practise predominantly in areas involving children (eg paediatrics and obstetrics). Should that practitioner wish to relocate to another state that practitioner must then arrange for storage in Victoria for a period of up to 25 years. It submitted that this is potentially expensive and unnecessary. Practitioners should be given the opportunity to relocate files when they relocate, which is the current practice.

It seems to me that that is reasonable. Given the breadth of the bill, imagine the under-10 local football club collecting what is now determined under the bill as a health record. Would the club now have to keep those records until all its ex-players reach the age of 25? Obviously, that is not the intention of the bill, and we would not want that sort of triviality. Nevertheless, I think the point the AMA makes is true. I understand changes have been made, particularly in relation to deceased practitioners, but long periods of time, like the 25-year rule, should get a second look, particularly in relation to the type of practitioners the AMA mentions.

The third area the AMA raised, which is not new to the government, concerns privacy principle 10, about the legal representatives of deceased practitioners, who have to retain medical records for a period of no less than 7 years, or up to 25 years in the case of children. Often the legal representative is the widow or the widower of the deceased practitioner. The AMA makes the point:

After an estate is administered the likelihood of successfully instituting litigation in respect of treatment provided by the deceased is negligible. An award against a deceased practitioner where his or her estate no longer exists is unenforceable. The need to retain records is therefore questionable.

It is submitted that the minimum periods as set out in the bill should not apply to the records of a deceased practitioner. Either these periods should be amended so that records may be destroyed once the estate has been administered or two years after the practitioner's death (whichever is earlier).

That seems to be reasonable. The government has taken steps to examine that provision, for which I thank it.

I know that good legislation is not necessarily brought undone by an extreme example or anecdote, but in my discussions with colleagues and members of the community one hypothetical anecdote came up time and again, and it is relevant to this legislation. It revolves around the difficult concept of medical

treatment of the competent child. It is a question of when somebody can seek medical treatment or a surgical intervention off their own bat without permission or approval from their parents and without telling their parents. The notion of the competent child is important in such a case.

It is possible for a person to have a Medicare card at 16, which is one benchmark, but many families would still regard a 16-year-old living at home as a minor under their parental control and would be disturbed if legislation set up a schism in their family because it said those people were not to be treated in any other way except as an autonomous individual in society. Many people would object to that and say that the fabric of their family was such that a 16-year-old living under their roof was under their parental guidance and control and would need to seek approval for certain treatments.

Recently a colleague brought to me a regrettable case that centred around the notion of the competent child. As sometimes these things do, it centred around the termination of the pregnancy of a 14-year-old girl. That termination was carried out as a day procedure, without counselling, and the girl was put on public transport to go back home. It became a difficult case because as a competent child making that decision it was arguable she was able to seek that treatment without the approval or the knowledge of her parents.

I argue that the legislation is fuzzy around that idea of a competent child and the guardian or parent of the child. There are extensive definitions of what is a guardian or a parent. It is a question not only of who has control over and access to the medical records of the child and of when the privacy of the child must be protected, which is important, but also of whether the family still has control over access to records?

I do not wish to be alarmist — it is an anecdotal and hypothetical example — but if a young, albeit competent, child is put together with a difficult issue like a family breakdown or a contentious issue like the termination of a pregnancy, the whole question of access to medical records — who gets them, when they are to be released and to whom — becomes most vexatious. Parliament has to think about not only what will be debated today but what will happen to people in the field when the legislation becomes law.

I have some concerns about that particular area. I do not have an answer. I am not trying to be all wise because I can see both sides of the argument. On one side there is the argument that children have inalienable autonomous rights and there are some things that parents do not

have a right to know about their children but equally I can see another side with an argument that in some cases parents must have a right to know things about their children. The bill is treading the ground between those two very difficult areas in society.

I could speak for a long time but in deference to the procedures of the house I will not — although some might say I have been speaking a long time already.

I will not go on at great length about my concerns about the reversal of the application of section 85, which I have mentioned.

Honourable members interjecting.

Mr DOYLE — I thank my colleagues for their encouragement but I will not go on about that. However, it is worth considering the three definitions in the bill that cause me some difficulty as they will cause great problems. I remind honourable members that the house is considering how people will gain access to information.

It is interesting to consider in what order the house should treat the three definitions of health information, health service, and health service provider. My suggestion is that we start with health service because we need to define what it is that someone is having delivered to them. Then we can define whoever does that to them as the health service provider and the record generated as the health service information. My suggestion is that we deal with them in that order. That is the general notion I have been talking about.

I will not read the whole definition of health service, just the part that will broaden the definition:

“health service” means —

- (a) an activity performed in relation to an individual that is intended or claimed (expressly or otherwise) by the individual or the organisation performing it —
 - (i) to assess, maintain or improve the individual’s health ...

I hope I am not drawing too long a bow and after some thought I do not think I am. ‘Assessment’ really means some sort of comment or judgment or opinion expressed about or in relation to an individual that has something to do with their health by the person who has provided a health service. Obviously a medical practitioner does things such as diagnosing individual illness, injury, or disability or provides palliative or aged care services. The very broad and general definition is an activity to an individual by which an

individual assesses their health. That makes someone a health service provider.

I very much wish to meet the person who drew up the definition of ‘health service provider’. I will read the whole definition and I challenge members to follow this closely:

... “health service provider” means an organisation that provides a health service in Victoria to the extent that it provides such a service but does not include a health service provider, or a class of health service provider, that is prescribed as an exempt health service provider for the purposes of this act generally or for the purposes of specified provisions of this act or to the extent that it is prescribed as an exempt health service provider.

That definition takes 10 lines to say that a health service provider is a provider of health services unless they are exempt. Health service of course is the important part — you simply become a provider — hence the second part of the definition.

The third definition, ‘health information’, is the interesting one. It defines the record that will be generated to which people will apply for access. It is defined as:

- (a) information or an opinion about —
 - (i) the physical, mental or psychological health (at any time) of an individual ...

Then it refers to all sorts of other things, including:

- (iii) an individual’s expressed wishes about the future provision of health services to him or her; or
- (iv) a health service provided, or to be provided to an individual ...

In other words it is so broad that it covers anything to do with a person’s health. As I said, if those three definitions are put together, the bill covers almost every agency in our society.

As I said, the bill covers the largest insurance company to the smallest kindergarten. That may well be what the government intends, but I believe it will have consequences that I will come to later.

I will not talk about news media, which I mentioned earlier; I simply raise some concerns about the fact that the media is not always its own best friend or best judge of public interest versus privacy principles. We should all be concerned about part 2 of the bill, which deals with its application. It is an area about which I believe the government needs to think carefully.

Division 1 of part 2 refers to public sector organisations, and it is to that issue that I wish to

address my comments. The bill applies to a minister, a parliamentary secretary, including the Parliamentary Secretary of the Cabinet, a member of the Victorian Parliament, a council, and the police force of Victoria. I understand the government's wish that there should not be special groups that are automatically exempted from the legislation. However, I turn to clause 16, which relates to the freedom of information amendment. Clause 16(a)(ii) seems to exempt most of what a minister does. So although ministers are directly named in clause 10, they seem to be more or less completely exempted by clause 16(a)(ii). However, I shall leave aside for the moment the issue of 'a minister'.

With reference to a member of the Parliament of Victoria it is interesting to note what may well be hypothetical. From time to time all honourable members have had people in their offices who perhaps suffer from mental illnesses, are certainly overwrought and who may be vexatious, litigious, frivolous or even dangerous. Often these people front our offices after writing to us. What member of Parliament has not had the 300 closely handwritten pages of case history dropped on to the desk with a request that something be done about our judicial and coronial systems because of a terrible injustice?

Invariably as members of Parliament we generate sometimes quite detailed records of interview with those sorts of constituents for protection. My contention is that those records under this act are caught as health records, yet I also argue that they are the sort of thing that should not be released to the public. In saying that I am making a differentiation between members of Parliament and medical practitioners. People might ask, 'Why one group and not the other?'. In answer to that I say that a medical practitioner is clinically trained and knows that people who present come from a certain diagnostic group. Parliamentarians do not know. Also, parliamentarians tend to see people at the end of the line.

Every member has dealt with people who are frustrated or disappointed by the police or the judicial, parliamentary, democratic, administrative or bureaucratic systems, and those people come to parliamentarians as a last resort. Sometimes they are in considerable distress and sometimes they pose a threat. Last week I had an example of such a case, and I am sure every member in the house has had occasion to ring the police to obtain advice on how to proceed with a person who has just walked in the door. I argue that the office of a member of Parliament puts us at some risk. I am unsure of the wisdom of including members of Parliament in the bill.

On a lighter note, I recall that in my first term I had an excellent electorate officer, Mrs Beverley Menzies. I consider Mrs Menzies to be a friend and regard her very fondly. I recall a client of the mental health system coming into my office. Beverley was in the office on her own at the front desk, and in those days there was no security. The constituent got agitated and at one point picked up a chair in the waiting room and held it over his head in a threatening gesture to Beverley. I will not give away her age, but she was certainly in her sixties.

She was alone in the electorate office at the time. When she reported the matter I asked, 'What did you do?'. In her usual unflappable way she had fixed the problem by making an appointment for the constituent to see me at 9 o'clock the next morning. As soon as the appointment was confirmed he put down the chair and went happily away. I congratulated her for the way she handled the situation.

On a serious note, a member of Parliament is in a special situation. Some of the more distasteful applications, letters and interviews that we conduct may well fall under the legislation, and I am sure they are not meant to. Similarly, councils and councillors may have those problems. I understand it would be an aim of the government to extend it to councils. I make no further comment except to say that I hope councils are prepared and have systems in place to deal with the issue.

I take issue with the provisions applying to the police force. When a court or tribunal is referred to, other provisions quite properly protect the proceedings of a court or tribunal. However, the police force is difficult. In a day's work police officers are called upon to go into all sorts of areas and deal with difficult domestic and other situations. Again, one should hate to think that the records of a policeman or those kept at a police station could be accessed through this bill in a way they could not be accessed under other ways such as freedom of information. I hope FOI provisions can overrule the proposals so that information cannot be released if there is any danger. However, the police force should be well apprised of the situation so that inappropriate material is not released inadvertently, which has happened from time to time under the Freedom of Information Act.

An additional act under which someone makes application would not automatically trigger an understanding in a member of the police force or a council that the FOI act also plays some part in the release of information and may well overrule the provisions of this bill.

I have referred to councils and councillors, members of Parliament and police officers as people who need particular protection in some instances, and to where the wisdom of application of this bill is not altogether convincing.

Part 3 of the bill refers to privacy of health information. Clause 21 directs organisations to comply with the health privacy principles. An organisational compliance is covered under subclauses (1) to (7) of clause 21. The opposition has no problem with the principle outlined. However, the definition of 'health service provider' as was argued earlier is so broad that an organisation may not know that it is subject to these health privacy principles. They may not understand that they will be caught by the act, which covers everything from the local kindergarten, the local sporting club, the council, the police force, the local gym — anything you can name can be caught by this provision.

The opposition asks what the government is doing to advise all of these grateful organisations about this brave new world of access and compliance. It would be a pity if an organisation failed to comply simply because it did not know it was caught by the act. I suspect many organisations will fall into that category.

I turn now to the access provisions, which are important. The right of access is broad, and is set out in clause 25. It is the refusal of access that needs more work. Clause 26 provides that no access can be given where threat of life or health of an individual or any other person is at risk. How that will be judged is the difficulty. Is it too stringent a test? For someone to decide a person's life is at risk is a difficult and weighty decision.

If we are trying to balance public interest against the harm that may occur by release of material which is harmful, the test in the act should be softer. The Australian Medical Association and a range of other professional organisations have suggested a test that does not go to the seriousness of endangering life. Rather, it goes to one where a judgment can be made about the harm that that information may cause.

I understand the difficulty of drawing those lines. It can be abused and pushed out so that access is refused under almost any ground. I believe there is enough goodwill in the health community to ensure that that will not happen, but I would rather see information which is harmful protected. This seems to me to put the high-jump bar too high for refusal of access, but again I would ask the government to take it up. It is not something I wish to dwell on more than I have already done in my introductory comments, particularly about it

not being the information that is harmful or dangerous but the way the information is received by particular individuals.

I also referred to the process of refusing and how a person acting on what they think are reasonable grounds for refusal may in fact create the most work an organisation has to do, but there will be no redress under the fee structure.

I will now speak a little about fees, to which I said I would come back. If my reading is correct, there are three actions, if you like, only two of which can attract costs. Unlike the FOI act, there is no cost for applying for the information. The cost comes when a decision is made to allow someone to view the material, to have a summary of the material or to have a copy of the material. My difficulty with that is that clause 32 says they can charge a fee, but the fee cannot be more than the maximum fee that has been prescribed for the manner of access. The difficulty is that maximum fees will be set, but they may not be in line with the cost recovery the organisation has to go through. An organisation may go through an enormous amount of work, and people in this Parliament know the FOI sections of departments are getting larger and ever more busy. The cost to the government of FOI is enormous, and that is just in searching and collation. Yet we are going to ask private institutions to do that but not allow them to charge full cost recovery. That seems to me to be wrong. It also seems to be wrong that if someone does all that work and can demonstrate the work they have done, but has to refuse access, they have no right to claim a fee.

The third area that seems to me to be difficult is where someone has also requested an explanation of the record. That is going to be particularly problematic. I understand the government is making some moves towards trying to restrict the cost to individuals who apply, but I suggest there are very large differences. If a thoracic surgeon is sitting down to explain his surgical notes to which access has been gained under access to medical records, the cost per hour is going to be remarkably different from the cost for the volunteer treasurer or secretary of the local kindergarten. But in one example the burden will fall upon the applicant, and it will be a huge cost because of the hourly rate of that particular health service provider. In the other example the burden will fall upon somebody who is probably a volunteer, who will have to give up time to go through the records for an applicant who has requested an explanation. At what rate do they charge — their normal job rate or their volunteer rate?

The fee structure seems to me to need a lot more work. I understand the government is trying to balance access with the equity that is required, but in those examples, especially the vexatious, difficult or complex ones, large costs will be incurred and they may not be recouped. That is unfair on the people who will be providing access to these records.

I turn now to division 3, clause 37, which is about the offer to discuss health information. I discussed this earlier. It contains a lengthy proposal under which it seems some sort of parallel practitioner or individual may be nominated by a health service provider to receive the information, and the provider may include in or attach to the notice of refusal an offer to discuss the health information with an individual, or to have it discussed with the individual by the nominated party.

It might be the fault of my reading of the clause, but I am not sure where it fits in. Is it a refusal, so that you do not charge for the person who sits down and explains it? Or is it a refusal, but because you are sitting down to explain why it is being refused you can charge for that explanation? It seems a cumbersome provision and it was a difficult area for me to work through, albeit the hour was reasonably late when I read it.

The administrative procedures are interesting. Again, I regard this as a remarkable piece of drafting. One example of the blindingly obvious, and my criticism is not of the intent of the bill but of the way it has been given expression, is the clause that deals with the lapsing of the nomination of a health service provider. Clause 40(1)(b) states that the nomination of a health service provider lapses if the nominated health service provider dies. I should have thought that would be reasonably obvious. Even if the subclause were left out, I suggest it would be difficult to try to force that health service provider to continue to be the nominated agent. I am not sure why the government would have in black-letter law something as blindingly obvious as death being a reason for someone no longer being nominated.

If I thought that provision dealt with the blindingly obvious, just when I thought I was getting the hang of this legislation I turned the page to find clause 42(4). I defy anyone to explain to me what it means — and I am delighted by the irony of the opening phrase:

For the avoidance of doubt it is declared that the act of forming an opinion in the exercise by a nominated health service provider of a function under sub-section (1)(c) is not an interference with the privacy of the individual to whom the information relates.

If that subclause is supposed to help me avoid doubt, it has been signally unsuccessful. Interestingly, in such a complex piece of legislation within a couple of pages we have two wonderful examples of the blindingly obvious and the obscure.

I turn to a slightly more difficult part of the bill. It raises a constitutional issue that I think is open to question. Clause 44(2) covers situations where contracts will be wholly or partly outside Victoria. It states:

Sub-section (1) applies to a contract, whether or not the individual is a party to the contract, made after the commencement of this section and —

- (a) the contract is made in Victoria; or
- (b) the contract has been, or is to be, performed wholly or partly in Victoria; or
- (c) the individual is present or resides in Victoria when the contract is made.

However, subclause (3) states:

For the purposes of this section, it is immaterial whether —

- (a) the health service was provided in Victoria; or
- (b) the health information is kept or located in Victoria.

In other words, it does not matter whether or not the service is provided in or the information is held in Victoria. I am sure I understand the point that the government is getting at, which I presume is that the patient or the doctor is Victorian and is therefore caught by the legislation.

The legislative power of this Parliament is explained simply under part II, division 1, section 16 of the Constitution Act:

The Parliament shall have power to make laws in and for Victoria in all cases whatsoever.

Our powers stop at our borders. On an initial, and I admit facile, reading of it this clause seems to me to be potentially in contravention of that part of our constitution.

We may not like it, but we cannot control things outside Victoria and it is not enough for us to say it is immaterial that the health services are provided or the information is kept or located in Victoria.

The honourable member for Rodney and I have discussed the vexatious issues between Echuca and Moama. We know that services are often provided in New South Wales by Victorian providers, for which this government is never adequately compensated by the New South Wales Labor government. That is what

we expect from a retrograde Labor government. The same thing happens along the border at Albury-Wodonga and a range of other places. This provision can only affect what happens in Victoria; it cannot extend beyond our borders. I would be interested in an explanation that demonstrates to me that it does not attempt to make laws outside Victoria.

I mentioned before that there are many provisions relating to the role of the Health Services Commissioner, but in the interests of time and the goodwill of the Parliament I will not go over the entirety of my concerns about the commissioner's role. Suffice it to say that the bill extends her role into realms unknown, and she will need to be appropriately resourced by government. The Health Services Commissioner has not had these duties before, and to do the job properly she will need to be adequately supported. I would argue that should be happening now.

I refer now to the power of the Victorian Civil and Administrative Tribunal. VCAT is the final arbiter on disagreements between the applicant and a health service provider. If people have been through all the processes, including the Health Services Commissioner, then the matter will finish up before VCAT. I refer the house to some of the powers VCAT is being given under clause 78. I know VCAT is a diverse body; its president is a Supreme Court judge and its members have the status of County Court judges. I seek from the government an assurance that if the two provisions in clause 78 are to be imposed by the tribunal a presidential or at least a vice-presidential member of the tribunal will sit on the case. I ask honourable members to listen to the powers VCAT is being given in this area. Clause 78(1)(a)(iii) provides for:

... an order that the respondent perform or carry out any reasonable act or course of conduct to redress any loss or damage suffered by the complainant, including injury to the complainant's feelings or humiliation suffered by the complainant, by reason of the act or practice the subject of the complaint.

In some of the highest courts of the land this notion of redress and damage, and especially such emotive terms as humiliation, have been the subject of most litigious and difficult case law; yet here Parliament is expected to believe VCAT can go to the minds of the applicant and the provider, make a judgment about levels of humiliation and require acts to be performed that will somehow assuage that humiliation. That is a serious matter.

The second provision I refer to is also extremely bald. Clause 78(1)(a)(iv) provides that VCAT may make:

an order that the complainant is entitled to a specified amount, not exceeding \$100 000, by way of compensation for any loss or damage suffered by the complainant, including injury to the complainant's feelings or humiliation suffered by the complainant, by reason of the act or practice the subject of the complaint.

I know magistrates courts have the power to deal with matters up to \$100 000. I understand in the normal course of determinations by the courts that \$100 000 may not be seen to be an excessively large amount, but at VCAT it is. If an order of that magnitude were to be made one would hope it would be made either by the presidential or vice-presidential members of the tribunal, because it is a serious order.

Clause 90 is a strange provision. Its rather amazing heading is 'Secrecy'. I do not recall seeing that word in any act, but apparently secrecy is something to be considered in this legislation. I suggest that the provision concerns not secrecy but confidentiality. It says that someone who has been the Health Services Commissioner, an employee of the commissioner, an acting Health Services Commissioner or a delegate of the commissioner should not make a record of, disclose or relate the affairs of any individual acquired in their normal duties to the outside world unless it is necessary to do so for a couple of specific exemptions, and then it says the penalty for breaching the provision is 60 penalty units.

It goes on to talk about secrecy in a number of situations. It is rather odd terminology, but I would have thought that a fine of more than \$6000 should apply to someone who breaches the high trust of an office like that. If we are serious about this being sensitive and delicate information, someone who blatantly misuses it and breaches the trust of high office should be sacked for a start. That seems basic to me. If they breach the trust of their employment to that extent, sack them! I mention that in passing.

Another curious clause that goes to the reach of the act is clause 95, which relates to deceased individuals. It applies to an individual who has been dead for 30 years, so far as it is reasonably capable of doing so, in the same way that it applies to an individual who is not deceased. It will be hard to judge what is good faith in that circumstance — and as I said, the clause says, by way of escape, 'so far as it is reasonably capable of doing so'. But in whose judgment will that be, who will have the records of individuals who have been dead for more than 25 years, and what can be made of them?

While it is probably meritorious that people should have access to records, including those of the deceased, in some cases the reach and the execution of the bill will make its application almost nightmarish.

It is of concern that this bill amends 22 acts, 12 of which are not connected with health and 12 of which are health practitioner acts. It reaches into every element of our health and social systems. Whether it will do so in a way that is wise and will deliver an admirable pair of philosophies — to give people access to records and protect the privacy of health information — is yet to be seen.

We should be entirely aware that what we are doing is overturning the 1995 High Court decision. That is within the power of this Parliament, but that High Court decision was made in good faith by eminent jurists following a difficult case, and it has stood since then. If we are to overturn it we need to ensure we do so in a way that is entirely appropriate and which gives satisfaction to those who seek access to their medical records, because we on this side support that principle of access to medical records.

On the other hand we also believe this information is sensitive and should be protected in a responsible way. The bill also has a go at doing that.

My third point, which highlights my concern that two very good ideas have been given poor expression by a very cumbersome bureaucratic bill, is that the onus to provide that should not outweigh the benefit gained by releasing those records. I believe some aspects of the bill and the way in which it is drafted place an intolerable burden not just on health practitioners but on a wide range of institutions, agencies and individuals who will not know that they have been caught by legislation. It is incumbent on government to go out in good faith and educate all of those organisations about their responsibilities.

Opposition members certainly do not oppose the bill because, as I said, it is of worthy intent. The wider community has for a long time been expecting government to provide access to medical records, and the opposition is glad to join in support of that principle. Our concerns relate only to expression of the principle through the bill. Although we have raised a number of questions about the bill, we would be keen to see it pass through the house. We have not provided or proposed amendments to it, and we do not intend to oppose it.

However, the government should not think its work on the bill is complete. It should not breathe a sigh of relief

that the bill has passed through this house unscathed and then go about its business hoping that somehow the bill will work to deliver what is promised in the wider community. I suggest the real hard work for this government starts now, and it starts in taking those excellent principles of privacy and access to records and making them a reality in the wider community, making it easy for people to understand what their rights are and to comply with those rights by providing that information and making information about the obligations of this bill clear to all. If the government does that, the legislation will be a positive step forward for our state. If it does not do that hard work, and if it leaves it in this bureaucratic tangle, what it has visited on the people of Victoria is just a hoax. It is rhetoric without action. I trust that will not be the case.

Mr MAUGHAN (Rodney) — It is a pleasure to follow the honourable member for Malvern and to listen to his insightful comments on health care issues. He made some positive suggestions about what can be done with the proposed legislation.

The Health Records Bill is essentially about, firstly, protecting the privacy of health records and providing people with a right to access their health records. It is fair to say that many people for very sound and logical reasons want to access their personal health records and have not always been able to do that. As has already been mentioned in debate, the High Court judgment of 1996 found that patients of private doctors did not have a legally enforceable right to obtain a copy of their medical records. The bill attempts to overcome that impediment.

The purpose of the bill is to establish a regime for the protection of health information held by health service providers and other organisations. It will give individuals an enforceable right of access to health information and establish privacy standards for health information.

On the surface, the bill is a simple piece of legislation. Although the concept is simple, it is far more complex to implement it. In practice the proposed legislation has far-reaching implications. It reaches into all sections of the community, and it does so retrospectively. Time after time in debate I have heard honourable members rail against retrospective legislation. Some of the bill's provisions reach back many years.

The bill amends 22 separate acts covering a wide variety of fields. It affects not just health care providers and medical practitioners but also a wide range of community organisations.

The bill applies only to Victoria. In his excellent contribution the honourable member for Malvern referred to the cross-border issues that bedevil us in places such as Echuca–Moama, Albury–Wodonga and Wentworth–Mildura. I imagine the legislation will create more anomalies with mental health medical records than those we have at the moment. More difficulties will be created between the states because undoubtedly the bill's provisions are different from New South Wales or South Australian legislation.

The legislation is not simple. The retrospectivity provided by the bill with regard to records held by health service providers and practitioners, as well as deceased medical practitioners, creates a minefield. Who will maintain those records, where will they be stored, and who is responsible for them?

Before I refer to the legislation I will touch on a couple of issues raised by the honourable member for Malvern. I refer to his concept of a competent child. The rights of the family versus the rights of the child concern many people in the community. It is a minefield. I support the rights of individuals to make their own decisions and to be in control of their own lives, as do most honourable members. However, the difficulty is found in just where that takes place. Where do the responsibilities of the family cease, and where does the child become a capable adult, able to make his or her own decisions, in many cases with lifelong consequences? The rights of the child have to be balanced against the rights of the family.

I refer to the subject of fees for practitioners, particularly when practitioners refuse information. An enormous amount of time can be spent by practitioners on research and in deciding whether they will provide information or not. I understand the current legislation does not provide recompense for the work done by those practitioners. That needs to be addressed. The obvious solution is to provide for that expenditure of time and effort by increasing the cost of services to other patients. I believe in user-pays systems. Given that there will be vexatious people looking for an enormous amount of material, there could be extensive costs involved in researching records and in deciding whether to provide information.

I have a strong feeling that at some time in the future we will revisit the legislation. The bill contains a lot of detail, and many things will be sorted out. However, many things will be unclear, and I am sure that over the next two, three and five years difficulties will be created that will require us to revisit the legislation.

In many ways the bill is complex and wide ranging because the health industry, which is covered by the legislation in its broadest sense, is a complex and wide-ranging industry. About one-third of the Victorian government's expenditure is taken up by health-related activities. In another sense it is a life and death activity. Health is important to us all. It embraces the public and the private sectors, as well as a wide range of professions and occupations, including specialists, community health services, mental health services and general practitioners.

It is fair to say that trends in health care are leading to a greater continuity of care between services. Patients are moving between practitioners on the one hand and various service providers on the other. For optimum patient care it is important that those health records move around with the patient. I commend the part of the legislation that facilitates the moving around of a patient's records from one practitioner to another and from one health service provider to another so that the practitioner or service has full access to all of a patient's records and can make the best judgment at the time.

As things stand, a range of different professions and providers who deal with an individual will have information about that individual, some of which will be common to all of them and some of which will be specific to a provider. Given the information technology that is available it is not just possible but desirable for the delivery of the best health care that a patient's full medical records move around with him.

It is important to stress that health information is private, personal and sensitive. It should be jealously guarded and not made available for people to make mischief with. The privacy of that information must be protected, particularly because with the huge advances in technology it can be spread around very quickly. If that information is spread around it can cause a great deal of harm to the individuals concerned. However, I do not want to overemphasise that side of it; I want to be positive and emphasise the great benefits to be gained from information technology in delivering better quality health care. This legislation has the difficult task of striking a balance between protecting privacy and using technology for the better care of patients.

The bill considerably strengthens the individual's right to access their medical records and health information. That is a two-edged sword. Many people, myself included, want to be fully informed on all aspects of their health so they can make informed judgments on their health care and discuss with their medical practitioners and health providers the procedures and practices they want to overcome whatever difficulties

they have or enhance their standard of health. People want to be fully informed of all the details they need to make those important choices. Whether it be surgery, diet or a change in lifestyle, it is important to have that information. In my case I would argue — as would many others in theirs — that it is my body and therefore my decision as to what I do with it. Therefore the information held by health service providers and medical practitioners is my information, which I should have access to so I can make an informed decision about my individual health care. I believe I am entitled to that information.

On the other hand, the full disclosure of health care information can pose a serious threat to some people, including their peace of mind, their health and in some cases their lives. The honourable member for Malvern related an incident he dealt with during the week, and we all deal with these sorts of problems from time to time. I am dealing with one now, where the release of information could lead to the loss of life. There are very good reasons why not all information should be released to everybody who wants it.

Division 3 of part 5 of the bill provides for the refusal of access to information on the grounds that it could have an unreasonable impact on the privacy of an individual or to protect a person at risk.

The bill applies to traditional medical records, genetic information and mental health records. Clause 3 contains definitions for a wide range of information, some of which is complex — for example, the definition of ‘health service’. Clause 3 also refers to ‘organisations’ as broadly defined and to health service providers, such as pharmacists.

Schedule 1 on page 127 sets out the health privacy principles in complex and convoluted detail. Principle 2, for example, which starts at page 130 and runs for nearly five pages, could be stated in much simpler and clearer language that the average layperson could understand. That is not only my view; the Victorian Healthcare Association also made similar criticisms in the letter it sent to various honourable members who had written to it for advice.

Schedule 1 sets out what is required for consent, what is necessary in the public interest and what is required for research. It also contains strict guidelines dealing with the provision of information for research purposes, including its collection, use, disclosure, security and retention; access to information; the rights of individuals to correct information they believe is not correct; and the ability to transfer information to another provider or practitioner.

The bill amends section 141 of the Health Services Act to ensure that it is not an offence for public hospitals to share information through an electronic system for the purpose of the treatment of a patient wherever and whenever that patient presents. That is an important aspect of the proposed legislation that I fully support.

The National Party does not oppose the bill because it believes it enhances the individual’s right to make informed health care decisions and because it is supported by the Victorian Healthcare Association. The VHA essentially supports the legislation, but in its letter it makes some pertinent comments:

[It] does not believe it is appropriate to limit clinicians access to the common client record within the one organisation. It would not be practicable for agencies to provide continuous care for patients/clients if clinicians do not have access to the client’s full medical record. The imposition of procedures which limit the ability to share information within the one organisation are likely to impose significant costs in administering multiple health records.

However, VHA believes it is appropriate to give the client control in respect of use and disclosure of information where organisation(s) and/or private practitioner(s) join together to provide integrated services for an episode of care.

...

VHA believes that there needs to be common definitions across the health sector, whether the agencies/practitioners are delivering an acute or primary health care service.

The definition of ‘treating team’ referring to a particular episode of diagnosis, care or treatment should also be used for community-based health care services such as primary care partnerships.

The Victorian Healthcare Association supports the proposed legislation. The National Party believes the bill will provide a mechanism for ensuring that health providers have a complete medical history of their patients and that it should apply to all information collected after passage of the bill.

I will have no problems with the provision once the bill has passed. My concern is about the bill’s retrospectivity. Information collected prior to the passage of the bill will be included in the information that can be released, but I am concerned that practitioners have had no notice of the retrospective nature of the legislation; otherwise, they could accordingly have made their records available over the past 12 months or so.

I also express concern about the additional costs to be imposed on health care providers and practitioners and the need for the undoubted benefits of the legislation versus its costs to be constantly monitored. The bill certainly permits organisations to charge fees for the

provision of information, although it will prescribe maximum limits. I am not sure how that will happen over time as costs increase and as the prescribed maximum becomes no longer relevant. I presume that figure will need to be changed by regulation.

My final point is that the second-reading speech contains a section 85 statement. When the government was in opposition it constantly railed against the government of the day when it included section 85 statements in legislation.

Mr Nardella interjected.

Mr MAUGHAN — Why, then, are you including a section 85 statement? I happen to think it makes good sense, as it did in the days of the former government. I have no problem with section 85 statements, but when the government was in opposition the honourable member for Melton was one who used to scream and shout every time a section 85 statement was made. He criticised the former government every time, as though there was something intrinsically wrong with a section 85 statement. Now that the Labor Party is in government it is only too happy, for the right reason, to make those statements.

Mr Delahunty — Hypocritical!

Mr MAUGHAN — Yes, hypocritical is the correct word. I conclude by pointing out that the government and the minister are now regularly doing what they previously had criticised the former government for doing. As the honourable member for Wimmera says, the government is acting hypocritically.

The National Party does not oppose the bill, but I suggest the government take note of the sensible comments made by the honourable member for Malvern and listen to the sentiments of the Victorian Healthcare Association.

Mr VINEY (Frankston East) — I thank the honourable members for Rodney and Malvern for their contributions. I am always amazed when members of the National Party use the word ‘hypocritical’ with straight faces, but I shall resist the temptation to make further political points.

As Parliamentary Secretary for Human Services I usually respond to the contributions of the honourable member for Malvern. So that I can do so I usually attempt to take brief notes of the honourable member’s contributions. Today he spent about 90 minutes going in minute detail through the various elements of the bill. I show honourable members my notes! The honourable member’s contribution to the debate concerned such

minor detail that I can respond to almost nothing of substance during my short contribution.

It is interesting and instructive that the only substantive point the honourable member for Malvern made was about his concern that the bill does not exempt members of Parliament. Shortly I will respond to some of the concerns he expressed.

The honourable members for Malvern and Rodney commented about the complexity of the Health Records Bill. It is a complex bill, given that this is the first time Victoria has had a scheme to regulate the collection and handling of health information.

The bill enhances the rights of health service consumers in two major ways. Firstly, it provides an enforceable right of access to health information in the private sector; and secondly, it establishes mandatory privacy principles.

Giving individuals an enforceable right of access to health information that is held in the private sector is important for a number of reasons. Both public and private sector providers need to be bound by uniform privacy standards. Currently individuals can apply for their health information from public sector agencies such as public hospitals but not from private service providers. Many patients use both sectors in seeking treatment for chronic conditions and should be able to access their health records from both.

For many years the Health Services Commissioner has received a number of complaints from patients who have been denied access to their health records by private practitioners. Currently the commissioner can seek to conciliate a complaint and assist a patient to obtain their information. However, at the end of the day the decision rests entirely with the practitioner. This bill will address these issues by ensuring that the right of access to health information held by both public and private health service providers is subject to a number of grounds for exemption.

The second component of the bill deals with mandatory privacy principles. The bill establishes principles that are to apply to personal health information held in both the public and private sectors. The privacy principles are designed to give individuals certainty about the manner in which their health information is collected, used, disclosed and stored. The principles establish that the collection process is to be transparent and accountable, generally requiring a patient’s consent. In general, the use and disclosure of health information are permitted for the purpose for which the health information was collected or otherwise with the consent

of the person to whom it relates. The health data should be stored in an accurate, complete and up-to-date manner and be retained for about seven years. They are the key elements of the privacy principles.

The honourable member for Malvern raised concerns about the principles applying to members of Parliament. The government has considered at length the issues concerning the exemption of MPs and believes that, as a matter of principle, they should not be exempt from the principles of this — —

Mr Steggall interjected.

Mr VINEY — I would ask the Acting Speaker to assist me, but he is engaged in another conversation. It is an instructive situation!

Honourable members interjecting.

Mr VINEY — I will push on. The Deputy Leader of the National Party is clearly not interested in matters relating to the privacy of people's health information and the importance of the non-exemption of members of Parliament. The general principle that health information should be protected from misuse is one the government wishes to see covered by this legislation, and there are insufficient grounds to justify exempting members of Parliament using and misusing that information.

The Scrutiny of Acts and Regulations Committee is to make recommendations for a privacy code for members of the Victorian Parliament, giving due regard to a number of factors including the nature of work undertaken by members in different capacities and the developments in privacy legislation and existing legislation.

The Health Records Bill proposes to establish standards for the handling of personal health information in Victoria and will apply to members of Parliament. I assure honourable members that the government intends to provide them with guidelines to assist them in the carrying out of their important duties as mentioned by the honourable members for Malvern and Rodney.

The guidelines will help honourable members to understand the difference between what is regarded as legitimate health information and other matters of public policy information that they may wish to use. For example, if a constituent wrote to an MP voicing concerns about a public hospital system as a result of their experience and was concerned because they believed they were not treated satisfactorily at a visit to a particular hospital, the component of the information

relating to their health information would be subject to the bill. The fact that the person was treated at a hospital and the nature of the treatment could not be used by the MP for any purpose other than replying or pursuing the matter with the responsible minister or hospital or any other purpose to which the constituent agreed. If the MP wished to record the interest of the constituent in general health policy and funding for future reference, that would be acceptable.

That is the kind of information that will be contained in the guidelines following the work of the Scrutiny of Acts and Regulations Committee and the work to be done by the Health Services Commissioner.

The bill has been through an extensive consultation process involving the receipt of over 60 submissions. They represented a diverse range of perspectives, including those of consumers of health services, privacy advocates, health service providers, other organisations that handle health information and a number of public bodies. The submissions reveal a high level of commitment to privacy and an appreciation of the complex issues. They included the need to balance adequately the difference between the protection of privacy and the goal of protecting public interest by not impeding the ability of providers to engage in appropriate quality assurance activities. Such quality assurance activities conducted in a sensitive manner are essential to reduce the rate of adverse events in the health care system. The submissions also included the need for a thorough education process to enable individuals and organisations to become familiar with the new laws. Only in this way will the purpose of the legislation be achieved.

The bill contains effective enforcement mechanisms conferring a number of powers on the Health Services Commissioner. In previous speeches honourable members have raised issues about implementation. These issues will be substantially addressed through the making of regulations, particularly in the consultations involved in making them and in the work of the Health Services Commissioner in developing the guidelines.

Honourable members previously raised a number of issues about fees. There is adequate provision in the legislation for fees and appropriate compensation for some costs involved.

Although I recognise there will be an impact in costs and time on highly paid medical professionals, they are ethically obligated to conduct their business in particular ways and to do the appropriate follow-up with their patients. They should not regard the new requirements in the legislation as a terrible impost but

rather as part of their normal ethical requirements to operate in accordance with the desires of the community as expressed through a decision of Parliament.

The guidelines will be particularly important. Considerable work will need be done by the Health Services Commissioner and other people in the health sector to ensure that the intention of the legislation is achieved through the guidelines. As I said, the consultation process on those guidelines will be extensive. I accept the comments made earlier that they will have a vital part in ensuring that the legislation is successful.

I commend the Minister for Health for following through on a clear commitment to ensure that people in the community have a right to access their health records and that such records are protected against misuse by commercial and other interests. The government's action should alleviate the concerns of people in the community whose personal and private information is held by medical practitioners. I thank the honourable members for Malvern and Rodney for indicating that the Liberal and National parties will not be opposing the legislation. I commend the bill to the house.

Mrs SHARDEY (Caulfield) — In beginning my contribution to the debate on the Health Records Bill, I repeat that the Liberal Party will not oppose the bill, but it reserves the right to raise some concerns.

I congratulate the honourable member for Malvern on his fine contribution to the debate. I was amazed that the honourable member for Frankston East made comments that denigrated the contribution. Perhaps he made them because he believed he was not equal to the task of attaining that high level of debate. The honourable member for Malvern made a fine contribution and showed he is capable of the necessary task of going into the fine detail of legislation. This place should always be about contributions of excellence and not contributions of mediocrity.

Firstly, I will make some general comments about the bill and summarise some of the important points made by the honourable member for Malvern. He pointed out that the bill overturns the 1995 High Court decision in *Breen v. Williams*, which did not uphold the notion that a patient owns their own medical records. The bill also overturns the concept that a patient does not have a right of access to their medical records. The bill is broad ranging and amends some 22 acts.

As the honourable member for Malvern pointed out, it reconciles access to medical records on the one hand and the protection of privacy on the other. Some members have suggested that the protection of privacy could have been dealt with in the privacy bill that the house recently passed, which covered only the public sector. If that bill had covered the private sector, this legislation would not have needed to have separate privacy principles.

We should be mindful of the fact that the federal government passed privacy legislation in December last year and that therefore some of the principles will overlap. The honourable member for Malvern referred to the definitions of 'health information', including definitions of 'health service' and 'service provider'?

Given my relationship with the medical profession — which some members would know the nature of — I believe it is not concerned about the concept that an individual should have access to their medical records. However, the profession is concerned about the retrospectivity of the bill and about the work involved in putting together past records that may cover lengthy periods. Some patients, in particular elderly patients, may have been with their doctors for 30, 40 or sometimes 50 years, and if required those medical practitioners would have to spend considerable time putting together summaries of their patients' records.

At the end of the day the medical practitioner may come to the view that imparting much of that information may be detrimental to the health and wellbeing of the patient. As has been suggested, the medical practitioner might not receive the basic rate of payment for the collation and summary of that material.

Another area of concern to some members of the medical profession is the requirement to provide an explanation of medical records, which can be technical. As a layperson it is sometimes difficult to understand the terminology being used, and often complex conditions are difficult to explain to patients. If a patient is not happy with or does not understand the explanation, they may seek to lay a complaint about it. We should accept that there are complexities that make it difficult to give simple explanations. That is not to say that patients are not capable of understanding a number of complex concepts, but sometimes those concepts are beyond their understanding because they do not have the necessary training.

I hope that providing access to medical information in such legislation will not encourage society to become more litigious. There is always a concern that that could happen. The United States of America has become a

highly litigious society. Matters relating to past care are often used as a means by which action can be taken.

The honourable member for Malvern raised concern about us becoming a litigious society. He referred to the impact of clause 85, which implies that, despite having gained access to their medical records, a patient or other person would not be able to pursue a criminal or civil action. We should be assured that there is some balance in this issue, because following an examination of their medical records a person may become aware of a situation that leads them to seek to take some civil or criminal action. I do not believe this Parliament would seek to deny a person that natural right, and therefore the matter will need to be examined in another place or by the government.

One would also hope that, in recording a patient's history, any health provider would not do so with a view to self-protection — that is, that the record will include what will be useful for any doctor or carer treating that patient in the future. In other words, it is hoped the legislation will not prevent a practitioner recording in a professional way so that the record will be of assistance to a person later.

On the fee charged, it is understood that the collation of the material and the drawing up of the summary is an area that will attract a maximum rate to be set by regulation. I am told that the further explanation by any health provider of a person's medical history will be charged for at the rate of that profession. That raises the question of whether the charges will be able to be made under the Medicare agreement. I suggest that if the government has not had consultation with the federal government about a charge being able to be made under a scheduled fee, there may be problems with this area of the legislation.

If a charge is not a Medicare rebate, individuals will have to pay the additional fee. Then it becomes a matter of access. Honourable members will be aware that not everyone in the community will be able to afford to pay the fee a professional — perhaps a specialist — would of necessity charge for providing a medical record. Therefore older people, particularly pensioners, would be denied the right of access that other members of the community would have. That issue would be of concern to those groups.

A large number of aged care services fall within the net cast by the definition of health care provider. Perhaps that is appropriate, but some issues need to be addressed. Some residential care facilities such as nursing homes, hostels, supported residential services — services provided to the elderly by local

government, particularly under the home and community care program — adult day care centres and the services offered by carers are in the public sector and therefore are under the FOI jurisdiction, while others are in the not-for-profit and private sectors and therefore are subject to the provisions of the bill.

My particular concern is about nursing homes and hostels, which currently fall under the federal government law, having been extracted out of state government legislation a couple of years ago. Honourable members are aware that, in order to abide by the federal legislation, operators of nursing homes and hostels have undergone an accreditation process. That long process has demanded considerable resources and attention to detail. Now residential care facilities have a complex obligation. They must have care plans notated for each of their residents, and much of their work in caring for their residents is related to keeping appropriate records about the level of care, the administration and control of medication and so on.

There may be an impost with the bill in terms of further demands being imposed on those providing services in aged care facilities. That demand could be from the residents or the result of a request from a relative who holds an enduring power of attorney for information about the medical records held by that facility.

The residential care facility provides the information and explains it, and under this bill it can then lay a charge for that action. The federal act covers the fees nursing homes are able to charge patients. The federal government subsidises nursing homes and hostels. Therefore the question needs to be asked whether this state law will in some way contravene the federal law as it relates to residential care facilities, the funding of those facilities and the amounts they can charge residents or their families for the operation of those facilities. I would be interested to know if the state government has held talks with the federal Minister for Aged Care about its capacity —

Ms Pike interjected.

Mrs SHARDEY — I understand you actually bowl up and see her, so I am sure you have had the opportunity. It relates to the legality of what is being proposed in the bill. If that communication has not taken place perhaps there is a problem with residents or their families being able to access information.

Supported residential services (SRS) are regulated under the state Health Services Act. The previous government passed amendments to that act to provide additional responsibilities for the managers of SRS,

particularly with regard to duty of care and the administration of medication. The highest proportion of residents supported in SRS accommodation are pensioners, and they pay most of their pension to those services for their accommodation and care. If people are seeking access to their medical records, which are held by the owners and operators of such services, or if a relative is seeking access to medical records and a charge is levied for that service, there may be problems with residents being able to pay for that service. It is an issue of access given that the highest proportion of residents are on pensions and most of those pensions are paid to the service. The government needs to examine the issue to ensure that residents in SRS are not disadvantaged under the bill with regard to access to their medical records.

The final area I turn to relating to aged care, the provision of services and the effect of the bill is services provided under the home and community care program. The program is funded by both the federal and state governments so in a sense it is under dual jurisdiction. There is an agreement between the federal and state governments about the funding of the services provided under that program.

Local government and other providers supply these services, predominantly for the elderly — although not exclusively — and by their very nature they would collect much information about the health records of each individual service user or consumer.

Under the home and community care agreement with the commonwealth government it is appropriate that the government address the issue of charging fees for the provision of these health services, including whether that falls within the agreement on this legislation between the commonwealth and state governments. We are dealing with elderly people, usually on fixed or limited incomes, who wish to access their medical records. If that does not fall within the agreement, they may also face a problem.

Although issues of concern have been raised, the opposition does not oppose the legislation. Neither the medical profession nor the Liberal Party seeks to deny people access to their medical information where appropriate, and many conditions and exemptions are laid down in the bill to cover that issue. However, there are important issues of access and legal jurisdiction relating to the issue of fees. I thank the house for its understanding.

Mr TREZISE (Geelong) — I support the Health Records Bill for many reasons. Several speakers have referred to there being no more important personal

information than an individual's health records. There have been ongoing discussions in the community over many years on the rights of people to access their health records.

Apart from people with vested interests, I have not met anyone who argues against people having access to their own records. From a patient's perspective not too many would disagree with the intention and the content of the bill. I congratulate the Minister for Health and his department on introducing this important legislation.

We are talking not only about the rights of patients to access their files but also about the privacy of such information. Given the fast-moving progress of information and health technology over recent years, the privacy of people's files has become increasingly important.

In my experience, elderly people in particular are becoming increasingly alarmed about where their records are, where they are going and why they may be going there. In some cases those concerns are justified. The trend is increasingly towards private companies — generally large multinational health and pharmaceutical companies — placing profits and competitive advantage before the health of people.

One need only look at the position South Africa faces in dealing with its AIDS and HIV epidemics. Multinational pharmaceutical companies are preventing people from using cheaper generic drugs rather than prohibitively expensive products, thus causing them to suffer.

One need also only look at the private companies that are unravelling people's genes, not so much in pursuit of better health as in pursuit of the almighty dollar. We are seeing a major shift in health care towards the private sector, which combined with 21st century information technology is causing people to be justifiably concerned about the privacy of their health records.

With ever-increasing health technology and what it can reveal about one's individual health and potential health problems there is also concern about discrimination that might apply to the wider community — for example, in workplaces. Therefore, as I have said, this is an important bill, and I believe it will be welcomed by the vast majority of, if not all, Victorians.

The bill traverses both the public and private health sectors, and it is quite obvious why there is a need for a bill like this to cover both sectors. In seeking treatment a patient may visit both private and public health organisations. For example, an individual may visit a

GP, who would essentially be in the private sector, and then perhaps a pathologist, who may be working through a public hospital. Information being recorded and held by both the public and private health sectors needs to be covered by the same consistent legislation.

It is important that patients' health records are managed in line with the principles set out in schedule 1 to the bill. If they are not, their management would be deemed to be an interference with the privacy of the individual. The health privacy principles that apply to management and handling include such requirements as the collection of records being part of a process that is accountable and transparent, disclosure being permissible only with the consent of the person to whom the record relates and data being accurate and complete.

From those few examples one can see that the bill makes extensive provision concerning the way organisations manage health records and the rights of individuals in dealing with those organisations. I believe this legislation is well overdue. It is legislation whose time has come and which will be widely commended.

A draft of the bill was released to the wider community and positive feedback was received by the government. No doubt the legislation has been finetuned to reflect concerns that were raised during that process. As I said, the bill has community support, and I commend the minister and his department on the work they have completed and wish the bill a speedy passage through Parliament.

Mr WILSON (Bennettswood) — I welcome the opportunity to join the debate on the Health Records Bill. The government tells us that the aims of the bill are to give individuals a legally enforceable right of access to their own health information which is contained in records held in the private sector and to establish health privacy principles that will apply to personal health information collected, used and held in both the public and the private sectors. We have also been told by the government that this bill is a companion to the Information Privacy Act, which passed this Parliament in the spring session of 2000.

The broad policy behind this legislation is to give consumers certainty about the manner in which information is collected, used, disclosed and stored. The bill before the house is most important because health information is, as suggested by the minister in his second-reading speech, arguably the most sensitive category of personal information that exists about an individual.

The shadow Minister for Health, the honourable member for Malvern, has given a clear and concise summary of the opposition's concerns with regard to the bill before the house. I do not wish to take up the time of the house by repeating those concerns. However, I did hear the shadow minister mention the new and extended role of the Health Services Commissioner. The shadow minister correctly observed that the bill gives the Health Services Commissioner unprecedented new powers and duties.

I am sure that all honourable members would have the greatest confidence in the Office of the Health Services Commissioner. Certainly, the current Health Services Commissioner has unquestioned bipartisan support, but this bill will quickly result in a resourcing issue for her office.

In my time as chief of staff to the previous health minister, I was constantly aware of the workload on the commissioner and her office. That workload has not diminished and the resources remain limited, and the government is aware of that. I take the shadow minister's point that this bill will significantly increase the workload and responsibility of the commissioner. Unfortunately, nowhere in the second-reading speech is there an acknowledgment or pledge that resources will be allocated to the Health Services Commissioner to cover the new costs and burdens.

The government is therefore on notice that passage of this bill will place a whole new burden on the Office of the Health Services Commissioner. The government must be ready and willing to open its purse strings accordingly to aid and assist the Office of the Health Services Commissioner.

Similarly, as outlined by the shadow Minister for Health, other organisations and agencies will be affected. I note that the Freedom of Information Act will continue to regulate individuals' access to their own health records where they are held by the public sector — for example, by public hospitals and government departments.

I am aware of the current workload that befalls public hospitals with the maintenance and management of health records. Already the workloads of administrative divisions of public hospitals are stretched and new freedom of information provisions in the bill will make their workloads even greater. I hope the government responds with an appropriate increase in resources to those public hospitals.

The bill may also lead to a significant increase in the workload of the Victorian Civil and Administrative

Tribunal. I trust that when he returns to duties the Attorney-General will give urgent consideration to this issue.

In conclusion, I congratulate the honourable members for Malvern, Rodney and Caulfield on their valuable contributions. While we on this side of the house do not oppose the legislation we are concerned that this 152-page bill falls somewhat short of the mark.

Mr SAVAGE (Mildura) — I am not sure whether it is required of me, but I declare a possible pecuniary interest in this legislation on the basis that I have a spouse who is a practising general practitioner and there may be some financial impact in the future.

I support the bill in its present form and congratulate the Minister for Health for some of the changes that have been enacted in the past couple of months which diminish some of the onerous responsibilities and implications to the medical profession and other medical service providers.

As a consequence of the introduction of the bill last year I wrote to all members of the medical profession in Mildura. I asked questions such as, 'Are you concerned about the access to your records by patients?', 'Do you believe there should be limits on the access to results and personal notes?', 'Retrospectivity will be limited to a summary of the patient's file; are you in favour of this?' and 'What fee structure do you believe should apply to record access, including the retrospectivity aspect?'. I received a number of replies on those issues that gave me some guidance.

The previous arrangements for medical records have been on a rather ad hoc basis. If a doctor has been subpoenaed to court all records have to be provided. If a patient changes their doctor, the records are usually transferred directly to the other doctor at the patient's request. As I understand, results are always given to patients on the basis that they accompany some explanation because they are not always drafted in terms the layman can understand.

The comments of some members of the medical profession in my electorate were interesting and positive. Generally, there was no great aversion to providing information to patients. I refer honourable members to some of the responses I received from medical practitioners. One such doctor states:

I am sure that the majority of medical practitioners, including myself, have no concern in regard to information relating to the contract between themselves and the specific patient.

The doctor went on to say he would have some concern if that information was shared with other people, presumably the legal profession. Another medical professional states:

I don't mind patients having limited access (in the form of summaries) to health records. Full access will have doubtful benefits and possibly harmful results.

Another medical professional states:

I believe patients should have access to all notes of their own or dependants with the exception of information that is in the doctor's opinion harmful to them.

That concern is covered in one of the provisions in the bill. The medical professional also states:

Retrospectivity doesn't worry me.

One negative response I received — it is the right of any person to express a view — was from a medical practitioner who states:

I consider the provisions for medical patient access to medical records to undermine my right to private property and am therefore resolutely opposed to it. This right was clearly affirmed by the unanimous verdict of six High Court judges in the case of Breen and Williams, 1998.

I received a wide range of views, but the overall response was that retrospectivity did not have many implications for them. When the bill comes into effect records should be kept in a way that meets that requirement.

The provisions regarding the keeping of records was of some concern to medical practitioners and me on the basis that the records for an adult have to be kept for 7 years while the requirement for children was 25 years. The bill was not clear as to how those records would be kept if a person ceases to be a general practitioner, retires or dies. Initially it was thought that perhaps the estate may have to maintain the records for a lengthy period. I am pleased to advise the house that the advice from the minister is that currently there is no statutory requirement to keep records but you would on the basis of potential legal implications. Under the bill, if a general practitioner ceases to become a medical provider there is no requirement to maintain records; if he decides to move within Victoria records would be required to be retained; if he moves interstate there is no duty to retain records; if the practitioner retires there is no duty to retain records; and if the practitioner dies there is no duty on the executor or administrator of the estate to retain those records. The minister's response provided a satisfactory outcome for those people who were concerned about it.

The bill requires a fair amount of measured analysis and sensitivity because of the types of outcomes that are being sought. I have no doubt the bill will markedly affect the sorts of records doctors keep on patients. It may diminish the standard and quantity of material kept on the basis of possible legal implications. A good example of the current difficulties faced by the medical profession is that of litigation. Previously in Mildura a number of general practitioners performed obstetrics, gynaecology and childbirth, but now not one doctor is undertaking those practices. That has diminished the service delivery to the community and is not a desirable outcome. I hope this legislation is applied in a way that respects the needs of the medical profession and other medical providers and takes into consideration the sensitivities of patients.

In conclusion, I thank the doctors who replied to me for their assistance, in particular, Drs Harrison, Fleming, Chambers, Webster, Fox, Dowty, Soward, Marrows, Schneider, Chambers, Barker and McEvedy. I commend the bill to the house.

Ms McCALL (Frankston) — I will be brief because other members of the house would like to make a contribution. Although there is no need for most of us to make lengthy contributions due to the erudite contribution of the honourable member for Malvern, I would like to raise a number of issues as a result of research I have done in my own electorate about the issues behind the bill.

The opposition does not oppose the bill, but it expresses concerns about the potential use or misuse of information. The first question I would ask is why in the overall requirement do people need to have access to their medical records. I acknowledge that certain people seek to find parts of their medical records, such as a diagnosis or an opinion, but I have concerns about a blanket, clear access at the discretion of the individual. I come from the old school of thought. I would rather not read the bad news before I find it out, so I would rather not know what is in my medical records.

A number of doctors in the Frankston electorate raised the issue of medical discretion concerning something called a placebo. Most honourable members would be well aware of what a placebo is. I have an article from the magazine supplement of the *Australian*, which I am happy to table. It states in part:

Placebo (which originates from the Latin word for 'I will please'...

It is a recognised course of action in the medical profession for not giving you medicine but making you

believe that you are in receipt of medicine that in the end will remedy your problem. One of the concerns the doctors raised was that in an environment in which everybody of any medical persuasion at all prescribes at the drop of a hat for any disease, placebos are used effectively. Their concern is how the use of placebos for the very best of reasons can be written into medical records when in the future individuals may seek access to those medical records. I would hate to see what is a perfectly acceptable way of helping an individual overcome an illness become an issue under the bill.

I am not suggesting that people have their legs cut off if that is not needed, but the article further states:

Research on a range of psychosomatic disorders, including pain control, sleep problems and asthma, confirms the link between placebo efficacy and expectancy.

Perhaps honourable members should not ignore that. I would hate to see that flexibility in the medical profession no longer allowed.

The other area I will touch on is the broad definition of a health service provider, to which the honourable member for Malvern referred. I am a trained human resources manager. Psychological counselling was part of my training. In the course I undertook we were counselled ourselves, but we were also taught the skill to counsel others. One of the things a personnel manager in a large organisation may do when interviewing someone is to make a judgment — in other words, form an opinion — on a personnel matter that may then be placed on someone's file. Most of us do not have photographic memories, and it may mean that the notes we make on the file may be used later in the course of our work to assist us in making a judgment or forming an opinion.

There is a concern among those in personnel management — human resources practitioners — that suddenly those pieces of information may be able to be accessed and misconstrued or misunderstood. I therefore urge the government that whereas this bill has general support within the community, and the opposition understands that general support, at the same time we should be careful about those issues. In the past some members of the medical profession were concerned about human resources practitioners becoming bush doctors. Bush lawyers are three a penny, and it was feared some people could suddenly become bush doctors. It was thought such people without a medical qualification would, because they believed they knew better, challenge the diagnoses of medical practitioners and the views written in their files.

We have to be careful that we do not attack the professions, themselves, because we would all acknowledge that the professionals are the experts in their field. Whereas in principle the bill has some fine ideals behind it, I urge the government to bear in mind that although it is always in principle that a piece of legislation is passed, it is in practice that one sees whether it works.

Mr NARDELLA (Melton) — I support the Health Records Bill. I too want to praise the honourable member for Malvern, who gave a strong and tough speech. He has shown that he is a tough and forceful speaker. He has some leadership potential, which he may show in the very near future! Along with honourable members on the other side, I wish to thank the honourable member for Malvern for his contribution to the bill. It was fantastic — and I cannot say much more than that!

The bill is about empowering consumers. It is also about giving consumers access to their medical records, regardless of the settings in which they are held, and about allowing consumers to utilise those records for their personal needs or other needs as they see fit, such as in a genetic sense, if that is where we are heading in the future. It is also about maintaining the privacy of those records, keeping them from people who should not have access to them. The privacy provisions are extremely important.

The bill has the support of all parties, and rightly so, given the instances that honourable members have highlighted, where legitimate access has been denied because of precedents arising from common-law practices right up to the High Court. In essence the bill recognises what should be put in place to give consumers as individuals access to their records.

It is interesting to read some of the principles in the legislation concerning access to records. In part they talk about responsibilities and about the restrictions that are necessary to make sure the legislation works and, more importantly, to protect people from themselves while protecting others in the course of their disclosing and providing access to medical records.

One of the areas this legislation will be able to deal with is the confidentiality of DNA material. We have not heard the last of DNA. Advancements in that area are continuing at a massive rate, and organisations such as insurance companies are becoming involved. In that regard, it was great to see one of those insurance companies hit the wall. They can be such terrific organisations, but the fact that they can misuse information for their own benefit is a real concern.

I again praise the honourable member for Malvern for his fantastic, far-sighted and brilliant speech, and I wish him all the best with his future leadership aspirations.

Mr KOTSIRAS (Bulleen) — I welcome the opportunity to speak on the Health Records Bill because I support the general thrust of the bill. However, as the shadow Minister for Health said, it has some problems. The honourable member for Malvern gave a precise and succinct explanation of the bill. I was not surprised when the honourable member for Frankston East said he could not comment on what the honourable member for Malvern said, because the honourable member for Frankston East supports what was said but did not have the courage to say so during his speech.

The purpose of the bill is to govern the distribution of health information by protecting the privacy of an individual's health information; to provide the individual with the right to access their health information, and to provide a framework to resolve any complaints. The bill complements the Information Privacy Bill which has already been passed by the Parliament.

Historically, records have been thought to belong to the doctor or to the hospital and not the patient. It is understood that allowing unrestricted access to records may not be in the best interests of patients. In 1996 this issue came to a head in the High Court judgment of *Breen v. Williams*. I refer to an article by Amanda Wynne headed 'Privacy and health records in Victoria' which stated that:

In 1996 the High Court in *Breen v. Williams* stated that patients of private doctors did not have an enforceable right to have a copy of their medical record. The High Court indicated that they considered the issue of whether or not patients have an enforceable right to medical records was a matter for government, not the courts.

Currently, a person can access health records held by public health institutions via freedom of information (FOI) applications. The bill will enable a person to access their health records from both the public and private sector.

In 1995, the then federal Minister for Health said about access to medical records:

Access will ensure patients are better informed about their health, improve the level of trust in doctor-patient relationships, and help improve the standard and accuracy of record keeping.

I support those sentiments because some years ago someone came to me because a doctor had refused to give her her health documents. She was going overseas

and wanted a copy of them. I spoke to the doctor but unfortunately he was not prepared to hand them over.

However, as the honourable member for Malvern said, there are a number of concerns about the bill. A person can request a copy of the documents from a public or private institution, but at no cost. A doctor will have to spend hours going through the records and deciding whether they are exempt under the Health Records Act. Who will pay the doctor for the hours of work he has to put into that exercise? Costs will be incurred if the provider decides to give a summary. Again, who will cover the costs? Costs will be incurred if the provider decides to provide all the records, and costs will be incurred if the patient decides to sit down with someone to have the records explained. Who will pay those costs? How much will the fees be, and will there be a full cost recovery?

The term 'health services' as used in the bill is very broad. The second-reading speech states that:

Examples of non-health service providers include health insurers with insured persons' records, employers with health information of their employees, schools with vaccination records and fitness gymnasiums with health charts about their customers.

As the honourable member for Malvern said, it could apply also to members of Parliament. I have no problem with that, but people have to be made aware of the situation.

Under the bill a patient may complain to the Health Services Commissioner or, eventually, to the Victorian Civil and Administrative Tribunal. Will there be resources for the commissioner to carry out this work? Every time I speak to an FOI officer I am told they do not have the resources to provide the information, even though the Attorney-General says the resources are there.

Sitting suspended 6.30 p.m. until 8.02 p.m.

Mr KOTSIRAS — Before the suspension of the sitting for dinner I was saying that I hoped the Health Services Commissioner would be given extra resources and funding to ensure that she does her work, because the government is full of rhetoric when it comes to freedom of information.

The Attorney-General has issued a memo stating that:

Principal officers must also ensure that adequate resources are available to fulfil their agency's obligations under the FOI act.

However, at times when I have put in a freedom of information request I have received a response saying:

To retrieve, photocopy and examine these documents in order to determine their relevancy to your request in its present form would substantially and unreasonably divert the resources of this department from its other operations ...

I hope this Labor government has learnt to put its rhetoric into practice and to give the commissioner the appropriate resources she needs to carry out her work.

Debate adjourned on motion of Ms BEATTIE (Tullamarine).

Debate adjourned until later this day.

PERSONAL EXPLANATION

Mr BRUMBY (Treasurer) — I seek leave to make a short personal explanation. During question time today in answer to a question from the honourable member for Brighton — —

An opposition member interjected.

The SPEAKER — Order! Leave is not required.

Mr BRUMBY — I informed the house that — —

An opposition member interjected.

The SPEAKER — Order! A personal explanation can be made at any time with the agreement of the Chair.

Mr BRUMBY — During question time today in answer to a question from the honourable member for Brighton regarding the business tax review I informed the house that a contract for \$14 775 was on the Department of Treasury and Finance web site. In fact, that contract is not on the web site but is listed in information provided by the Department of Treasury and Finance to the honourable member for Bennettswood on 19 February 2001 in response to a freedom of information request.

Mr Doyle — On a point of order, Mr Speaker, I seek clarification of an error made by the Treasurer and ask why the contract was not on the web site when he claimed it was.

Mr Holding interjected.

The SPEAKER — Order! The honourable member for Springvale!

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Malvern and the Minister for Post Compulsory Education, Training and Employment!

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Malvern and the honourable member for Tullamarine!

Mr Doyle interjected.

The SPEAKER — Order! I ask the honourable member for Malvern to show respect for the Chair while he is on his feet; otherwise I will deal with him under sessional order 10.

I do not uphold the point of order. As I indicated, a personal explanation can be made in the house on the proviso that it has been cleared with the Speaker and it is at the changeover of business.

CORPORATIONS (COMMONWEALTH POWERS) BILL

Second reading

Mr BRACKS (Premier) — I move:

That this bill be now read a second time.

The Corporations (Commonwealth Powers) Bill forms part of a package of corporations bills which follows historic negotiations between the commonwealth and the states to place the national scheme for corporate regulation on a secure constitutional foundation. The bill reflects the commitment of the Victorian government to achieving an effective, uniform system of corporate regulation across Australia. To understand this bill and the package of corporations law bills, it is necessary to consider the history of corporate regulation in Australia over the last 20 years.

In Australia the development of an effective system of corporate regulation has been complicated by our federal system of government. The states and territories are sovereign entities possessing the powers and ability to make their own laws, and for many years different requirements relating to corporate regulation existed in each state and territory.

From July 1982 corporate regulation in Australia was based on a cooperative scheme between the states, the Northern Territory and the commonwealth, where substantially uniform legislation applied to all jurisdictions. However, towards the end of the decade emerging problems in the operation of the cooperative scheme meant that the scheme was no longer an effective means of ensuring corporate regulation in a uniform and consistent manner suitable for a changing commercial environment. There were also concerns

about the need for more effective national enforcement of the corporate regulatory regime.

This lack of legislative and administrative uniformity, combined with different regulators in the states and territories, was also hampering supervision of the share markets and thus investor protection. To remedy these emerging problems, a new national scheme for the regulation of corporations, companies and securities was devised and it commenced operation on 1 January 1991.

The current national scheme is based on the substantive commonwealth law which applies in the Australian Capital Territory, known as the Corporations Law. This law, as in force from time to time, is applied in each state and the Northern Territory. In Victoria the relevant legislation is the Corporations (Victoria) Act 1990.

In order to create a national scheme certain commonwealth features were added to the arrangements, such as the enforcement of Corporations Law offences by the Australian Securities and Investments Commission (ASIC), the Australian Federal Police (AFP) and the commonwealth Director of Public Prosecutions.

Also, the Federal Court was given power to hear matters arising under the Corporations Law of each state by a cross-vesting scheme contained in the corporations acts of the commonwealth and the states. The current scheme is underpinned by heads of agreement, which were agreed on 29 June 1990, and a supplementary agreement, the Corporations Agreement.

The Corporations Agreement, which is an intergovernmental agreement, was formally signed by the states, the Northern Territory and the commonwealth in September 1997

The agreement establishes the Ministerial Council for Corporations (MINCO), which is constituted by the relevant commonwealth, state and territory ministers responsible for the national scheme law, as the primary forum where all matters relating to corporations, securities and corporate governance are discussed and voted on. The Corporations Agreement sets out the functions, objectives and voting arrangements relating to the administration of the Corporations Law of the ministerial council.

The current scheme to all intents and purposes operates on a seamless, national footing. ASIC administers the Corporations Law through regional offices in each jurisdiction. The scheme has worked remarkably well. The parties to the Corporations Agreement have, in

general, complied with its spirit and letter, and there has been little discord between the states and the commonwealth about the operation of the Corporations Law in Australia.

However, recent legal challenges and decisions of the High Court of Australia have cast doubt on the constitutional framework, which supports the Corporations Law. The difficulties associated with the current system of corporate regulation have been identified by the High Court in two significant cases. The first case was decided in June 1999. In *re Wakim; ex parte McNally* the High Court held by majority that chapter III of the commonwealth constitution does not permit state jurisdiction to be conferred on federal courts. Effectively, this decision removed the jurisdiction of the federal court in most states and territories to resolve Corporations Law matters, unless cases fell within the court's accrued jurisdiction or in certain other circumstances, and it denied litigants a choice of forum for the resolution of such disputes.

The second case was the *Queen v. Hughes*, decided in May 2000. There the High Court held that the conferral of a power coupled with a duty on a commonwealth officer or authority by a state law must be referable to a commonwealth head of power. This means that if a commonwealth authority, such as the Director of Public Prosecutions or ASIC, has a duty under the Corporations Law, that duty must be supported by a head of power in the commonwealth constitution.

This decision casts doubt on the ability of commonwealth agencies to exercise some functions under the Corporations Law.

These decisions of the High Court prompted the Standing Committee of Attorneys-General and the Ministerial Council for Corporations to meet to resolve the problems facing the national Corporations Law scheme.

On 25 August 2000 commonwealth, state and territory ministers reached an historic agreement in principle in Melbourne, whereby states would refer to the commonwealth Parliament the power to enact the Corporations Law as a commonwealth law and to make amendments to that law subject to the terms of the Corporations Agreement.

On 30 November 2000, the honourable Attorney-General for New South Wales introduced the Corporations (Commonwealth Powers) Bill.

That bill was tabled in the NSW Legislative Assembly following extensive negotiations among the states and the commonwealth, culminating in a joint meeting of

the Ministerial Council for Corporations and the Standing Committee of Attorneys-General held in Sydney on 28 November. At that meeting the state ministers agreed unanimously on the terms of that bill, and supported its introduction into the New South Wales Parliament. Following the introduction of the bill in New South Wales, further negotiations took place, and on 21 December 2000 representatives of the Victorian, New South Wales and commonwealth governments met to resolve outstanding issues. Their discussions turned on the inclusion of specific provisions in the Corporations (Commonwealth Powers) Bill to proscribe the use of the referral for industrial relations purposes.

It was agreed at that meeting that clauses 5 and 6 of the New South Wales Corporations (Commonwealth Powers) Bill 2000 would be removed from the bill and that, instead, an objects clause would be included in the bill to provide that the proposed act was not intended to enable the making of a law pursuant to the amendment reference with the sole, or a main underlying purpose or object of regulating industrial relations. The bill before the house gives effect to that agreement.

The bill reflects the commitment of the Victorian government to ensuring that the uncertainty that now prevails in the business community over the future of corporate regulation in Australia is resolved as quickly as possible. The Corporations (Commonwealth Powers) Bill firstly enables the commonwealth Parliament to enact the proposed Corporations Bill and the Australian Securities and Investments Commission Bill, in the form of the bills that were tabled in the New South Wales Parliament on 7 March 2001, as commonwealth laws. A copy of the commonwealth bills, which constitute the tabled text for the purposes of this bill, is available in the parliamentary library for use by members.

Secondly, it enables the commonwealth to amend those laws, or regulations made under them, in the future, as long as the amendments are confined to the matters of corporate regulation, the formation of corporations, and the regulation of financial products and services, but only to the extent of making express amendments to the bills referred to the commonwealth Parliament. This is called the 'amendment reference'. It should be noted that the omission of the old clauses 5 and 6 of the New South Wales bill introduced late last year in no way affects the proper construction of the amendment reference and, in particular, the concept of corporate regulation.

The bill provides in clause 1(2) that the act is not intended to allow for laws to be made pursuant to the

amendment reference with the sole or main underlying purpose or object of regulating industrial relations matters. This exclusion is to ensure that the commonwealth cannot use the referred powers to legislate in the area of industrial relations or to override state laws dealing with industrial relations.

The bill provides that the reference of power is to terminate five years after the commonwealth corporations legislation commences or at an earlier time by proclamation. The term of the referral can also be extended beyond five years by proclamation. The states have agreed to give the referral for only five years because the referral of power by the states to the commonwealth is not a permanent solution to the problems of the current scheme. At the request of ministers, the commonwealth has given a firm undertaking to examine long-term solutions to address the problems arising from the decisions of the High Court in *Wakim and Hughes*, including constitutional change. Those problems affect a number of intergovernmental legislative schemes. The states now look to the commonwealth to explore options for constitutional amendment thoroughly and expeditiously, through the Standing Committee of Attorneys-General.

It is anticipated that a decision will be made well before the expiry of the five-year period about the holding of a referendum on this matter.

The states can terminate the referral earlier, by proclamation, if, for example, the commonwealth Parliament makes amendments to the new Corporations Act which go beyond what was envisaged when the referral was made, such as in the area of the environment. The bill also provides for the termination of the power of the commonwealth to amend the referred laws, by proclamation. However, if only the amendment reference is terminated, the effect of the Commonwealth Corporations Bill is that the state would cease to be part of the new scheme unless all of the states also revoke the reference, giving six months notice of their intention to do so.

This underlines the importance of the corporations agreement, which will govern the scope of the referral. The corporations agreement is an intergovernmental agreement and in formal terms is not legally binding. However, the states place great weight on it, and have agreed to refer powers in the terms of the bill before the house on the understanding that the commonwealth will abide by both the spirit and the letter of the agreement.

As I have indicated, the agreement will contain specific provisions to prevent the use of the referred powers for

the purpose of regulating industrial relations, the environment or any other subject unanimously determined by the referring states. It will also ensure that the states are consulted about any amendments made to the commonwealth Corporations Act, and where the commonwealth does not have existing constitutional power, that the states will vote on whether to approve or oppose the amendments. In addition, the agreement preserves the rights of the states to make laws that modify the operation of the Corporations Act in relation to their own activities, such as, for example, the regulation of state bodies corporate. The terms of the agreement are still being negotiated among governments, but it is anticipated that the remaining matters will be resolved in the near future.

I understand that the Prime Minister will write to other state premiers, asking them to arrange for bills in similar terms to this bill and the Corporations (Commonwealth Powers) Bill 2001 (New South Wales) to be considered by state parliaments around Australia. It is then envisaged that the commonwealth Parliament will enact the Corporations Bill (commonwealth) and the Australian Securities and Investments Commission Bill (commonwealth), using the powers conferred on it by this bill and its counterparts in other states, so that the new scheme can commence as soon as possible.

Honourable members will appreciate that a number of consequential and transitional amendments to state legislation will need to be dealt with before the new scheme commences, and I anticipate that separate bills for this purpose will be introduced before the commencement of the new scheme. The Corporations (Commonwealth Powers) Bill, related state legislation and the enactment by the commonwealth Parliament of the Corporations Bill (Commonwealth) and the Australian Securities and Investments Commission Bill (commonwealth) will, with the enactment of similar legislation in all other states, ensure that our national system of corporate regulation is placed on a sound constitutional foundation and reinforce Australia's reputation as a dynamic commercial centre in the Asia-Pacific region.

I commend the bill to the house.

Debate adjourned on motion of Mr DOYLE (Malvern).

Debate adjourned until next day.

LAND (FURTHER REVOCATION OF RESERVATIONS) BILL

Second reading

Debate resumed from 26 October 2000; motion of Ms GARBUTT (Minister for Environment and Conservation).

Mr THOMPSON (Sandringham) — The bill is a perfunctory one which, nevertheless, undertakes some important work. It relates to land located at Barwon Heads, Ballarat and proximate to the Charles Grimes Bridge in Melbourne that is to be transferred from the Crown to private interests. I am honoured to lead the debate on behalf of the opposition.

I comment firstly on the Charles Grimes Bridge and its importance to the City of Melbourne. The bridge was named after Charles Grimes who, perhaps unbeknown to some honourable members, was the first person to survey the coastline of Port Phillip Bay in 1803. The Keilor Historical Society referred to the importance of his contribution to Victoria in its review of his work in 1978.

At a time of concerns about French attitudes to Australia and their wider aspirations in relation to Port Phillip Bay, Governor King in Sydney ordered Grimes to survey the coastline of Port Phillip. With Lieutenant Charles Robbins he set out in the *Cumberland* on the first survey of the coastline of Port Phillip Bay.

A number of interesting comments are recorded in relation to his work. Some 180 years later, a number of remarks were made at the opening of the bridge, which had been constructed by the former Country Roads Board. Sir Brian Murray, the then Governor, quoted extracts from the journal kept by one of Grimes's party, a gardener named James Flemming:

Wednesday, 2 February 1803

Came to a salt lagoon about a mile long and a quarter of a mile wide; had not entrance to the sea. Soon afterwards came to a large river (the Yarra): went up it about a mile when we turned back and waited for the boat to take us on board. The ground is swamp on one side and high on the other. Saw many swans, pelicans and ducks.

The diary also records:

Tuesday, 8 February 1803

Sowed some seed by the natives' hut, where we slept. Continued our course up the river; the land high; rocks by the side of the river; it is a freestone, the strata on edge. Came to a fall (Dights Falls) where we could not get the boat over.

That was 32 years before the settlement of Melbourne by Batman and Fawkner. The journal further notes:

The most eligible place for a settlement that I have seen is on the Freshwater River (Yarra Yarra). In several places there are small tracts of good land, but they are without wood and water. I have every reason to think that there is not often so great a scarcity of water as at present from the appearance of the herbage. The country in general is excellent pasture and thin of timber, which is mostly low and crooked. In most places there is fine clay for bricks and abundance of stone. I am of the opinion that the timber is better both in quality and size further up the country.

It is notable that Matthew Flinders relied on the work of Grimes and in 1814 commented on it in his publication *Voyage to Terra Australis*.

The excellent work undertaken today by the historical societies in the region is important, because they have seen the significance of noting the contribution of early explorers to Port Phillip and the work they undertook, which enabled effective surveys to be done. Ironically, the settlement that took place under Lieutenant Collins at Blairgowrie, near Sorrento, did not have the benefit of Grimes's survey of the bay, in which he noted that the best spot for a settlement was, effectively, by the Yarra River.

The bill regularises the landholding of the current bridge. It was noted last year that a new bridge had been built, but unfortunately it appeared that it was built at the wrong location. The project strayed from the original design, and an area of 2.7 metres wide and 32 metres long encroached on neighbouring land leased by a private company. The firm contracted to carry out the work was Walter Constructions.

Effectively, the Charles Grimes Bridge, which replaced the Johnson Street Bridge on the lower Yarra, was constructed in the wrong spot, necessitating a payment of \$80 000 to the lessee over whose land equipment was required to be located and a further \$270 000 by way of direct payment for the land adjacent to the site of the original bridge. At the time the bridge was carrying some 70 000 vehicles a day, principally from Ballarat, Bendigo and the western suburbs. Following completion of the Bolte Bridge it is understood the volume of traffic may have diminished to a degree.

At the time the first mistake was realised there were attempts to ascertain whether Vicroads could amend the plans sufficiently. However, it was too late because it would have added to the cost of the project and caused unacceptable delays at a time when the bridge provided an important linkage and gateway to the city of Melbourne, as it does today.

The importance of an effective freeway system is not to be underestimated in improving Melbourne's effectiveness as the transport hub of the east coast of Australia as goods are freighted to the port, and in facilitating the free movement of traffic from the western side of Melbourne to the east.

Originally Port Phillip, as it was noted at the outset, was named Port King after Governor King, who was the person who gave Grimes his original commission to set off on foot to carry out a survey around the coastline of Port Phillip. However, upon establishing that the bay had been named after him, he elected to name it after Governor Phillip, under whom he had served in earlier years.

Next I shall comment on the land that was owned by the Old Colonists Association of Ballarat, which endeavoured to provide for needy miners in the Ballarat region between 1852 and 1855. The association acquired land within that region and built a meeting place which was also its head office. In addition it acquired land on which it developed a number of units that had a Crown land interest.

The object of the bill is to transfer the land from the Crown for sale and intended acquisition by the old colonists association. The association was established by miners and prominent citizens in Ballarat to assist those who fell on hard times — people who had come out to the diggings but found that life was not so prosperous for them.

Mr Perton interjected.

Mr THOMPSON — The honourable member for Doncaster indicates by interjection that in those days they were young colonists! I point out that, according to notes provided by the association, although it was established principally for the benefit of miners who were on the diggings between 1852 and 1855, in 1883 the organisation was assisted by middle-aged miners and prominent citizens to help those who had fallen on hard times.

A hall was completed in 1889 as a meeting place for members and the administration centre for philanthropic work. The old colonists association is one of the most unusual and oldest philanthropic associations in Australia. On a marble plaque at the top of the stairway are listed the names of members under the year in which they died. There are apparently some 800 names on the plaque, and descendants come from all over Australia to research their family histories and to find their forebears' names.

I understand there may be a number of members of this chamber whose forebears held membership and who themselves hold membership of the Old Colonists Association of Ballarat. The association continues to assist the aged and needy by providing low rental housing in 33 cottages at Charles Anderson Grove and 6 units in Ascot Street, Ballarat, and it works as a non-profit entity. It is worth noting also the outstanding work undertaken from time to time by not-for-profit organisations. In Australia today a large number of organisations continue to work on a voluntary and philanthropic basis.

The object of the bill is to enable land to be excised from Crown ownership, to facilitate the philanthropic work of the old colonists in Ballarat and to further their objectives in providing suitable housing. The land may have appreciated considerably in value since it was first utilised by the association. There is some open space at the back of the area that has prospects for further development and will certainly advance the cause of that organisation.

In earlier years other legislation has been introduced into this chamber to further the work of the old colonists. In its original Crown grant a restriction was placed upon the association's title, which limited the extent to which it could borrow against its landholdings.

This chamber undertook good work to remove that encumbrance on the title to enable the old colonists association to mortgage the land so it could more effectively utilise its resources and further its objectives.

A third element in the bill concerns the Barwon Heads Golf Club, an historic club on the Victorian coastline. The clubhouse, which was established in the early part of the century, was ideally located. A segment of the land was owned by the Crown. At one point there was a land swap, whereby some more attractive coastal land was transferred to the golf course and land transferred by the golf club to the community for a coastal park.

Negotiations have now been conducted with the department and the club to provide a legal right of access to property owners who have properties in the adjoining Stephens Parade.

The course has fulfilled an important role in the history of the Barwon Heads coastal community. It is an important recreational resource and a tourist asset for that district. A number of members of this chamber have assisted in facilitating the legislation, including the

honourable members for Barwon Heads and Bellarine, both fine sportsmen in their own right.

I will share one brief story with the chamber about a game of cricket played at the Melbourne Cricket Ground last Friday week. It involves the honourable member for Bellarine and a former Prime Minister of Australia. The honourable member for Bellarine clean bowled the former Prime Minister, who served this nation between 1983 and 1991, or thereabouts. I introduce that anecdote to show the keen sporting ability of honourable members in that precinct.

I note the importance of effectively utilising land throughout Victoria for a multitude of purposes. In Victoria some outstanding work was undertaken by the former Land Conservation Council, which was established in 1970 by a former Liberal government. The achievements of that time include the establishment of the Conservation Trust and the Environment Protection Authority, great measures that involved innovation and foresight. The establishment of the EPA involved the development of visionary legislation that was used as a model for regulating the use of land, air and water, as well as supervising and monitoring their quality. Those are examples of the range of initiatives within the province of government.

The bill deals with the development of the Charles Grimes Bridge in the Lower Yarra area; the reallocation of land at Barwon Heads, which concerns the reversal of land ownership — some in the hands of the state and some in the hands of the Barwon Heads Golf Club — to achieve a more effective outcome for club users; and the work undertaken in Ballarat involving the old colonists association.

I am pleased not only to contribute to the debate but to articulate the background of the legislation and to note the outstanding work done in land management in Victoria. Another feature of that management is the percentage of the coastline that is in public ownership. As it relates to the Barwon Heads land, one can ascertain the effective work involved in having a strip of land in public ownership that provides free access to Victoria's coastline.

Reference was made in the chamber earlier today to important management aspects of Victoria's 264 kilometres of coastline on Port Phillip Bay, including managing the movement of sand along the coastline and ensuring the safety of people walking along the top of and at the base of cliffs. A tragic event occurred 11 years ago in Beaumaris when a young fellow who was walking near the base of a cliff was killed when he was buried in sand as a result of the

unforeseen collapse of the cliff face. It is important that the government have strategic plans in place for the management of its assets to ensure that the community has the opportunity to enjoy Victoria's national and state parks, and other recreational areas.

Bill Borthwick, a former conservation minister, regarded as one of his great achievements the gradation of parks to ensure that Victoria's major parks such as those at Wilsons Promontory, Mount Buffalo and Wyperfeld, which are among the great assets of the state, were not, to use his words, 'loved to death', but were managed in an appropriate way.

While on the one hand the bill has been described as perfunctory, on the other hand it will enable a number of local organisations to fulfil and further their principal objectives. It will enable the old colonists association to continue its philanthropic work and the Barwon Heads Golf Club to give its members and visitors to the region access to a fine golf course. It will also give the local Barwon Heads residents appropriate road access to their dwellings, which as a result of some inadvertent planning in earlier years has not been provided.

Finally, the bill will correct an error caused by the erroneous alignment of the Charles Grimes Bridge when its construction to replace the Johnson Street Bridge was not properly undertaken. I would be interested to know whether the state of Victoria will be able to recover the outstanding costs it was required to contribute — that is, the \$80 000 paid to the lessee at the time and the \$270 000 paid to acquire the land.

I am pleased to support the bill on behalf of the opposition.

Mr KILGOUR (Shepparton) — I support the Land (Further Revocation of Reservations) Bill, which provides for the revocation of reservations over three parcels of land — one at Ballarat, one at Barwon Heads and one at the Docklands — and which also involves a Crown grant affecting one of those parcels.

The National Party believes the bill is necessary to provide for the revocation of the land in question. However, the name of the bill could be changed to the Embarrassment Bill, because there is no doubt that these parcels of land are the cause of great embarrassment, not for the government — which is what some government members look as though they thought I was going to say — but for various people who have had to have the bill introduced.

The first of two causes of embarrassment involves the 90 square metres of public purposes reserve adjacent to the Charles Grimes Bridge which was duplicated as

part of the Docklands development. Those who have been going to watch the football or whatever at the Colonial Stadium will have seen the great improvement in the movement of traffic on the Charles Grimes Bridge since that duplication. However, as a part of that development the bridge was constructed under a non-conforming contract, which is a nice way of saying the builder made a blunder! The builder constructed the bridge outside the area within which it should have been constructed, and it has therefore taken up land that it should not have taken up. The eastern side of the structure has encroached on the adjoining reserve, and as it was established that a redesign of the bridge would lead to substantial additional costs and time delays, it is necessary to make an amendment to the piece of land the bridge has been erected on.

The government has sought and been given an assurance by Vicroads that it will take all necessary steps to recover from the contractor the cost of the land acquisition and all other related costs. I am not sure whether Vicroads or someone else failed to notice that the bridge was being constructed in the wrong area, but it has happened and there is a need to pass this bill to ensure that the reservation is corrected.

A parcel of land that is not a cause of embarrassment is the 4 hectares at Ballarat, which was reserved as the site for an asylum for indigent members of the Old Colonists Association of Ballarat. I will not call the honourable member for Ballarat West an old colonist — —

An opposition member interjected.

Mr KILGOUR — She may be very proud to be called an old colonist, but I am sure the honourable member for Ballarat West has come across some of the old colonists.

Ms Overington interjected.

Mr KILGOUR — The honourable member for Ballarat West informs me she is, in fact, a member of the old colonists association. I am not sure whether 'old' is the operative word, but she is certainly a member of the Old Colonists Association of Ballarat. The land was reserved in 1929 and vests in the trustees of the association, which was incorporated by virtue of a restricted Crown grant. It is a benevolent organisation, as has been mentioned by the honourable member for Sandringham, and was established in Ballarat after the gold rush to honour the enterprise and energy of the early settlers and assist the elderly and indigent old colonists, their widows and descendants. The association has applied to purchase the site to further its

benevolent activities and the site has been assessed as having no public land value to warrant the retention of the Crown estate. The National Party supports the transfer of that land to the association.

The honourable member for South Barwon would know well the third piece of land, and so too would the honourable member for Bellarine, who has on many occasions played golf at the Barwon Heads Golf Club. It is a very nice course indeed. I have also played golf there and I understand that a number of members of Parliament have held a golf competition on the course. The 4462 square metre portion of public purpose reserve adjoining the Barwon Heads Golf Club at the end of Golf Links Road in Barwon Heads is the second cause of embarrassment. A formed road on the reserve currently provides access to a housing estate at Stephens Parade, and the road also encroaches on the land of the Barwon Heads Golf Club. However, as it is not a formally proclaimed road there is no legal access to Stephens Parade and the housing estate is essentially landlocked.

It is the cause of tremendous embarrassment for the local municipality that that was allowed to happen. Parliament must now revoke that reservation of land to enable the people living on the housing estate to drive to and from their houses on a formally proclaimed road.

I certainly support the honourable member for South Barwon in his efforts to ensure that these people were looked after and that the government took the matter on board. People in the housing estate will forever thank the honourable member for ensuring that they could drive to and from their homes. I am sure the Barwon Heads Golf Club would also be happy to have the situation resolved.

The National Party supports the bill. I am sure that all those involved with the three parcels of land will be pleased to see the passage of the bill through the house.

Mr HOWARD (Ballarat East) — I am pleased to speak on the Land (Further Revocation of Reservations) Bill which, as we have heard, will enable the revocation of three reservations of Crown land around the state, an act the government has embarked upon because of some identified problems with previous land boundary alignments — in the case, at least, of the Barwon Heads Golf Club area and the area adjacent to the Charles Grimes Bridge.

Let me take the house through the three areas of land and the reasons for the necessity to bring about the revocation of their Crown reservations. I will start with

the Ballarat land, since it is land with which I am familiar and an area which I travel past regularly.

Mr Perton interjected.

Mr HOWARD — Gee whiz! Some people are ignorant about the comments they make when they interject. I wish they would get some facts right.

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

Mr HOWARD — As I regularly go along Gillies Street, I pass the land which is subject to this particular revocation. It contains the Charles Anderson Grove cottages, which were constructed by the Old Colonists Association of Ballarat to provide housing for some of its older members who were in need of housing. As members are aware, the old colonists association is a club in Ballarat with a great history of providing support for local people with identified needs following the early gold rush days.

The old colonists association has a colourful history. Its main building in Lydiard Street, Ballarat, is a very fine historic building in which many significant events are held to remind people of the great history of Ballarat. One of the events held in the old colonists association building at least once a year, in December, relates to the Eureka Stockade commemoration, and sometimes other mid-year functions are held there to recognise the Eureka event. People attending those occasions have included patrons of the Eureka Trust — both Malcolm Fraser and Gough Whitlam have attended. In their addresses speakers at the old colonists association have regularly illuminated people about the history of the Eureka Stockade and many aspects of the great history of Ballarat. The association also provides an opportunity for the members to meet regularly each week, share camaraderie, and raise further funds to support people in need in Ballarat.

The old colonists association does a great job, is a significant part of the history, and has been able to continue, adapt and flourish in Ballarat. With the sale of the land that was associated with the former Lakeside Psychiatric Hospital the association recognised that it needed to have security of the land on which it had right of occupancy, so it applied to the government to have the land upon which the cottages stand brought under its ownership. This piece of legislation will enable the old colonists association to own the land upon which the cottages it built many years ago stand and therefore have more adequate control over the ongoing development of the site. I am certainly very pleased to support this part of the bill.

Not far from where I grew up in Geelong and where my parents still live is the Barwon Heads Golf Club. It is an excellent piece of land and, as the honourable member for Bellarine is clearly aware, the Barwon Heads Golf Club is a great club. It is regularly visited by wallabies, which sometimes present challenges to the golfers.

Mr Spry interjected.

Mr HOWARD — Harry Cook, who was the club manager for many years, told me there were wallabies there, but I am prepared to concede that maybe it is just bunnies like the honourable member for Bellarine who hop across the course and present a challenge for the golfers!

As we have heard from previous speakers, an identified problem has been associated with the Stephens Parade housing development adjacent to the Barwon Heads Golf Club. When the road issue was looked at it was found that the road is not a proclaimed road and that part of it runs across land presently owned by the golf club. There was a need for a sensible arrangement to be entered into between the club and Land Victoria to see how the challenge could be overcome. I am pleased to see that with the sensible actions of Land Victoria and the Barwon Heads Golf Club a suitable resolution has been reached. The part of the bill that deals with the land will enable that to take place so the residents of Stephens Parade will be able to formally and reliably have access through to their houses. I am pleased that sensible negotiations have taken place to enable the people in the Barwon Heads area to be confident about their future.

The third parcel of land identified within the proposed legislation is a very different kettle of fish. It relates to the Charles Grimes Bridge and, as we have heard, a very embarrassing issue that arose in its construction — that is, that after the plans were drawn up and the early part of the construction had started it was realised that the bridge was not built on the Crown land it was supposed to be built on but was built partly on private land.

That caused many complications. It was possible for the government to have forced the constructors of the Charles Grimes Bridge to change their plans and go back onto the proposed alignment. However, that would have been very costly and caused the loss of a great deal of time in the construction of the bridge.

Some degree of commonsense has prevailed in that it has now been determined that it is appropriate to revoke that parcel of Crown land to enable it to be passed on to the private owners who would have otherwise lost land.

I understand the government has advised Vicroads that it should take all possible actions to ensure that the contractors who were responsible for the error are required to cover the necessary costs to ensure that recompense can be made and that the mistake can be corrected in a reasonable manner.

Certainly now that it has been completed the Charles Grimes Bridge provides a much improved entry area for people who wish to enter the city area from the south-west, and is very useful for those going to Colonial Stadium or other areas of the Docklands. However, the government was somewhat disappointed with what it found with the contracts that were entered into by the former government for the reconstruction of the Tullamarine Freeway and the City Link project. Although it would be useful to allow traffic to flow after it comes across the Grimes bridge into the city and the Docklands precinct and to head directly north-south to the west of the Docklands stadium, which would suit many travellers and help to reduce traffic flows into the city, unfortunately because of the poor way the contract between the former government and City Link was drawn up, if the government were to make that road open to the public it would be required to pay costs.

It is a great disappointment that members of the public cannot have the full benefits of the Charles Grimes Bridge in the form of the traffic flows that could be generated as a result of its construction.

I am pleased to support the bill. It is a commonsense measure. It demonstrates that the government is prepared to work to solve problems and that Land Victoria is able to act soundly to revoke land reservations where necessary and in circumstances where communities can benefit as a result. Although three relatively small amounts of Crown land are involved, the bill will enable land to be used more practically by the community in the future. As I said, I am pleased to support the bill. I trust it will have a speedy passage.

Mr PATERSON (South Barwon) — At the outset I must declare an interest. I am a member of the Barwon Heads Golf Club, although given the number of times I play, I do not think I have a handicap at the course. Nevertheless, one day I will return to the course — and perhaps get a few lessons from the honourable member for Bellarine, who as everyone in the chamber knows is a very competent golfer.

The land swap in Barwon Heads had its genesis more than a decade ago, when safety along the track through the golf course increasingly became an issue as the years went by. I suppose decades ago the track through

the golf course was used less than it was before certain recent events closed the road, and that traffic was not much of a problem. As time went by and cars became more numerous and faster the problems associated with traffic along the track through the golf course became significant. When I became a member of Parliament in 1992 the issue had been the subject of considerable debate. It has taken until now, during which time there has been a change of government, for the matter to be brought to some sort of conclusion.

One of the first issues to be resolved was what was to be done about the track through the golf course. History shows that the track wandered on and off Crown land — some of it was on private land owned by the golf club and some of it was on Crown land, where it should have been. When people in the town debated it there were views on both sides of the issue of whether in the main the track should be closed to traffic, except for traffic destined for the golf club and the now much-talked-about Stephens Parade, which has not previously received as much publicity as it has in the chamber tonight. There are not many houses in Stephens Parade!

The decision ultimately reached was to close a section of the road, which would prevent traffic going through the golf course track onto 13th Beach Road. While there was some passion in the debate among many in the town as to whether it was a good idea, in the end commonsense prevailed and the track was closed, so that it did not go through to 13th Beach Road but was left open for traffic accessing the golf course and Stephens Parade. More importantly for the town, it remained open for pedestrians and cyclists so they could still take a leisurely trip through the golf course to get to the beach. Now vehicles have to go around the town and past the caravan park to get through to 13th Beach Road.

In the early 1990s there was some debate among a handful of people about whether the golf club was just attempting to better its position by arriving at that solution. As the debate continued it was acknowledged that the arrangement was a commonsense solution for traffic management in the town. While there is no question that it was pushed by the golf club, certainly the local council, the City of Greater Geelong, saw the merits of the plan and supported it from the outset. The local councillor indicated his strong support. The bill clarifies the plan that has evolved over the past decade. As I said, it brings to a conclusion the closure to cars of the track to 13th Beach Road, with pedestrians and cyclists still being allowed through.

The Barwon Heads Golf Club is no stranger to the house. Indeed from time to time acts of Parliament have been passed to deal with situations that have arisen in the area. I am indebted to the honourable member for Sandringham, who has undertaken significant research into the Barwon Heads Golf Club. Perhaps he wishes to be put up for membership.

Honourable members interjecting.

Mr PATERSON — For the record, I jest about the wishes of the honourable member for Sandringham. He has directed my attention to an act of Parliament that was passed in September 1960. For decades the first six fine holes of the golf course were on Crown land and the golf club owned a significant portion of land at the other end of Barwon Heads, where the Village Park is now. In 1960 it was agreed that those two pieces of land be swapped. The land now known as the Village Park, or the 58 acres — and I am happy to say that in *Hansard* of 1960 it appears as the 58 acres — was considered to be a suitable land swap. I note that *Hansard* records the relative values of the two pieces of land. The land that was to be surrendered by the golf club was valued at £13 000 and the land where the first six holes are positioned was valued at £7400 — and inflation would have taken care of that over the past 40 years! Unfortunately, *Hansard* does not note what consideration was given either way for the swap.

Back in 1960, the people of the town clearly had a lot of discussion about the plan, as they have had about the most recent plan. *Hansard* notes that it was supported by practically every organisation in the town, including the South Barwon Shire Council, which does not exist any more; the Barwon Heads Lions Club, which certainly does, with Ocean Grove; the Barwon Heads RSL, and that certainly is still there; the progress association, which still lives; the Barwon Country Women's Association, which unfortunately has fallen by the wayside; the Barwon Heads Infant Welfare Committee, and certainly there is a maternal and child health centre there now; and the Barwon Heads branch of the Australian Labor Party. Regrettably for supporters of the ALP that branch is now defunct.

Honourable members interjecting.

Mr PATERSON — The list continues with the Barwon Heads Football Club — and the Seagulls are going from strength to strength. The state school is still there, although I am not sure whether the mothers club still exists. The Barwon Heads Red Cross Society is still going strong, and the fire brigade is certainly still there. I note the interjection in *Hansard*, and it was later confirmed that the local branch of the Liberal and

Country parties supported the exchange. While the term 'Country Party' is no longer current, the Liberal Party branch in Barwon Heads is still very much alive and going from strength to strength.

The bill indicates the significant history that attaches to the Barwon Heads Golf Club. It refers to the instrument of the original reservation, which dates back to an order in council of 25 October 1880 — a long time ago.

The golf club, which has a marvellous history in the Geelong region, has had very few professionals for one good reason. One of the professionals was employed for 56 years, which was a long time. His name was Bud Russell, who has now passed away. He was brought over from Scotland when he was 19 years old by Stanley Melbourne Bruce, a former Prime Minister of Australia. Mr Russell retired not long ago at the age of 75, and was much loved in the town.

The bill deals with the practical issues affecting the Crown land at the Barwon Heads Golf Club. It is a pleasure to speak on the bill and support it.

Mr HELPER (Ripon) — It gives me pleasure to support the Land (Further Revocation of Reservations) Bill. I will restrict my comments to clause 4, which provides for the revocation of the reservation and Crown grant over land at Ballarat. The land is currently set aside for an asylum for indigent members of the Old Colonists Association of Ballaarat. What a grand-sounding purpose!

Reading through the clause I knew straight away that the motives of the Old Colonists Association of Ballaarat would be pure, because it is a fine association. However, I was not 100 per cent sure of what 'indigent' meant. The trusty thesaurus of — —

Mr Leigh — You're a schoolteacher!

Mr HELPER — No, I was not a schoolteacher, I was in small business.

The trusty thesaurus in the current version of Microsoft Word provides a number of meanings of 'indigent', such as poor, needy, impoverished, poverty stricken, penniless and destitute. The meaning that most explains the word is 'impecunious', which is a quaint way of describing what the old colonists association is doing with some cottages on that piece of land.

In summary, the grand-sounding clause allows the old colonists association to have control over land on which it has cottages for needy families. What finer motive could there be? Currently the association does not have control over the land, and the bill facilitates the change.

The club is located in Lydiard Street, Ballarat. Those honourable members, myself included, who have had the opportunity to visit the club would agree that it is housed in a magnificent building and is a worthwhile and lively community organisation. The building and the club facilities are historic, and the association's purposes are treasured by the people of Ballarat. I was planning to join the association some time ago —

Mr Leigh interjected.

Mr HELPER — That is, if they were so kind as to admit me to their august organisation. Regrettably, thus far I have procrastinated. However, in a way that is fortunate because I do not have any conflict of interest!

I commend the honourable members for Ballarat West and Ballarat East for their ongoing support of the old colonists association. The honourable member for Ballarat West has been working hard with the association to resolve the land issue. I commend the bill to the house and wish it a speedy passage.

Mr SPRY (Bellarine) — At the outset I wish to declare an indirect pecuniary interest in the Land (Further Revocation of Reservations) Bill. I am a member of the Barwon Heads Golf Club — and by a strange coincidence I am wearing a tie that is similar to that club's tie, which is beside the point. However, I defer to my colleague the honourable member for South Barwon, in whose electorate the club is situated.

I am grateful for the bipartisan approach taken by the house, particularly on the Barwon Heads issue. It was interesting to listen to the comments of the honourable member for Ballarat East, who extolled the virtues of the wallabies on the Barwon Heads golf course. I remind him that the last time wallabies graced the golf club land was probably when William Buckley was a boy! The honourable member was probably thinking of Anglesea Golf Club.

Despite that minor inaccuracy I am grateful to him for his remarks, because this bill concerns not only the Barwon Heads Golf Club in particular but also the general issue of safety. I have an intimate knowledge of that issue, because my wife, Robin, was a committee member of the Barwon Heads Golf Club for some years. I know she and other members of the club agonised over the safety issues pertaining to golfers' enjoyment of the club's facilities. In moving from the clubhouse to the first tee and the pro shop they had to cross the road that is the subject of this bill, and in doing so they were in danger — to use the vernacular — of being skittled by enthusiastic motorists heading along Golf Links Road to the popular

13th Beach Surf Lifesaving Club. So I am intimately aware of the danger that posed to the golfers, which is why I am so enthusiastic about the passage of the bill.

The bill is important because it affords protection not only against vehicles but also against other golfers! I would be derelict in my duty if I did not recount to the house an incident that occurred when a number of members of Parliament took part in a bipartisan event at the Barwon Heads Golf Club. My colleague the honourable member for Kew let one go across the road to which I have referred. It was a mighty drive that travelled along a remarkable parabolic trajectory as it headed from the 7th tee, landing not more than 10 feet from the green. Sadly, the ball did not fall at the 7th green but completely cleared the club house and landed very close to the 18th. The bill makes allowance for those sorts of wayward shots by wayward golfers. It will protect golfers and vehicles alike, because drivers will be able to take note of the conditions and slow down if necessary to avoid such dangers.

A number of people who have been involved with the Barwon Heads Golf Club, particularly its past presidents, will be delighted to see this bill come to fruition. The issue has occupied the thoughts of golfers and Barwon Heads townspeople alike for a long time. I speak of such luminaries as Miller Lowe, Noel Ritchie, Peter Motteram and the current incumbent, Ross Bradfield. It would be a red-letter day for those people, although I do not see any of them in the gallery this evening. They have worked hard to achieve this result.

Essentially, the bill is a safety measure. As a member of the club I will be pleased to see the bill pass through the house. If these provisions had not been introduced and the problem had gone on for much longer, people would have been grievously injured.

Mr SEITZ (Keilor) — I support the Land (Further Revocation of Reservations) Bill. Most honourable members feel good about and talk in support of this bill because it saves community groups and organisations much agony. I was a councillor of the former City of Keilor, which faced a similar situation. That created much difficulty, strain and stress for many people. The old Keilor municipal town hall was built on Crown land, but a year later it was discovered that the council did not have title to the land. It caused a great deal of embarrassment for all the council officers and bureaucrats concerned. I remember how we as elected councillors felt about ratepayers' money being spent on the property.

The situation required the government and the minister of the day to bring in an amendment similar to the one

before us. I commend the minister for her action, particularly as it involves community groups.

Some of them have been oversights on the part of planners. I am bewildered that in this day and age these oversights can still happen. Both the former government and the Cain government spent a lot of money in locating and mapping all Crown land and creating a database. Over the years land such as swampland in which no-one was interested has become valuable land and its use has changed. Much of this land was in country areas and people did not know who held the freehold. To the best of my knowledge a large database containing that information is available and held by government departments. Planners should not be let off lightly. The passage of the bill will help community groups, but planners should note that it should not become a routine matter because of sloppiness in their own work.

The Charles Grimes Bridge is only a recent happening. Although the contractor or some other person or company cannot be blamed, someone was responsible for supervising the project! Were proper procedures not followed because of the former government's haste in doing the job? Those things concern the government because in the end it is the taxpayers who must meet the bill.

The Land (Further Revocation of Reservations) Bill is a public interest bill. The people who benefit from its provisions will also receive a monetary benefit as they will not have to pay for the passage of the bill and associated costs caused by errors made by the golf club, the council or whoever issued the permit in those days. These things require to be put on public record as there is always a cost to the taxpayer when errors are made. Careless public servants and people with responsibility for administering these situations should be more careful in the future.

I am sure that in the future bills will need to be passed to correct errors made before modern databases and record keeping were available and boundaries and titles used the Torrens system, all of which caused confusion. With Australia's modern system of preparing and recording titles, which is the best in the world, these situations should no longer occur. People should examine up-to-date government archives and do their homework before authorising planning permits, rezoning properties or changing the use of land. It may be reclaimed land or land that looks like a bit of bush and someone thinks it is nature and part of their farm or estate and it goes with the sale; it may be land left by someone in their will and held in trust which is then discovered to be public land.

When you travel through Victoria you often see some odd parcels of land that have returned to bushland because no-one has cared for them. When the matter is investigated it is found to be land forgotten by family members, some of which has been reclaimed by local government because of rates arrears or some of which has returned to Crown land.

I commend the bill to the house. Although it will be passed it should be remembered that costs to taxpayers are always involved when errors are made. I wish success to those who benefit from the bill and congratulate them that they will have safe grounds and title to their properties. It is good that an issue messed up by someone in the past will be resolved.

Mr SMITH (Glen Waverley) — The Land (Further Revocation of Reservations) Bill is an interesting one that has the support of both sides of the house. It refers to reservations at Barwon Heads, land in Ballarat — the old colonists association — and the Charles Grimes Bridge.

In 1973 the *History of Barwon Heads Golf Club* was published, and it is interesting to have some background on the club. It was established in 1907 and in 1910 it purchased land about 1 kilometre north of its present site, and on it a flat nine-hole links was laid out. A painting of the original modest clubhouse is hanging in the club museum.

In 1920 land which now constitutes the present links to the west of Golf Links Road was purchased and laid out for the club by Vic East, the then Royal Melbourne club professional. Unlike today, the land was quite treeless and much effort was put into developing it.

At the annual general meeting on 15 December 1922 the committee was authorised to plan for the erection of a suitable clubhouse. Part of the authority to the architects states:

The buildings are to be of the nature of a country club to accommodate both sexes and the cost not to exceed \$12 000.

You would hardly build an outhouse for that amount in the current climate! The clubhouse, which was officially opened in 1924, received glowing reports in the press.

The next part of the bill deals with the Old Colonists Association of Ballarat land. An extract from *Hansard* of 1903 states:

The old colonists association was started for the purpose of assisting in sickness the old colonists of Victoria. Unfortunately for the association, when it had the ground given to it by the government, there was a clause inserted in

the grant which prevented the trustees from mortgaging their property. It was necessary for the committee of management of the Old Colonists Association [of] Ballaarat, to get an advance, and in order to do so they desired to mortgage the property. But they were unable to do that, for the reason I have explained, and, consequently, the gentleman who had advanced the money asked a higher rate of interest than would have had to be paid if the committee could have gone into the open market.

The third part of the bill, which is very interesting, concerns the Charles Grimes Bridge. I thought the house would be interested to listen to an extract from the *Journal of Exploration of Port Phillip*. It records events from February 1803 as follows:

Tuesday, 8 February 1803

Sowed some seeds by the natives' hut, where we slept. Continued our course up the river; the land high; rocks by the side of the river; it is a freestone, the strata on edge. Came to a fall, where we could not get the boat over. We went inland a little way. It is stony, about six inches black stiff soil, white clay at bottom. Mr Robbins got up a tree; saw it to be gently rising hills, clothed with trees, for 10 or 15 miles.

Mr Plowman — This is fascinating stuff!

Mr SMITH — I thought you would find it to be so. I am fascinated that the honourable member for Benambra would interject in such a way! Like his colleague the honourable member for Bellarine, with whom he went to kindergarten and who is a lifelong friend — —

The DEPUTY SPEAKER — Order! We will have no reflections on honourable members in the house!

Mr SMITH — I am just letting him know that if he wants to interject we can remember — —

An honourable member interjected.

Mr SMITH — This is where the Yarra River was discovered. It is interesting, because when the current bridge was put up in 1999 it was discovered to be 2.7 metres by 32 metres out of alignment. Tonight we are trying to regularise an unfortunate part of the survey that went wrong.

The bridge is part of Melbourne's heritage and something we all treasure. By supporting the bill we are ensuring that we regularise and put right something that was done many years ago.

Like other speakers before me, it gives me great pleasure to support the bill and wish it a speedy passage.

Ms GARBUTT (Minister for Environment and Conservation) — I thank the honourable members for

Sandringham, Shepparton, Ballarat West, South Barwon, Bellarine, Ripon, Glen Waverley and Keilor for their contributions to the debate on the Land (Further Revocation of Reservations) Bill.

This is a simple bill on which there appears to be little substantial difference between the parties. It revokes the reservations on three pieces of land at Barwon Heads, Ballarat and South Melbourne — specifically, the Charles Grimes Bridge.

While we have heard a lot of history and some general discussion about the areas involved, there appears to have been no debate on whether we should revoke these reservations and make them available for other purposes, as outlined in the bill. I again thank honourable members for their contributions.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

HEALTH RECORDS BILL

Second reading

Debate resumed from earlier this day; motion of Mr THWAITES (Minister for Health).

Ms BEATTIE (Tullamarine) — The purpose of the Health Records Bill is to promote the fair and responsible handling of information by protecting the privacy of individuals and the health information that is held in the public and the private sector, providing individuals with a right of access to health records in the public sector, and establishing an accessible framework for the resolution of complaints about the handling of health information.

Unlike the Information Privacy Act, which deals with the privacy of information in the public sector other than health information, this bill covers health information relevant to both the private and the public sectors. It does not make provision for the development by organisations of approved codes of conduct as an alternative to applying the principles prescribed in the act.

An important aspect of the bill is who it covers — for instance, health insurance employers, schools and gymnasiums. Honourable members may remember some time ago an item on one of the television programs — I am not sure whether it was *A Current*

Affair — about a weight loss centre that actually closed and left all of its records in the laneway. People were obviously very distressed about those records with all their personal information being left in the laneway because their lives could have been endangered had those records and personal details fallen into the wrong hands.

This bill is important. People are entitled to have their own health records, and I am sure the Minister for Health will have a record of events that transpired in the ministerial car last night! He will keep those records as they should be kept. The health minister is truly a hands-on health minister!

In the limited time available all aspects of the bill have been covered well, and I share the wish of the honourable member for Caulfield that the debate be of an excellent standard. I hope opposition members can achieve that standard very soon when they are over their party room troubles. I commend the bill to the house.

Mr DELAHUNTY (Wimmera) — I am pleased to speak on the bill in the short period that I have. I note with interest that the purpose of the bill is to protect the health information held by the health service providers and also to create an enforceable right to access health information. My colleague the honourable member for Rodney has outlined some of the concerns of the National Party, and I will cover a few of those. As we all know it is a far-reaching bill, covering 152 pages. The Fair Employment Bill is 183 pages, so obviously it is in that parameter.

The scope of the bill is very broad. I speak on behalf of the Wimmera electorate when I say that the cost to country providers is a concern. With the limited health budget a cost will be involved for all service providers, which is particularly worrying for country areas where providers are hard to get. There is also concern over the cost of recovery for other private providers.

I am particularly concerned about people who live, as I do, along the South Australian border. The bill applies only to Victoria, and with people moving interstate the government must look at that provision.

Concern has also been raised by hospitals about duplication between the FOI act and this legislation and duplication between the role of the health commissioner and the Victorian Civil and Administrative Tribunal. There is also concern raised by the Scrutiny of Acts and Regulations Committee about the retrospectivity of the legislation. However, given that the bill is supported by health care groups I, along with my National Party

colleagues, am not opposed to this bill, even though we have some concerns about it.

Mr THWAITES (Minister for Health) — I thank all honourable members who have taken part in the debate. The bill fulfils a key element of the government's election commitments regarding health policy, and it gives consumers a right of access to their health records, even those that are held by private sector organisations. The extension of the right of access beyond the public sector is very important. It will rectify a major disparity between the rights of persons who receive treatment from public health care agencies and those who receive services from private practitioners or private bodies.

Although it is critical for consumers it is also a major development for the private sector. As was the case when the Freedom of Information Act was introduced some 20 years ago, private organisations that hold health information will have to become familiar with applying a new law. That will involve assessing the current information-handling practices to ensure compliance with health privacy principles. It will also require the development of skills to comply with the access regime. I acknowledge that there will be a period of adjustment. It is important to ensure organisations are given adequate support to fulfil their new duties. Consumers will also need to be assisted in understanding the nature of the rights created under the bill.

A key role of the Health Services Commissioner will be to ensure that adequate educational material is available to consumers and health service providers and others covered by the legislation. This information will need to explain how the health privacy principles and access regime apply to them. I understand that the commissioner is mindful of the importance of this task and is keen to make education a high priority.

It will also be necessary for regulations to be made by the Governor in Council to fix the maximum level of a number of fees that may be charged by organisations when they provide access. This includes the maximum fees for providing a copy or summary of health information.

A regulatory impact statement process will be undertaken regarding the making of these regulations. It will set out the draft regulations. It will also canvass the financial and non-financial benefits and costs associated with the different options for setting fees. Before the regulatory impact statement is prepared consultation will occur to ensure that the regulatory impact statement adequately takes into account the variety of

situations in which health information is handled and the diverse nature of health records. It will be necessary for the regulations to strike a balance between allowing adequate cost recovery for health providers and not setting fees that are prohibitive for applicants. The regulations will be made only after full consideration is given to submissions received.

Finally, I thank all of those who contributed to the preparation of the bill, those in the Department of Human Services who worked over a long period in its preparation and the Health Services Commissioner, who has also played a very important advisory role. The government appreciates the time and effort involved in such a consultation process and the value of the advice provided.

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 reading of the bill requires to be passed by an absolute majority. I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

Motion agreed to by absolute majority.

Read second time.

Committed.

Committee

Clause 1

Mrs ELLIOTT (Mooroolbark) — The opposition does not oppose the bill. However, maternal and child health centres, preschools, child-care centres, juvenile justice centres and services for those with disabilities, both day and residential, will be caught by the provisions of the bill.

I ask the Minister for Health whether such organisations have been informed that they will be caught by the provisions of the bill. Are there procedures in place for proper records to be kept, and who will reimburse them for the costs incurred, particularly organisations such as juvenile justice centres where inmates may have HIV status, be drug users, or suffer from hepatitis C or B?

Compiling longstanding records of maternal and child health centres would involve staff in efforts of collation, and people may seek information many years after they were attendants or patients at such organisations. I ask

the Minister for Health for an assurance that those organisations will be properly funded to enable them to deliver this service to their clients.

The ACTING CHAIRMAN (Mr Plowman) — Order! Given the time, will the minister be erudite and succinct?

Mr THWAITES (Minister for Health) — Yes, I will be. The information on the medical background the honourable member has referred to in those various organisations will already be kept. Most of the organisations would already be subject to the Freedom of Information Act so they would be fairly well prepared for this type of legislation. The legislation will have probably a greater effect on private sector organisations.

However, the key change that will affect them all is that in general the organisation must use the information it has only for the purpose for which it was disclosed. That is an important issue, and there will need to be an education campaign throughout the community and in those organisations to ensure people know that. It is not a terribly complex issue, but an important one nevertheless. I believe it is the sort of thing that with goodwill and cooperation we will be able to achieve.

Dr DEAN (Berwick) — My concern relates to medical practitioners who fear that as a result of the legislation their private notes will have to be revealed, where to do so will cause difficulties for both them and the patient. If practitioners do not release their notes, the health commissioner may examine the notes and force them to be revealed. What protection do those medical practitioners have?

Mr THWAITES (Minister for Health) — Different provisions apply to historic records and prospective records, acknowledging that for historic records comments may have been made by practitioners that they do not want revealed and did not expect to be revealed. For historic records there is a provision only for a summary of the therapeutic aspects of the record.

In relation to prospective records, the medical profession is well aware of the legislation. The departmental officers and I have had extensive discussions with the Australian Medical Association about the legislation, and a number of changes were made to it after those discussions. The legislation has its genesis in a draft bill which was released and then amended, and subsequently the new legislation was introduced.

The legislation contains a provision that the information does not need to be disclosed if to do so would put the

health of any person at risk. That is the issue the honourable member has raised, so there is a protection there if someone's health is at risk.

Mr WELLS (Wantirna) — The police write up reports on the incidents they attend, in particular domestic violence, rape, bashings and many other crimes against the person. In all cases the police would write down comments on the welfare or wellbeing of the victim, and in some cases of the offender. Given the types of reports that police write up, at what point does the police force become a health service provider under the act?

Mr THWAITES (Minister for Health) — The police force does not become a health service provider under the act but, like other organisations, the police force is governed by provisions of the act and the health privacy principles that apply. As with kindergartens and other organisations, Victoria Police is already subject to freedom of information legislation. Clause 16 provides that the access regime set out in principle 6 and part 5 of the bill will not apply to documents that are subject to the FOI act. Any request for access to information contained in documents of the Victoria Police will continue to be dealt with under the provisions of the FOI act. The exemptions under that act, which were drafted to accommodate specific issues involved with public administration, including law enforcement, will continue to govern access. If there are law enforcement issues the exemptions under the FOI act will continue to apply.

The other health privacy principles will apply. The Department of Human Services consulted extensively with the Victoria Police during the preparation of the bill to ensure that it was satisfactory and would not hinder the performance of law enforcement functions. A number of the matters that the honourable member has raised are not necessarily health matters but are matters that the police deal with in the ordinary course of their business and will not be covered. However, if there are health matters subject to the exemption I referred to before relating to freedom of information, the police, like everyone else, will be expected to handle them in a manner consistent with the reason for which they got the information.

Mr BAILLIEU (Hawthorn) — I ask the minister to clarify the application of the bill to TAFE (technical and further education) colleges, universities and particularly student unions and the records pertaining to staff and students that those institutions hold, especially about the capacity of students and staff, exemptions, special considerations, assistance that they may require, or personal conditions, and in particular to sports

unions and sports clubs operated by those student unions.

I also ask the minister about the application of the bill to gaming venues, gaming operators, the Crown Casino and the Victorian Casino and Gaming Authority in terms of individuals with gambling problems. In both areas — the TAFE institutes and the gaming venues and operators — what funding is available to the public institutions for storage and record keeping and what information program has been or is to be undertaken to inform those providers of their obligations?

Mr THWAITES (Minister for Health) — The honourable member has raised a number of different issues. I advise him that there seems to be some misapprehension about the effect of the bill. It will not generally require universities, schools or TAFE colleges to keep information that they do not already have. The bill is about ensuring that when organisations, whether they are private or public, have information about a person's health, they deal with it according to proper health privacy principles. The provisions of the act which ensure that in general that information is used only for the purpose for which it was acquired will govern those schools.

However, I agree with the honourable member that it is important that schools and TAFE bodies are fully aware of the effects of the legislation. The Health Services Commissioner will be discussing what is required with the Department of Education, Employment and Training and key organisations such as the Association of Independent Schools, the Catholic Education Office and the tertiary education sector. It is likely that kids will be prepared with fairly simple information for handing to schools, TAFE colleges and other organisations.

In relation to gaming operators and venues, I cannot imagine that they would have health information. If they do it would be minimal. As with other organisations, they would be expected to handle it according to health privacy principles.

The ACTING CHAIRMAN (Mr Plowman) — Order! Pursuant to sessional orders I have to interrupt business and report progress.

Progress reported.

Debate interrupted pursuant to sessional orders.

Sitting continued on motion of Mr BATCHELOR (Minister for Transport).

*Committee***Resumed from earlier this day; further discussion of clause 1.**

Mrs SHARDEY (Caulfield) — Given that residential aged care facilities legally fall within federal jurisdiction as health providers, has the state government negotiated with the federal government to ensure that residential aged care facilities can charge a fee for the provision of health records to residents of such facilities or their relatives who are legally entitled to ask for such records?

Mr THWAITES (Minister for Health) — I am a little confused by the honourable member's point. The legislation is able to apply to all organisations, whether they be nursing homes or private sector organisations, and a problem would occur only if there were an inconsistency with federal legislation. There is no inconsistency in this case, so — —

Mrs Shardey interjected.

Mr THWAITES — The honourable member interjects that the commonwealth government controls the funding and is charging the fees. It controls the funding of the centres, but it does not control the ability of the state to treat those organisations like other organisations. Just as with private sector and other organisations, those centres can charge fees unless the state legislation is deemed to be inconsistent with federal legislation, and I do not believe that is so. I am not a constitutional lawyer, but I believe on its face there is nothing in the bill to indicate inconsistency.

Those organisations are governed by a whole raft of state laws, whether it be the Crimes Act, the traffic act or anything else. I do not think the issue the honourable member has raised is of great relevance.

Mr WILSON (Bennettswood) — I refer the minister to clauses that extend and expand the powers of the Health Services Commissioner, and I ask: will additional resources be made available to allow the Health Services Commissioner to satisfy the new requirements?

Mr THWAITES (Minister for Health) — Obviously the Health Services Commissioner will be playing a key role in relation to this bill, and the government will ensure that the commissioner is adequately resourced. It will ensure that the whole process to be adopted around the proposed legislation is properly covered and that adequate educational and training materials are provided.

Mr BAILLIEU (Hawthorn) — I further ask the minister about the application of the bill to sporting clubs in particular, the records they hold and the duration of record keeping they will be obliged to undertake, be they junior or professional sporting clubs.

Mr THWAITES (Minister for Health) — My understanding is that sporting clubs would not be health service providers, therefore the provisions about those — —

Mr Baillieu interjected.

Mr THWAITES — I will be happy to come back to the honourable member on that point. My understanding is that those sporting clubs would not be required to provide records because they are not health service providers.

Mr BAILLIEU (Hawthorn) — Mr Acting Chairman — —

The ACTING CHAIRMAN (Mr Plowman) — Order! The honourable member has spoken twice on the one clause and cannot speak a third time.

Mr DELAHUNTY (Wimmera) — In relation to concerns I raised about cost recovery, particularly given the limited health budget for most rural hospitals, I ask whether the minister has looked into the issue of time costs for doctors in particular and costs for hospitals and other health providers under the bill.

Mr THWAITES (Minister for Health) — Hospitals are already subject to the Freedom of Information Act so they are well used to this type of regime, and it will not cost them any more. Medical practitioners are part of the regime, which is why we have put in place a fee-setting arrangement based upon a reasonable fee. We have had extensive discussions with the Australian Medical Association.

The honourable member for Mildura has raised concerns about that issue, to which we have responded. We believe there is now in place a reasonable balance between the benefits to the public and consumers on the one hand and the cost to the health service providers on the other. The system will be going through a proper regulatory impact statement process, which will ensure that people have a full say, and in that way it will be very fair.

The advice I have received on the sporting clubs point is that it applies only for as long as they need to hold the information.

Mr Baillieu interjected.

Mr THWAITES — No, if they do not need to retain that information and they are closed or whatever else, they do not have to retain it.

Clause agreed to; clauses 2 to 137 agreed to; schedule agreed to.

Reported to house without amendment.

Report adopted.

Third reading

The ACTING SPEAKER (Mr Savage) — Order! As a 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 third reading of this bill requires to be passed by an absolute majority. As there are not 45 members present, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

Remaining business postponed on motion of Mr BATCHELOR (Minister for Transport).

ADJOURNMENT

Mr BATCHELOR (Minister for Transport) — I move:

That the house do now adjourn.

Police: Bellarine Peninsula

Mr SPRY (Bellarine) — I raise for the attention of the Minister for Police and Emergency Services the issue of police resources on the Bellarine Peninsula, which has occupied media attention in the past few days. In the lead-up to the last election Labor was relentless in its criticism of law and order issues on the peninsula, but nothing has changed. If anything, crime rates have escalated.

Confusion reigns about the government's plans for a 24-hour police station on the peninsula. Currently 20 or so police officers man four stations, but a 24-hour station, which the minister has vehemently declared will be fully manned, will absorb a minimum of

34 officers. The question on the mind of every person on the Bellarine Peninsula is: what will be the future of the four stations on the peninsula — namely, Drysdale, Ocean Grove, Portarlington and Queenscliff? How can they remain open, as per the minister's commitment, which is reported in *Hansard* of 14 December 1999, if a 24-hour police station means that total police officer numbers on the peninsula will increase from approximately 20 to 50? Constituents of the Bellarine electorate ask the minister to come clean and demonstrate the Bracks Labor government's declared commitment to openness and transparency.

I ask the minister to explain tonight what will happen to police officer deployment on the Bellarine Peninsula, and specifically how officer numbers in each of the existing police stations on the peninsula — Drysdale, Ocean Grove, Portarlington, and Queenscliff — will be affected.

Seniors: Ballarat

Ms OVERINGTON (Ballarat West) — I ask the Minister for Aged Care to take action to ensure that older people in the Ballarat electorates gain greater acknowledgment for their contributions to their communities and to the Victorian community as a whole.

Much of what Victorians feel proud of today is the direct result of the hard work and valuable contributions of the older members of our community. The 1996 census revealed that 15 816 people in the City of Ballarat — 21 per cent of the population — were 55 or older. That is amazing. It means that almost a quarter of the population of the City of Ballarat is 55 or older. Glancing around this chamber, I suggest that, apart from the honourable member for Bendigo East and perhaps the honourable member for Springvale, we are all heading in the direction of reaching 55 years of age, when, if we are no longer in this place, we will be entitled to our Seniors Card and be able to join our local senior citizens clubs.

The unfortunate thing in all this is that many older people feel they are not being acknowledged and thanked for the contributions they have made to the position Victoria is in today — it is the result of their hard work and efforts of the past. It is extremely important that we acknowledge in more ways than just words the contributions of these people to the society we live in. That is why I am keen for the minister to ensure that the Bracks Labor government pays special attention to the older members of the Ballarat community, who fought the hard battles before our time. Unless society acknowledges the fact that the

older people in the community have done the hard slog and brought the state to the position it is in today, it will be the sadder for it.

We parliamentarians must acknowledge the contribution of older Victorians, particularly as this week is Senior Citizens Week. Don't honourable members think each and every one of us needs to attend —

Honourable members interjecting.

Ms OVERINGTON — How many senior citizens functions have you attended? I have attended a number, and on Sunday I will attend the final senior citizens concert. The Tuesday and Wednesday of the Begonia festival is made available —

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

Gaming: taxes

Mr RYAN (Leader of the National Party) — I raise for the consideration of the Treasurer the content of the Harvey report on business taxation, particularly that component of it which concerns the proposal for a \$4000 levy per machine on the 30 000 gaming machines in Victoria to raise \$120 million. I call on the Treasurer to reject that proposal now, for a number of reasons.

The first is that, as the report says, the proposal is not intended to combat addiction and will not have any effect on demand. On the face of it, demand will be maintained.

Secondly, ironically, if the tax is imposed the prospect is that the machines will need to be used with more regularity to make up the amount of money that will be taken out of the system by the proposal.

Thirdly, there are some 60 000 shareholders of Tabcorp, and about 30 000 of them are Victorians. I am already receiving correspondence from numbers of them expressing concerns about what this will mean to the long-term investment they have made in Tabcorp, in good faith and in the belief that the rules that were written at the time of their investment would be maintained. This is a discriminatory tax, and they are the concerns the mums and dads, if you like, are putting to me.

Fourthly, the implementation of this proposal would wipe something in the order of \$500 million plus from the value of Tabcorp, which in turn would have a massive impact on the value of the company. Capital

markets are watching this with much interest. There is also the issue of the \$28 million of dividends which would be lost to shareholders through the implementation of this proposal. All of this would be in circumstances where the government has already taken an extra \$10 million by the application of the \$333 per machine amendment, which was made late last year.

Next there is the question of sovereign risk. Investors, not only in Victoria and Australia but globally, are concerned about this because it represents a significant change in the rules part of the way through a process. The government recognised that risk when it developed its policy on the privatisation of the electricity industry and identified the need to maintain the position that prevailed as at the date of the election instead of trying to change it.

My next point is that, as the Harvey report indicates, the \$120 million is not necessary to deliver the tax cuts.

Finally, there will be an impact on venue operators, such as the Sale Greyhound Club in my area, which has raised with me great concerns about this.

I ask the Treasurer to kill off the uncertainty that prevails in relation to this recommendation. It is causing great disquiet in financial markets and in the community generally, particularly among the mums and dads who are investors in Victoria. The Treasurer owes it to these people to get rid of this proposal.

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

Rural Victoria: optical services

Ms ALLEN (Benalla) — I raise a matter for the attention of the Minister for Aged Care. The electorate of Benalla includes a significant number of older people, many of whom are on limited incomes and find the cost of obtaining necessary spectacles and eye care beyond their financial means.

Fortunately the Victorian Eyecare Scheme assists with the provision of eye care and glasses to financially disadvantaged individuals. However, my constituents have raised with me the fact that people in country Victoria are unable to gain access to subsidised multifocal lenses through the scheme, even though people in metropolitan Melbourne are able to do so.

This anomaly in accessing multifocal lenses seems unfair and discriminates against country Victorians who are financially disadvantaged. Will the minister tell the house what action is being taken to ensure that disadvantaged people in the Benalla electorate gain the

same access to multifocal lenses as their Melbourne cousins?

Human Services: consultancies

Mr WILSON (Bennettswood) — I raise a matter for the attention of the Minister for Health. I ask him to instruct the Department of Human Services to comply with government policy, which requires all purchases between \$15 000 and \$100 000 to be preceded by three quotes before the awarding of a contract.

I refer to the awarding of a consultancy to Neil Pope and Associates to advise on industrial matters facing the government and the department, and in particular industrial issues between the government and the Australian Nurses Federation.

I refer to documentation received under freedom of information, which reveals that the government awarded a contract to Neil Pope, a former minister in the Cain–Kirner government, without three quotes being sought. In June 2000 a file note written by Mr Lance Wallace, the director of the resources division in the Department of Human Services, attempted to explain the anomaly by claiming that:

Departmental policy is that purchases between \$15 000–\$100 000 require three written quotes unless it is inexpedient or impractical.

It was considered that it was inexpedient and impractical to obtain three quotes in this case due to the urgent and specialist nature of the advice sought.

However, the department obviously did not know much about Neil Pope and Associates. In a memorandum dated 5 June 2000 it expressed complete ignorance of the value and worth of Neil Pope and Associates as a consultant. Points 3 to 6 of that memorandum are telling:

3. The proposed contract is endorsed as generally suitable for the purpose intended based on the information provided to this unit subject to the following amendments.
4. If Neil Pope and Associates is a corporate entity then the consultant's execution block at the bottom of page 2 is satisfactory. If a seal is not going to be affixed, then you should amend the execution block to provide for an authorised representative to sign for and on behalf of the company.
5. However, if Neil Pope and Associates is a business name only then you should amend the consultant's execution block to read: 'SIGNED by Neil Pope trading as Neil Pope and Associates'.
6. If Mr Pope is in partnership with others, the appropriate execution block could read: 'SIGNED by Neil Pope for

and on behalf of the partners trading as Neil Pope and Associates'.

Finally the jobs-for-the-boys element of the contract is proven by an internal email dated 16 October 2000, which reveals that Mr Pope had complained about not receiving prompt payment. It states:

On 29/9/2000 I sent an invoice to accounts payable for Neil Pope and Associates for an amount of \$26 812.50, Mr Pope has called to advise he has not yet received payment. Could you please advise when this will be paid?

In an email response on the same day a departmental officer offers a clear statement of who matters in the government. It states:

Will be in tomorrow night's cheque run.

Have had words with my staff member concerned.

The government is all about spin and jobs for the boys.

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

Dandenong North: community outreach project

Mr LENDERS (Dandenong North) — I direct the Treasurer's attention to the wonderful community outreach project run by the Uniting Church in Dandenong North. The project runs an opportunity shop in Menzies Avenue, not far from my electorate office.

Through a dedicated committee ably led by Max Oldmeadow, the op-shop last year raised \$25 973 for worthy community projects in my electorate. Since 1981 the Dandenong North Uniting Church community outreach project has raised a total of \$480 772 through work in the op-shop. The committee is a wonderful group, led by Max Oldmeadow and including Joy Whan, Doug Whan, Marj Smith, Kathy Batten, Ruth Kowarzik and Ruth Saunders. However, they are a beleaguered group. Mr Doug Whan, the treasurer of the church, has had to fill out two business activity statements to pay \$4 in goods and services tax to the federal Treasury.

The action I seek from the Treasurer in his capacity as the minister responsible for the infamous intergovernment agreement on the goods and services tax is to put pressure on the federal government to deal with the problem.

Honourable members know what voters in the federal electorate of Ryan think of the goods and services tax and the business activity statement. They also know

what the small businesses who responded to the Victorian Automobile Chamber of Commerce survey on the impact of the business activity statement think of them.

I seek decisive action from the Treasurer, not only in letting the federal government know what the Victorian government thinks but also in requiring it to explain why the voluntary workers for the Dandenong North Uniting Church community outreach project, who day by day go to their opportunity shop to raise \$480 772 for good works, must fill in two business activity statements and pay \$4 in goods and services tax.

Water: farm dams

Mr McARTHUR (Monbulk) — I raise for the attention of the Minister for Environment and Conservation a matter concerning the South Eastern Growers Network, which is a group representing 67 horticultural growers and businesses in the Cranbourne area. The network employs about 1000 staff and produces approximately \$100 million worth of produce every year. I seek an assurance that the minister will meet with this group to discuss the concerns they have about the security of their water supply and water management strategies.

Many of these farms depend on run-off water and pumping water from drains that run through or pass by their properties. Generally, they do not pump from streams or have dams on waterways. I hope the minister takes into account the fact that most of the drains they pump for water are flood prevention or flood mitigation works that discharge stormwater into either Port Phillip Bay or Western Port Bay. In effect, the farmers are making use of a stormwater collection mechanism. I point out to the minister that their pumping program reduces both the nutrient and sediment loading going into those bays. The Port Phillip Catchment and Land Protection Board made a number of recommendations on reducing nutrient loading in Western Port Bay in a strategic report released about two and a half years ago.

The growers argue that the drains they pump for water have little environmental values as water courses and that their use of water from those drains reduces demand on reticulated supplies and ground water. They are concerned that any change to the existing water use patterns could threaten their enterprises, along with thousands of jobs and \$100 million worth of produce every year.

Will the minister assure the house and the growers of the South Eastern Growers Network that she will meet and consult directly with them prior to making a

decision or authorising any change to their existing water use entitlements?

Housing: Richmond

Mr WYNNE (Richmond) — I direct to the attention of the Minister for Housing a matter concerning the Richmond electorate, which includes a broad cross-section of society, with extremes of wealth and poverty. Some of my constituents who live on the margins of society experience episodes of homelessness and difficulty in maintaining stable and affordable accommodation.

The Minister for Housing has a difficult task ahead of her to rebuild the public housing stock that was neglected over the seven years of the former government, to the point where some of it, particularly in the Elizabeth Street area of the electorate, is structurally unstable and will have to be demolished. That is the legacy of the former government, and the minister faces a great challenge.

In particular, I raise with the minister the issue of home and community care funding. People who experience recurring homelessness are among the most disadvantaged in the community. They frequently suffer poor health, yet they are reluctant to make use of health and community services. The last annual report on health status prepared by the Department of Health and Community Services reveals a sad story. It shows that people living in the Richmond electorate are among the poorest in Victoria. The life expectancy of men is five years lower than the national average, and for women it is approximately three years lower. The figures, which are extremely disturbing, are particularly relevant to the homeless and alienated. Those people need outreach assistance to encourage them to use health services. Some people also need assistance with many of the tasks of daily living, such as cooking, shopping and personal care.

I understand that the home and community care program provides a range of services for frail or disabled people in the community. Recently the minister announced that additional government funds would be made available for the program. I ask the minister to advise me of the action she is taking to target home and community care services for homeless people living in insecure housing in the Richmond electorate and to say how those services will benefit from the additional funding.

Toxic waste: Lyndhurst

Mr LEIGH (Mordialloc) — In raising a matter for the attention of the Minister for Environment and Conservation, I call on her to come into the house. As a result of a decision made by the Labor Party in 1998, at the end of this year 70 000 tonnes of toxic material — the majority of the toxic waste produced in Melbourne — will be moved along roads from the northern and western suburbs to the south-eastern suburbs. According to the waste management people, that will involve a minimum of 17 000 trucks travelling along roads such as the Princes Highway through Dandenong, the Monash Freeway and the Nepean Highway. Because of the Labor Party's sell-out of the south-eastern suburbs in 1998, which the Treasurer knew about from local Labor members, the region is about to become the toxic dumping ground of Melbourne.

A government member interjected.

Mr LEIGH — It is not about what we are doing, it is about what you are going to do. The Labor Party, including the honourable member for Dandenong North, sold out the south-eastern suburbs. The result is that people living in the south-east will get those contaminants, no matter what happens.

The Minister for Environment and Conservation has said, 'We will not have any new sites'. But the council that was controlled by the honourable member for Dandenong North secretly agreed in 1998 to an increase in the height of the Lyndhurst facility — and now the intention is to expand it. If the government wants to keep it in the north, there is a site on Crown land opposite the Tullamarine toxic tip. The Minister for Environment and Conservation knows full well that Cleanaway has sought to gain control of that land for a buffer zone.

Mr Holding — On a point of order, Mr Acting Speaker, I have listened carefully to the contribution of the honourable member for Mordialloc. He has not sought any action by the minister. He is required by standing orders to seek action.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member has not yet spoken for 2 minutes and has time to ask for action.

Mr LEIGH — I seek an assurance from the minister that she and the Labor Party will not agree to the expansion of the facility at Lyndhurst and that they will ensure that a site in the northern suburbs is created. People like the honourable members for Springvale and Dandenong North have sold out the community as a

result of their actions, and they should hang their heads in shame.

You need only read the front pages of our local newspapers to realise that the community has woken up to the fact that the Labor Party has sold out the south-eastern suburbs of Melbourne. It is a disgrace, and the minister should back off and ensure that the facility goes where it deserves — that is, in the north.

Housing: western suburbs homeless

Mr LANGUILLER (Sunshine) — I refer the Minister for Housing to the plight of the young homeless in the western suburbs. I seek specific direction from her to ascertain what action she will take to address the affordability issue for young people, especially those who are unable to access public housing.

By way of background, in this house last year the minister advised me of action she was taking to address the issue of homelessness in the western suburbs. I was heartened to hear that a range of schemes would be undertaken to address the concerns of families, in particular her commitment to a new crisis accommodation service to provide responses for 10 families at any time. However, I remain concerned that there are still too many young homeless people in Victoria, particularly in the western suburbs. They are the young kids of working men and women and kids related to our families and friends of ours, who should not be homeless in our society.

The recent rental report produced by the Office of Housing for the September 2000 quarter indicates that median rents for one-bedroom flats in the western metropolitan region rose by up to 12 per cent over the preceding year. Young people who are living independently have often sought this type of accommodation in the private market, but it is becoming increasingly unaffordable.

As you would know, Honourable Acting Speaker, young people are homeless for a variety of reasons. Data confirms that it may be because of family conflict, much of which is of a personal nature, but society also needs to address and take responsibility for social and cultural matters. At times young people come to the city and suburbs from regional and rural Victoria to study. For a variety of financial reasons they are unable to find housing. Young workers come to the western suburbs to find jobs, and many of them are precluded from accessing private housing and rental because of their ages and/or incomes. I am delighted that the

government will address the issue of affordable housing for young people.

Beaches: Port Phillip Bay

Mr THOMPSON (Sandringham) — I refer the Minister for Environment and Conservation to several locations around Port Phillip Bay where the beaches have become seriously eroded. The government has advised that \$100 000 will be spent on an inquiry into the matter. However, a good proportion of that sum could be saved if \$1.40 were spent on a weekend newspaper to find out which sites on Port Phillip Bay require attention, not in 3, 6 or 12 months but immediately.

Several hundred cubic metres of sand have been washed away from the beach at a site in Sandringham north of the Red Bluff Hotel car park. The level of the beach has dropped by some 2 metres in the past six weeks and the cliff face is being undercut on a daily basis. What may have cost \$100 000 for rectification work six months ago will now cost many thousands of dollars more today. As each week passes without the problem being addressed by shoring up the base of the cliffs and proposing remedial works to level the cliffs off at an angle that will minimise the likelihood of erosion and collapse, the situation becomes worse.

I ask the minister to immediately make an officer of her department available and, together with her department, to develop a strategy in concert with the local council to prevent the further erosion of the cliff face at Sandringham and at other locations around Port Phillip Bay.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Ivanhoe has 1 minute 20 seconds.

Neighbourhood houses: Rosanna

Mr LANGDON (Ivanhoe) — I ask the Minister for Community Services to advise what action she has taken to meet the government's policy commitment to provide additional funds to neighbourhood houses for information technology development. I ask this because the Rosanna fire station community house is in my electorate. It is a good community house which has been there for some time and which has an outstanding committee and an outstanding record of service. The additional funds will assist not only the Rosanna community house but other community houses in my electorate and surrounding areas.

I ask the minister to inform the house of any additional funding that has been provided for new technology in

new neighbourhood houses as well as the increased funding for existing houses.

Mr Leigh — On a point of order, Mr Acting Speaker, I have been going through the list of opposition and government members who have raised matters in the debate. Following the formation of the Bracks government you, Sir, clearly stated that you believed better standards should be applied to the Parliament — —

Government members interjecting.

Mr Leigh — The point of order is that, except for the Minister for Police and Emergency Services, there are issues — —

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Mordialloc should take his seat.

Government members interjecting.

Mr Leigh — They are all answering. They are your ministers. Where are they?

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Mordialloc knows better than to raise such points of order. They reflect on the Chair and are becoming tiresome.

Responses

Ms PIKE (Minister for Housing) — It is Senior Citizens Week and therefore timely that the honourable member for Ballarat West should raise an important issue about the community's recognition of the contribution of older people. There are lots of terrific events happening right across the state. It is a wonderful celebration for older people and an opportunity for all of us to thank them for their contributions to Victorian society.

This year the government has taken a number of steps to improve Senior Citizens Week. Grants have been increased by 10 per cent to ensure that Victorians across the state have an opportunity to benefit from the week. The government committed nearly \$50 000 to 47 projects in rural areas, which is an increase of 13 per cent on last year, and \$40 000 for 31 projects in metropolitan areas.

The government has widened the group of people included in Senior Citizens Week: \$17 000 was committed to 44 ethnic organisations and the City of Ballarat received an encouragement grant of \$1400 towards this year's celebration.

Not only are terrific events happening in Melbourne — and they are being attended by country people — but also many smaller activities are taking place in rural communities. On Sunday, after launching Senior Citizens Week in Melbourne at a multicultural concert attended by about 2000 people, I was delighted to have the opportunity of joining celebrations in Wangaratta.

Free transport that is accessed by elderly people in the metropolitan area is one of the features of Senior Citizens Week. In the past there have been problems with the amount of transport available for country people who wish to visit Melbourne. The government has increased coach services to enable people to travel to Melbourne from Albury, Wodonga, Wangaratta, Benalla, Swan Hill, Sale, Lakes Entrance and Bairnsdale.

This year's Senior Citizens Week has so far been successful. I remind the house that it is the largest event on the Victorian calendar. Every year some 350 000 seniors in our community are recognised and acknowledged and are out and about enjoying life.

The honourable member for Benalla raised the important issue of equity of access to the benefits of the Victorian Eyecare Scheme. This fantastic program was established in 1985 by the Cain Labor government to provide subsidised eye care and glasses for financially disadvantaged Victorians. Last year 29 000 people living in regional and rural Victoria and 35 000 people living in metropolitan Melbourne were supported by the scheme. Many optometrists and ophthalmologists participate in it. However, as the honourable member indicated, until recently rural Victorians were not able to share one of the benefits enjoyed by people in the metropolitan area — that is, access to multifocal lenses. Nowadays they are commonly called progressive power lenses, and they significantly benefit a person's eyesight. The government has provided an additional \$50 000 in funding to the Victorian Eyecare Scheme so that multifocal lenses are now available right across Victoria. People in the rural and regional community are not disadvantaged.

The honourable member for Richmond raised the issue of home and community care (HACC) funding in his electorate. It is very good news that the Bracks government has put \$41 million of additional funding into HACC above the growth funding that is normally available. The bad news is that as yet the federal aged care minister has refused to match this funding, and Victorians are being denied \$63 million they should have access to.

Nevertheless, the Victorian government has gone ahead. Recently I announced a funding boost for this year of \$8.3 million of state-only money, which includes \$5.6 million to expand services and \$2.7 million to support one-off projects. The government identified special areas where people were missing out. One of the groups to receive priority access to these resources is homeless people and people in insecure accommodation. Funding to 34 separate projects will boost the government's services to support this particular group of people.

Of this amount, the Outreach Victoria agency will receive an extra \$64 000 on a recurrent basis to provide a service. This is not asking people to come to that service; it is an outreach service for people who do not normally access the kinds of support offered by the HACC program. I am proud that the government has targeted these special needy groups, because in the past some members of them have not been able to access mainstream HACC services. The government knows that when those people can get access to these much-needed services their health vastly improves and they have a better quality of life. It has been an important program.

Finally, again the honourable member for Sunshine raised with me the issue of homelessness in the western suburbs, and noted that for the September 2000 quarter median rents in the western metropolitan region have risen by 12 per cent. Therefore affordability is an issue confronting low-income Victorians. Data collected by the Office of Housing indicates that many young people under 24 years of age, and particularly those under 20 who are not able to live at home for a range of reasons, struggle to find accommodation in the private rental market. Maybe it is related to income, but it is not always just that. Young people face a lot of prejudice, including perceptions about their reliability and their lack of tenancy history.

A major response by the government to the housing needs of young people has been the transitional housing program. It is estimated that over a 12-month period 3200 young people are assisted with crisis accommodation, and about 3500 of these are in the transitional program.

Although these programs are to be applauded, a lot of work remains to be done. Through the Victorian homelessness strategy the government is looking at addressing the needs of these people in a practical way. We have recently removed the restrictions on young people seeking access to general public housing, which they were not accessing before. Now, along with others, young people can apply for public housing through the

recurring homelessness segment of the segmented waiting list.

We believe the previous government's policy of denying people under 18 years the capacity to access public housing in their own right was discriminatory. That is why the restriction has been removed. We believe that will help us to assist a lot more young people as they seek accommodation, particularly those in our community with special needs, whom we should be most concerned to support.

Mr HAERMAYER (Minister for Police and Emergency Services) — The honourable member for Bellarine referred to the government's commitment to a 24-hour police station on the Bellarine Peninsula. In so doing he also raised the future of the Drysdale, Portarlington and Queenscliff police stations. The government's commitment to the 24-hour station at Bellarine is unequivocal. That commitment was made in the run-up to the last election. We are in the process of acquiring property for the station, and that commitment will be delivered.

Under its strategic facilities development plan, the previous government proposed the closure of the Drysdale, Portarlington and Queenscliff police stations. I am pleased to say those closures are off the drawing board.

I must say thank you to Mrs Carbines, an honourable member for Geelong Province in another place, who led the campaign against the closure of those police stations and arduously campaigned for a 24-hour police station to service the Bellarine Peninsula. She has done a fabulous job. I am glad to see that the honourable member for Bellarine has suddenly joined the chorus, because he was a little silent during the seven years of the Kennett government. Along with all the other lickspittles, he sat in this place with his foot or his thumb in his mouth. He certainly never said anything against the proposed closure of the Drysdale, Portarlington or Queenscliff stations or anything in favour of a 24-hour station on the Bellarine Peninsula.

I am certain that in the foreseeable future I will be going down to Bellarine to open a new 24-hour police station. The honourable member for Bellarine will be invited, as will Mrs Carbines in another place — and I certainly acknowledge the role that she has played.

Mr Spry — On a point of order on the question of relevance, Mr Acting Speaker, I noticed that when this matter was raised with him the minister was sitting on the back bench with a vacant expression on his face.

The ACTING SPEAKER (Mr Savage) — Order! What is the point of order?

Mr Spry — It is a question of relevance. He has missed the relevance of the matter entirely, which was about providing the resource numbers at each of the police stations. I ask you — —

The ACTING SPEAKER (Mr Savage) — Order! The honourable member is repeating the issue he raised. I do not uphold that point of order.

Mr HAERMAYER — I certainly welcome the honourable member's new-found enthusiasm for policing on the Bellarine Peninsula. I am sure that Mrs Carbines in the other place also welcomes the fact that she now has a new voice joining the chorus, if somewhat belatedly.

The honourable member asks how these police stations will be resourced. Again, during the seven years of the Kennett government — and in particular during the last three, when the police force was being reduced by 800 through a process of deliberate attrition — the honourable member for Bellarine sat in this place and said absolutely nothing. Like all of them his tongue was black with Jeff Kennett's boot polish. His mouth was full of nugget, so I can understand why he had nothing to say!

It is simple to explain how these police stations will be filled — by employing 800 additional police. It may be a novel concept for the honourable member for Bellarine, but it has to do with police numbers — the sort of thing Labor was talking about in 1996, 1997, 1998 and 1999. But he was not listening. He had his boot in his mouth!

The Drysdale, Portarlington and Queenscliff stations are not under threat of closure as they were under the Kennett government. Yes, we will provide a 24-hour police station in Bellarine; and yes, all of those police stations will be appropriately staffed.

Ms GARBUTT (Minister for Environment and Conservation) — The honourable member for Monbulk raised with me an issue about water allocations, including use and efficiency measures that he says have been raised with him by members of the South Eastern Growers Network, whom he asked me to meet.

As coincidence would have it, the honourable member is out of touch. I spent Friday evening with growers from around that area and the Mornington Peninsula and helped launch their successful Enviroveg program. It is a cleaner production program run by the Environment Protection Authority and sponsored by

the Vegetable Growers Association of Victoria. That successful program demonstrates their commitment to the environment. I again congratulate them on their commitment, which will produce good results through an environmental management system that will reduce the amount of nutrients running into the bays.

During the evening I toured the farm and looked at the irrigation system and irrigation dams. I talked extensively with the growers about water efficiency issues, irrigation issues and the farm dams review committee inquiry. The honourable member is way behind the times. I am astonished that he has raised this issue, because when it comes to the farm dams inquiry he has been absolutely silent — he has been missing in action! I am sure the National Party is surprised as well.

The review committee has taken hundreds of submissions, gone to meetings and done presentations. We have had a huge feedback.

Mr McArthur interjected.

Ms GARBUTT — It hurts, doesn't it? I know the growers have made submissions on the farm dams issue and I am expecting that report shortly.

The honourable member for Sandringham also has been missing and needs to pay attention. I answered his concerns during question time. In case the honourable member missed it, I announced a \$100 000 strategic plan to develop a planning process for the next 15 years to attend to renourishment and risk management of Melbourne's beaches. I also pointed out that the government has a \$1.1 million program for beach renourishment and risk management, and has spent around \$400 000 to \$500 000. I refer the honourable member to my answer today. He should listen more carefully.

The honourable member for Mordialloc made outrageous comments about toxic dumps. It is clear that the government has made a major commitment to having no new hazardous waste landfill sites and has put in place a state-of-the-art policy to implement that decision and established an inquiry to find sites for soil recycling centres to take the pressure off existing landfills.

Mr Leigh — On a point of order, Mr Acting Speaker, I was not talking about a new site. The minister is clearly misrepresenting me.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member knows that that is a substantive motion.

Mr Leigh — I am talking about an existing site the government intends to extend, and it is an outrage.

The ACTING SPEAKER (Mr Savage) — Order! Will the honourable member for Mordialloc take his seat! The honourable member well knows that that is a substantive motion, and he is not to use the house in that way.

Ms GARBUTT — The honourable member has been scaremongering in the most outrageous fashion in his own electorate. There is no new application for a new landfill site. The rumours seem to have been started by the honourable member himself.

Mr Leigh interjected.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Mordialloc will cease interjecting across the table.

Ms GARBUTT — It is disgraceful that he is prepared to scare his own community. His statements are full of ifs and buts; there is nothing in them. There is no new application for a new landfill site. The honourable member has been spreading rumours and stirring up and frightening people himself, and it is disgraceful. The honourable member was a member of the previous government whose answer was to try to ram toxic dumps down the throats of communities across Victoria.

The government can categorically say that any application for an increase in height or anything else at the existing landfill will go through an independent watchdog, the Environment Protection Authority.

Mr Leigh interjected.

Ms GARBUTT — I hope the honourable member is not suggesting that I interfere with the independence of the EPA, because he should know that under this government the EPA is strong and independent and will make its decisions accordingly.

Ms CAMPBELL (Minister for Community Services) — I am pleased to inform the honourable member for Ivanhoe and his constituents who use the Rosanna fire station that over a three-year period the Bracks government is proudly delivering its \$6.5 million increase in funding to neighbourhood houses in the 2001–02 budget. An additional 76 neighbourhood houses have received funding under the Bracks Labor government, and 103 have received additional funding, which is in sharp contrast to the miserable allocation under the former Kennett government.

As part of that \$6.5 million rollout of funds, more than \$500 000 has been allocated to the important area of information technology (IT), which is essential for neighbourhood houses. Under the previous government many of the houses were unable to afford computer packages, software, Internet connections and associated training. The Bracks government is proud to lead the state in information technology and neighbourhood houses and it has rolled out this implementation strategy to make 194 more computer packages and Internet connections available to neighbourhood houses.

The delivery of packages to the houses occurred over February and March and training sessions have also begun across the state. As honourable members know, it is extremely important to have strong information technology links in neighbourhood houses, which will result in more coordinated services with the Department of Human Services, other service providers, and the sector.

I am pleased to say that the government is a leader in IT and a leader in neighbourhood houses, and has combined the two to ensure that 194 more houses are linked to the Internet.

Mr BRUMBY (Treasurer) — The honourable member for Dandenong North raised the matter of the Uniting Church in Dandenong North and the community outreach project headed by Mr Max Oldmeadow. The outreach project has raised \$25 000 for needy families and charities in the past year and almost half a million dollars since 1981, particularly through the op-shop but also through a range of other activities. All of us in public life are grateful for the efforts of voluntary organisations, particularly for the churches that do so much to help our communities and those in need.

The honourable member for Dandenong North referred to how beleaguered the Uniting Church was because of the impact of the goods and services tax and said that it had had to complete two business activity statements (BAS) and send off a total of \$4 in GST payments to the federal government. The honourable member asked what action we could take. Obviously the state government does not run, operate, or manage and is not in any way directly associated with the goods and services tax. For every dollar that Victorians pay it gets back just 83 cents. It will be 2008 before Victoria breaks even under the goods and services tax.

One of the big impacts of the GST has been on voluntary organisations and small businesses. We run into many people who are spending half or all of their

Sundays filling out forms for the GST. This case shows the absurdity of the taxation system and the BAS, and I can assure the honourable member for Dandenong North that I will be bringing this particular case to the attention of the federal Treasurer, Mr Costello, to highlight the absurdity of it. Here is a voluntary organisation putting in its time to raise money for needy groups, and it has to spend an inordinate amount of that time filling out forms and cutting through red tape to send off a cheque for \$4 to the federal government. It is a disgrace, and I will be writing to the federal government about it.

While we are on the matter of tax, the Leader of the National Party raised with me the Harvey report and the recommendation about taxation on the gaming industry. I think a comment may have been made by interjection during the debate, but the gaming industry, gaming tax rates and gaming machines seem to be a particular obsession of the National Party, particularly the owner of the National Party, the federal member for Gippsland, Mr Peter McGauran, who has had some publicity recently about his hotel and gaming machines.

As I have pointed out publicly and to the house, the Harvey report is an independent review. The committee included such people as the former chief executive officer of the Victorian Employers Chamber of Commerce and Industry, Nicole Feely. It was asked to provide an independent report to the government.

Unlike the former government, which used to keep reports of this type hidden from the Parliament and the public, never to be released, the Bracks government believes the public interest was served by releasing that report and allowing public comment on it. I repeat that it is an independent report that has not been endorsed by the government, and that the government will make its response on or before the state budget of 15 May.

The honourable member has expressed a view and I have listened to it. As Treasurer I have also met with most of the representatives of the gaming industry — Tabcorp, Crown and Tattersalls — who have put to me their views about the proposal. I listened carefully and will take those views into account in the government's final consideration of the report.

When the state government receives a report from an independent committee, let's not get into the business of having the opposition implicitly arguing that when you get a review of this type you should not allow the public or the Parliament to see it or comment on it, that it should be kept secret — as the federal Treasurer did with the Ralph report — and that the public should not have the right to see the report until the government has

announced its response to it. The government has a commitment to transparency and accountability, so it has released the report for public comment. As I said when the report was released, some would say many of the recommendations are contentious and controversial and there will be debate about them. The government welcomes that debate, but let us make it an honest debate.

The final matter was raised by the honourable member for Bennettswood. Talk about new members of Parliament setting off in the wrong direction! I will give the honourable member a bit of advice: trawl back — —

Mr Wilson interjected.

Mr BRUMBY — You need a fair bit of advice! The honourable member should trawl back through the volumes of *Hansard* published during the time of the former government if he wants to learn about consultancies and contractors, about how the system was rorted and about how the public purse was blown out by poor management, poor execution of contracts and a huge blow-out in contracts and consultancies. He should have a look at the former Kennett government's actions! He will find examples of contracts of more than \$20 million being signed over without any advertised tender process — dozens of them!

There was never any openness or transparency under the former government, but the Bracks government has provided that significant contracts and consultancies — those in excess of \$100 000 — should be listed on government web sites.

An opposition member interjected.

Mr BRUMBY — They are listed on the web site. You can get every tender in my department over \$100 000 off the web site.

Mr Wilson interjected.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Bennettswood will cease interjecting!

Mr BRUMBY — As the Minister for Health said earlier, the number of consultancies in his department has been reduced by more than 10 per cent, yet the honourable member for Bennettswood has the gall to stand up in this place — —

Mr Leigh interjected.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Mordialloc will cease interjecting!

Mr BRUMBY — The honourable member for Bennettswood has the gall to refer to a \$45 000 consultancy when the state budget is \$20 billion! The government has cleaned up the process. It has slashed the level of consultancies and contractors, which are down by 10 per cent in the Department of Human Services. If the honourable member for Bennettswood wants to take a bit of advice, he should read *Hansard* and see the disgraceful performance of the former Kennett government in this area.

Motion agreed to.

House adjourned 11.14 p.m.

Wednesday, 21 March 2001

The DEPUTY SPEAKER (Mrs Maddigan) took the chair at 9.34 a.m. and read the prayer.

ABSENCE OF SPEAKER

The DEPUTY SPEAKER — Order! I wish to advise the house that the Speaker is unwell and will not be in the chamber this morning.

PETITION

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

Rail: Tullamarine link

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

The humble petition of we, the undersigned citizens of Victoria, sheweth that:

We strongly oppose the proposal to develop an airport rail link along the Broadmeadows rail corridor to the Melbourne Airport because of unacceptable safety, noise, vibration, environmental, traffic, social, community and other impacts on the communities along the Broadmeadows rail route including those of Kensington, Flemington, Ascot Vale, Moonee Ponds, Essendon, Strathmore, Pascoe Vale, Oak Park, Glenroy, Broadmeadows, Attwood, Meadow Heights and Broadmeadows Valley, among others.

We the petitioners therefore pray that the Broadmeadows Corridor option be excluded from further considerations to develop a high speed airport rail link.

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

By Mrs MADDIGAN (Essendon) (27 signatures)

MEMBERS STATEMENTS

Land tax: small business

Mr CLARK (Box Hill) — I raise the grave concerns of numerous small businesses and property owners in the Box Hill electorate about the proposed massive increases in land tax currently being considered by the government. Under the proposals land tax on a land value of \$200 000 will jump from \$200 to \$5780 a year, and on \$500 000 it will soar from \$800 to \$14 450.

I have received some feedback about what will happen if the increase goes ahead. A vehicle repairer tells me he will close his business with the loss of 24 staff; a consultancy firm will close laying off 15 staff; an

auctioneer will close and put off 10 staff; and a lawn mower business will close with the loss of 6 jobs. Spectacle makers, flooring providers — the list goes on — estate agents, medical practices, service companies, importers, printers, retailers, building suppliers and auto services all tell me they will be forced to cut staff. Swimming pool repairers, accountants, child care providers and physiotherapists have also told me they will be forced to raise prices. Others, including designers, drafting services, food manufacturers, conveyancers, valuers and towing services, will be forced to move to cheaper and less satisfactory premises.

It is almost unbelievable that any government could blithely contemplate such a massive and sudden impost. Such overnight rewriting of the rule book removes at a stroke the stability and certainty that is essential for investment and employment.

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

Manjit Singh Aujla

Mr SEITZ (Keilor) — I would like to place on record my appreciation and that of the Indian Sikh community for Manjit Singh Aujla, who is a tireless worker in the Sikh community both in my electorate and throughout Melbourne. In his early days, he was a commissioner for affidavits and then a justice of the peace, a marriage celebrant, a voluntary social worker within his community and a religious leader. He is a highly respected person and has spent much of his time working in his own and the broader community in the Taylors Lakes area in which he lives, which is highly commendable. He was involved with the building of the Sikh temple and developing the Sikh community in the area, giving it a feeling of belonging and gathering together.

He has now retired from full-time employment and is spending all his time involved in activities and interpreting services for the Indian community. I place on record my appreciation for the work done by this man. Prior to his involvement, the Indian community in the district surrounding Keilor was unrecognised —

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

Parliament House: banners

Mr KILGOUR (Shepparton) — I raise a matter concerning Parliament House, which concerns me greatly. When I left Parliament House last night I was shocked to see 1-metre-high orange plastic wraps

promoting Harmony Day adorning all the columns at the front of the building. I do not care what cause is being promoted, such things desecrate a beautiful 150-year-old building.

Mr Holding interjected.

Mr KILGOUR — I would not expect the honourable member for Springvale to understand. It may be Harmony Day today, but will it be Poppy Day tomorrow? Will it be Save the Bats Day the next? Parliament House is a beautiful building. Victorians paid millions of dollars to have it cleaned up, and now there are orange banners on the whole of its front, including the lamps. I do not believe anyone should be allowed to put up banners on this building. It is the place where Parliament sits and laws are made, and it should be treated with respect instead of like a circus. It is bad enough having the circus on that side of the house not listening to what is going on, but now this place is starting to look like a circus!

It is important to ensure that Parliament House is seen by the public as a place where the laws of Victoria are made. It should not be used by any outside group to promote any cause whatever.

Ashburton Primary School

Mr STENSHOLT (Burwood) — Last week I again visited one of the great schools in my electorate, Ashburton Primary School. Some 479 children attend 19 classes at the school, including 81 in prep. Average class sizes this year are down to 25.2 pupils. Ashburton is one of the schools that has benefited from the support of the Bracks government.

I was privileged to address the school assembly, together with the principal, Carol Kessels, and the deputy principal, Ruth Minehan, and to discuss issues affecting the school. On Sunday I attended the school annual fair, which despite the threat of rain was a great success and raised over \$30 000. I pay tribute to the organisers: Fiona Hopwood, Carol Oliver and Steve Abram.

I look forward to meeting the new school council and examining ways to ensure the long-term development and success of the school, which does a great job for local children.

Land tax: small business

Mr WILSON (Bennettswood) — Under the Bracks government's land tax proposal small businesses in Bennettswood will be forced to pay the same rate of tax as large multinational corporations in Melbourne's

central business district. The proposed flat rate of land tax of 2.89 per cent will result in a blow-out in the cost of doing business in my electorate.

Small business people in my electorate are rightly concerned about the proposed tax increases. A business on a property with a site value of \$200 000 will have its land tax increased from \$200 to \$5780. Maggie Timms, of Maggie Timms Hair Design in Bennettswood, has said that the proposed new tax of \$2890 compared with the current tax of \$100 would be a killer for her business. As Mrs Timms said, 'An extra cost of this type makes it even harder for small business people to make ends meet'. David Lau, the proprietor of Gwok Hing Restaurant in Mount Waverley, said that a land tax increase would be detrimental to his business. Mr Lau said, 'An increase in land tax of this magnitude will make it even tougher for small business'.

The proposed land tax increase comes on top of huge increases in Workcover costs. The Bracks Labor government is anti-small business.

Bendigo: AAPT call centre

Ms ALLAN (Bendigo East) — Last Friday, the honourable member for Bendigo West and I joined the Premier for the opening of an important building in Bendigo — the Australian headquarters of the AAPT call centre. It was an important event, because it has meant the creation of 400 new jobs in Bendigo in just 12 months. Between the time AAPT first contacted the government in January 2000, following which in March of last year the Premier and the Treasurer announced the move to Bendigo, and last Friday, 400 new jobs have been created in Bendigo.

The group director of AAPT, John Matic, said he expects there to be 1000 workers in the Bendigo headquarters within a decade. Some 400 jobs equates to about \$12 million a year for the Bendigo economy, and 1000 new jobs will mean a \$30 million boost each year. It was all part of the Bracks government's regional call centre attraction policy, which was an important plank in Labor's election campaign. It has meant success for the Bendigo community in the first six months of the Bracks government coming to office.

I commend the local council and the local builders, Morey and Hurford, for delivering a building under budget and on time.

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

Land tax: small business

Mr SPRY (Bellarine) — I, too, express deep concerns about the implications of the so-called Harvey tax reform report to the government. In a raft of recommendations the Treasurer has ruled out changes to domestic tax imposts but he refuses to rule out the implications of land tax increases of a flat rate of 2.89 per cent. That is a serious inhibition on residential property investment. I have been given a list of taxes that are already imposed on investment property owners. They include stamp duty, council rates, water rates, insurance, maintenance, solicitors fees, title costs, and body corporate costs. Now there is the threat of additional land tax.

Mr Michael McLarnon of Ocean Grove has written to me in the following terms:

I have recently qualified for further residential investment loans to purchase two separate properties in the Geelong region, each having four rental units.

This has indefinitely halted due to the increased exposure to land tax.

The possibility of the proposed land tax will have a huge impact on rent rates throughout Victoria and it will be most felt by low-income earners.

Patterson River Secondary College

Ms LINDELL (Carrum) — I invite the house to join me in congratulating one of the very fine schools in my electorate, the Patterson River Secondary College. As part of their welcoming service for their new year 7 students, one of their local Aboriginal people did a traditional welcome for the students. The area where the Patterson River Secondary College is located is traditional Bunurong people's land.

Phil Nicholson, the local Aboriginal person who came along, simply and clearly outlined to the year 7 students that he was very proud of his Irish grandfather but also very proud of his Aboriginal grandmother. He could track his Irish ancestry back many hundreds of years but there was very little known or still existing of his grandmother's culture and heritage. It was a very moving and fitting service in an area that once was home to the Bunurong tribe, who were the seaside dwellers from Mordialloc to Frankston. I commend the principal of the college, Bob Stephens, and the teacher who instigated the welcome, Henry Kelsall.

Land tax: small business

Mr PLOWMAN (Benambra) — The Bracks government's proposed 2.89 per cent land tax is going

to hit not only metropolitan areas but also country areas of this state. This morning a major valuer in Wodonga discussed the issue with me and said that the businesses that will be affected are the smaller ones in country towns, such as veterinary clinics, stock and station agents, produce stores, merchandise outlets — all those businesses that are vital for smaller rural communities.

The other concern I have about country areas is the implications of the proposed tax on housing developments for low-income people. Country people cannot afford the tax. The Bracks government cannot see the cost implication of it on that section of the community. The rural community is home to many low-income people; investment is drying up; the tax will make it even harder for them.

I condemn the Bracks government. It is not only anti-small business but certainly anti-country areas of the state and those low-income earners living there.

Margaret and Jim Spinks

Mr HARDMAN (Seymour) — I wish to speak about Margaret and Jim Spinks, two wonderful people in my electorate, who have spent 26 years working for the community of Seymour in a voluntary capacity. As district superintendent and acting district superintendent of St John Ambulance Australia (Vic.) for part of this time Margaret has spent approximately 7900 volunteer hours and Jim 7300 volunteer hours serving the community. That is a lot of volunteer hours.

They retired last Monday night, although Margaret, who is 70, has not retired from volunteering altogether; she will work in a volunteer capacity at the local hostel and nursing home. As a 70-year-old she believes working with these people makes her feel young!

Margaret and Jim trained me in workplace level 2 first aid. I still remember the five things under the initials DRABC — danger, response, airway, breathing and cardiac — that most honourable members would or should know about saving people's lives. I commend Margaret and Jim and wish them well for the future.

The DEPUTY SPEAKER — Order! The honourable member for Bulleen has 60 seconds.

Land tax: small business

Mr KOTSIRAS (Bulleen) — I condemn the Bracks government for attempting to destroy the small business sector in Bulleen. Under the new plans, which the government has refused to rule out, all Victorian small businesses will be forced to pay land tax — many for the first time. In my electorate a small newsagent

who currently pays \$141 a year will now have to pay more than \$4000, an increase of more than 2800 per cent. The owner advises me that this will place a great strain on his business. I call upon the government to ensure that this does not happen.

The DEPUTY SPEAKER — Order! The honourable member's time has expired, as has the time for members statements.

LAND TAX: SMALL BUSINESS

The DEPUTY SPEAKER — Order! The Speaker has accepted a statement from the honourable member for Brighton proposing the following matter of public importance for discussion:

That this house condemns the state government for refusing to rule out the State Business Taxation Review Committee recommendation of a \$1 billion increase in land tax which will destroy small business and small investors in Victoria.

Ms ASHER (Brighton) — The government has a strong track record in attacking small business. It has made changes to the Workcover system and introduced a Fair Employment Bill. By considering a \$1 billion increase in land tax, which will be borne by small business and small investors, it now proposes the biggest tax slug of them all!

The government should be condemned for failing to rule out the proposal. I call on the Treasurer to immediately rule it out in the interests of improving confidence in the small business sector. The government's proposal is simple: it wishes to introduce \$1 billion worth of business stamp duty concessions. To pay for those it wishes to raise land tax revenue by \$1 billion, and to do that it proposes to abolish the threshold for land tax and to introduce a flat rate of 2.89 per cent.

This will impact directly on the small business sector and on the small investor. According to the government's own report, to receive a benefit from the proposal a person would have to have a property portfolio worth \$3.8 million. This is a direct attack on the smaller sector.

The Treasurer will be called to account on why small business and small investors should fund tax cuts for the big end of town. An honourable member during the 90-second member statements has already mentioned an example. Currently, in the case of land worth \$200 000 the tax is \$200; under the new system that tax will be \$5780 a year, and the government is claiming that after this report a stamp duty concession of \$8660

will be received. However, these businesses will pay the \$5780 land tax every single year.

To indicate how serious it is, let me quote from letters received in my office. A letter sent to me from Kevron Plastics Pty Ltd and signed by K. N. Chambers, the managing director, describes the proposed tax measure as insane. In another letter signed by Mr Chambers addressed to the Minister for Manufacturing Industry he says:

Our land tax bill for 1999–2000 was \$234. If the Bracks government adopts the report's recommendation on this matter, our land tax will rise to \$7080 per year!

This is an absolutely extortionate increase, which cannot be justified by any means.

The letter goes on to say:

Whilst we appreciate the report proposes to abolish other taxes, notably in our case the \$2500 per annum stamp duty on our annual general insurance premiums, the net result is we will be \$5000 per annum worse off!

I quote from a letter from Fox, Hay and Co. Pty Ltd, addressed to the Treasurer and signed by B. C. Fox, the managing director:

At our new premises the last land tax paid was \$1790 per annum. With the new proposed single flat rate of business land tax of 2.89 per cent of unimproved value our present land tax of \$1790 per annum would rise to \$25 663.20 per annum.

The reduction of payroll tax does not affect us or many other small businesses. An increase in land tax of such magnitude will completely stifle small business and remove any incentive to invest further or indeed to remain in business. We would seriously consider closing our doors, resulting in our staff joining the ever increasing ranks of the unemployed.

If this bill is passed in its present form the future for small business in this state looks very bleak.

Those letters forwarded to the opposition for its information indicate how much small business resents the consideration of this proposal.

Other than the Bracks Labor government, who supports the proposal? Coles Myer and the Australian Bankers Association put in submissions to this effect. The Property Council supports the submissions — —

Mr Lenders interjected.

The DEPUTY SPEAKER — Order! The honourable member for Dandenong North will have his turn shortly.

Ms ASHER — As I indicated earlier, in order to benefit from this proposal you have to have a property portfolio worth \$3.8 million. Every other land tax

holder will pay more land tax. I understand the Property Council's argument about large-scale investment in Victoria and aggregation. However, the solution to the problem is not to tax the small person but to look at the fiscal management of Victoria by the Bracks Labor government. The fundamental problem with this report is of the Treasurer's own making. On one hand he has indicated that he is prepared to give only \$100 million in tax cuts on 1 July. On the other hand, in the first year of the Bracks Labor government its first budget increased expenditure by almost \$900 million. In effect the government is saying, 'Expenditure is up nearly \$900 million, but we might give you a belated tax cut of \$100 million'. That is the problem, on top of the \$1 billion surplus. This is the government's priority. It is prepared to give only \$100 million in tax cuts. What does \$100 million buy? Not much. It costs \$125 million to bring in a 0.25 per cent cut in payroll tax. The government has forced this by its own priorities — that is, its own expenditure-driven fiscal policy at the expense of tax cuts.

The key issue is that the Treasurer has seriously mismanaged politically the handling of this report. Firstly, he indicated that it was an independent report. The problem with that statement is that this Treasurer's predecessor set it up, this Treasurer launched it and he then blocked freedom of information access to it. His fingerprints are all over the report.

Secondly, John Harvey, the chair of the committee, has gone public on this issue. He is sick of the Treasurer calling it an independent report. On radio 3AW on 9 March John Harvey made it very clear that the \$4000 gaming levy, for example, is a government proposal.

John Harvey is reported as saying:

... the government was looking at this question anyway. It's commissioned reports and that came to our notice as we did our work.

He went on to repeat:

... we took notice of the fact that this was already being looked at [and] said continue your examination, if there's extra revenue there can we please have it for business tax reform?

The committee did not dream up those recommendations on its own. The report has the Treasurer's fingerprints all over it.

Furthermore, the Essential Media Communications consultancy, this body with strong links to Trades Hall, was active in the docks dispute and ran a Workcover campaign in the Mitcham by-election. Why is the

taxpayer paying for a consultancy by Essential Media Communications on this business tax review if it is an independent report? Why is a Labor mates' consultancy on a so-called independent report being paid for by the taxpayer? The answer is that this report has the Treasurer's fingerprints all over it.

Finally, although this is a government-owned report the Treasurer has already ruled out 2 of its 11 recommendations. The first relates to the fire services levy and the second to registration. The opposition is calling on the Treasurer to rule out the gaming levy recommendation as well. He has embraced the report. His fingerprints are all over it. He has been involved in it up to his eyeballs. He has already ruled out two recommendations and he needs to rule out this recommendation as well.

I turn now to the previous government's performance on land tax, because I know government members will wish to refer to it. They will say, with monotonous regularity, that the Kennett government lowered the threshold of land tax from \$200 000 to \$85 000, but I would urge them to look at the policy detail.

Firstly, when that threshold was lowered, the family home was made exempt, which for small business obviously meant it was not aggregated as part of a tax calculation.

Secondly, the scale was smoothed. Under the previous Labor government the scale had three steps when the tax cut in. The Kennett government reform brought in a smoother scale of eight steps. For example, Labor's tax scale at the property value of \$540 000 saw land tax jump from 0.2 per cent to 3 per cent — a 15-fold increase at that level on their old scale. It is fundamental when you look at the threshold issue to remember that at the same time the family home was exempted and the scales were made more progressive. Government members will not draw that to the public's attention.

There are four key differences in the proposal. The first is the amount of money involved. At \$85 000 the former government's regime had businesses paying \$85 in tax. Labor's Harvey proposal has a business located on \$85 000 of land paying \$2456, and that is not even taking into account the equalisation factors. There is a fundamental difference of \$85 on the one hand and almost \$2500 on the other hand.

Secondly, with a threshold of \$85 000 many businesses will pay tax for the first time. Many such businesses are located in country Victoria. The Labor Party regards

those small businesses as cash cows that are just there to fill up its revenue.

Thirdly, the number of taxpayers under this proposal will increase. According to the government's own report there will be more than 250 000 additional taxpayers.

The fundamental difference between the performance of the Kennett government on land tax and the performance of the Bracks government as recommended by the Harvey report is that the Kennett government forecast that revenue from land tax would go down. It made a conscious decision to accept less revenue from land tax in the 1998–99 budget. I urge honourable members to look at the fact that as a consequence of its changes the budget forecasts for land tax had revenue going down. The Bracks government's proposed changes will increase revenue by \$1 billion. That is the fundamental difference. This is a proposal based on revenue raising that will screw small people such as small investors, country businesses and small businesses across Victoria. Honourable members should not forget that when the ALP was last in government it massively increased its reliance on land tax. For two years in a row it artificially restructured the system to bring in 15 months revenue in one year.

The Harvey report proposal contains a number of fundamental injustices. Firstly, it is a \$1 billion land tax slug; it is a grab for revenue.

Secondly, it is a \$1 billion tax slug on small business and on small investors. You have to have \$3.8 million worth of property to get any benefit from this ALP proposal. When the house last debated this issue, the honourable member for Williamstown, who is now the Premier, got upset over land tax reform providing a benefit to people with land worth \$540 000, yet you need property worth \$3.8 million before you benefit from this proposal.

The third injustice is that it is a flat rate. Little businesses in country Victoria and suburban Melbourne will pay the same flat rate as a big bank in Collins Street — 2.89 per cent. That is the modern Labor Party benefiting the big end of town in return for its donations.

The ALP has always had a strong agenda on land tax and will continue to do so. Honourable members should watch out for the family home next. The Treasurer has not ruled that out.

Mr Nardella interjected.

Ms ASHER — I urge the honourable member for Melton to read the comments of the previous shadow Attorney-General in *Hansard* when the house last debated the issue. I urge him to read the comments of his former leader in the upper house and former good friend, Mr Theophanous. He should read what they said about land tax on the family home and watch out!

The proposal will result in an increase in the number of taxpayers, an increase in the amount of tax paid by existing taxpayers and an increase in government revenue to the tune of \$1 billion. It is unnecessary and is causing fear in the small business community.

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

Mr RYAN (Leader of the National Party) — I am pleased to join the debate and to support the motion. The Deputy Leader of the Opposition has referred to two aspects of the Harvey business report that have already been ruled out by the Treasurer. Similarly, he should rule out the recommendation on land tax and another recommendation I will touch on during this discussion — that is, the ridiculous notion of the imposition of a levy of \$4000 per gaming machine. Both those elements of the report should go because both would have a direct impact on small business and small investors in Victoria. The motion goes to the heart of the matter.

I turn to examine those two elements. Insofar as land tax is concerned, there is no question that what is intended to be done under the proposal is flawed. The basic notion is to switch from a revenue stream based on stamp duty to one based on land tax. In essence, it would mean an increase of around \$1 billion and result in something in excess of \$1.5 billion being raised by land tax.

In Victoria about 131 000 people now pay land tax. This proposal would see that figure increase to about 277 000. Worse still, it would be done on the basis of a flat rate of 2.89 per cent being applied across the board on the unimproved value of the land. As the report indicates, if the \$85 000 threshold that now exists were abolished and the 2.89 per cent were applied to it, the equivalent amount that would be raised by way of land tax and paid by people who presently do not pay anything would be \$2456.

If honourable members want to look at examples further up the scale, I point out that on the \$200 000 calculation to which the Deputy Leader of the Opposition referred, where \$200 is now being paid, in

excess of \$5000 would be paid under the new arrangement.

The point must also be made that these are recurrent costs, not one-off costs. When the report talks about the benefits that are supposed to be derived from the abolition of another raft of stamp duties, including the fact that that will offset the pain of imposing the land tax, the fallacy is that this is a recurrent cost for small business. From the National Party perspective, the worry is that in country Victoria this will strike not only at those operating small businesses now but at those establishing small businesses in time to come. In short, it will strike at the heart of small business in country Victoria.

Accordingly it will flow on to the small investors, and we will see the same sort of direct impact. The fallacy of all this is highlighted at page 31 of the report's summary document. I will refer quickly to two aspects of what appears under the heading of paragraph 4.4 — 'Effect on retailers'. The body of the paragraph says in part:

Retailers with significant landholdings will gain from the lower land tax rate while small landowners may lose.

What a classic statement that is. Of course they will lose! Unless you have \$3.8 million worth of property you will not win; and the converse of that has to be that if you have less than \$3.8 million worth of property you will lose.

Mr Nardella interjected.

Mr RYAN — The honourable member for Melton laughs — and there is no doubt about the reasons behind his laughing: firstly, he does not understand; and secondly, he could not give two hoots about issues to do with country Victorians because he could not give two hoots about country Victoria.

The other point on the same page is:

The committee considers that, on efficiency grounds, tax should fall on the owner of the property independently of the tenant. The tax should therefore be absorbed within the gross rent chargeable by the landowner under the lease, rather than as an outgoing shared with the tenant.

What sort of absolute nonsense is that? In either event it will be the operator of the business who pays. You either put it into the rent and the payment is then made, or you charge it as an outgoing and the payment is made that way. Nevertheless, the payment will be made by the small business operator. Therefore I say again: this land tax provision will strike at the heart of small

business operators. It will have a severe impact on small businesses and small investors in Victoria.

By way of a comparison that it is valid to make in the context of this motion, one can look at the proposed \$4000 tax impost on gaming machines, where again small businesses and investors will suffer.

Small investors are writing to me saying that the proposition advanced in this report will impact on them because they are among the 60 000 shareholders, 30 000 of them being Victorians, who have invested heavily in Tabcorp. They have invested heavily as mum and dad investors, and they see this proposition striking at the heart of their investment.

The Treasurer is trying to rewrite history. He is giving the markets great cause for concern. The capital value of Tabcorp is directly under threat. There is the question not only of the capital value of the organisation but of the prospect of the loss of a dividend stream to investors worth about \$28 million a year. Yet the Treasurer in his wisdom, or lack of it, says, 'I will wait until the budget comes out before I respond to these propositions' — that is, the land tax proposition and this associated proposition of the tax on the gaming machines.

The simple fact is that he cannot do it. He must on both counts come out and say that these proposals are to be rejected — and he has to say it now. He is making Nero look like an activist! People cannot sit around and wait for the Treasurer to come to a conclusion about these important matters in his budget speech on or about 15 May.

In the first instance the land tax proposition is causing great concern among small investors and small business operators; and the electronic gaming machines proposition is causing damage in the marketplace this very day, affecting those people who invested in good faith, believing that the contractual arrangements that were structured in the time of the previous government would be observed by this government.

Added to this is the fact that the Treasurer has prior convictions on these matters. He is renowned for having done this sort of thing before. That is making the markets additionally nervous.

We all remember how the current Treasurer sandbagged the float of Tabcorp all those years ago, as a direct result of which about \$125 million was taken off its price. Through his comments he wrote down its value to the people of Victoria. At the time he said he did it constructively.

His other prior conviction is that late last year the government passed legislation that has already taken \$10 million out of the gaming industry through the Community Support Fund to be devoted to drug-related programs. Let me make it clear that we strongly support drug-related programs, and later this day there will be ample opportunity to talk about them, when in a bipartisan sense we will all say, 'Let's attack the drug problem'. However, we will talk about that in more detail later.

But the Treasurer has another prior conviction for rewriting the contractual obligations between the government and the investors in this state in a manner that he thinks best serves the purposes of Treasury's raising money. It is a fundamental issue of sovereign risk, and the markets will not put up with it.

There is great nervousness not only in Victoria but beyond its boundaries about what this Treasurer is intending to do about both these points. What will he do about this land tax proposal? What will he do about the further proposition to apply a \$4000 tax on gaming machines? He should kill off both proposals now. He has done so with 2 of the 11 proposals, and he should do so with these further 2, because in both instances they represent direct attacks on small businesses and small investors in the great state of Victoria.

Mr LENDERS (Dandenong North) — It gives me great pleasure to speak on the matter of public importance brought forward by the honourable member for Brighton. I am pleased to join in what is meant to be a debate. Having spent some of my misspent youth in debating, I point out that there are a number of things in debating on which you are assessed.

Firstly, you are assessed on manner — how you present yourself — and the honourable member for Brighton and the leader of the National Party are very persuasive in that regard. You are also assessed on the matter on which you speak, and I will spend a fair bit of my contribution speaking on that point. The third point is method, which is all about making a team case. I will attempt to assess the contribution of those opposite on method, and then mark them out of 100.

I will start on the team case, which in any typical debate is usually worth 20 points. As the adjudicator I would have to say that their team case was significantly lacking. I would expect to see consistency in the contributions from members opposite, not contributions the quality of which vary depending on whether they are made by the real shadow Treasurer, honourable the member for Box Hill; the ultimate leader of the

National Party — the Honourable Roger Hallam in another place; or the official spokespeople.

I will start my contribution on method by quoting comments made by the honourable member for Box Hill as reported in *Hansard* of 12 November 1998. In speaking to the State Taxation (Further Amendment) Bill he referred to changes to the land tax system at the time and said in particular:

The flattening of the scale and broadening of the base were major and beneficial reforms to the land tax system.

Firstly, I rest my case on inconsistency based on what the potential shadow Treasurer is saying to the current shadow Treasurer. Secondly, I refer to the National Party spokesperson on finance, who said on ABC radio on 28 February that the Nationals support the key recommendations of the business tax review. I could go on at some length, but all honourable members know the gist of what I am saying. Those on this side can speculate on whether the Honourable Roger Hallam in another place was forced to forfeit the leadership because of his position on land tax in the National Party room.

Leaving those issues aside, I will briefly touch on the absolute inconsistency shown by the Leader of the Opposition and the deputy leader. They cannot go around this state saying in one breath, 'Cut, cut, cut expenditure' and criticising the government for any cuts it makes while in the next breath saying, 'Don't raise taxes and increase the budget surplus. Make business tax cuts'. It is inconsistent and illogical. They are pulling a cheap populist stunt to have a go at the government.

I will move on to the substance of the debate under the heading of 'matter', because that is the most important consideration. First and foremost, the opposition does not understand that the Harvey review was a review of business taxation commissioned by this government to advise it on the best way to introduce the \$400 million business tax cuts promised in the last budget. Rather than this government presuming in its wisdom that it knew what was best for business, it went to a prominent panel of business people — including representatives of the Victorian Employers Chamber of Commerce and Industry — to seek advice on how to best provide tax relief. The government set the committee's terms of reference, and of the original recommendations the committee made, two were rejected because they were outside the terms of reference.

Ms Asher interjected.

Mr LENDERS — The Deputy Leader of the Opposition is remarkably inconsistent and will therefore be marked down on her debating score. She whinges, whines and carps about the role the Treasurer played in this review, saying that his fingerprints are all over it and that he has manipulated and controlled it. If the Treasurer were doing all those things, why would he find the need to rule out two recommendations because they were beyond his committee's terms of reference? The Deputy Leader of the Opposition does not understand any of these things.

I turn now to what the Harvey report is about. That report was given to the government following massive consultation with the business community. After ruling out two of the recommendations, the government put the rest out into the community for feedback and comment.

The government is listening. Some of my colleagues on this side of the house who have small business backgrounds or who have been out talking to small business will be enlightening you, Mr Acting Speaker, and other honourable members with some of the feedback they have received about the Harvey tax review.

The ACTING SPEAKER (Mr Lupton) — Order! I ask the honourable member for Dandenong North not to incite the house.

Mr LENDERS — I am trying to assess in an analytical fashion the team case of those opposite as well as outlining the team case on this side.

In contrast to how this government deals with reports, that very dear and close friend of the Deputy Leader of the Opposition, the federal Treasurer, Mr Costello, who was of great assistance to her in the Brighton preselection ballot, is a role model for how not to deal with tax reviews. The federal Treasurer kept his tax review — the Ralph review — absolutely secret, and he kept his government's plan hidden before suddenly springing it, bit by bit, on the community.

This government, which does not hold Mr Costello in such esteem, knows it needs to go out and talk with the community. The Treasurer has specifically said that he will announce the government's response to the review by the time of the May budget.

Members opposite who believe that the government is not listening to the community's responses to this review and will not be making its response based on what business and the community are saying are living in cloud-cuckoo-land. The government is not about to

rule out any of the recommendations that fall within the terms of reference.

I turn again to the matter of method. I have been perplexed in my short 18 months in this place by the strange relationship between members opposite and the Victorian Employers Chamber of Commerce and Industry. I find it extraordinary — other honourable members on this side probably agree with me — that one moment VECCI is seen as a saintly Joan of Arc figure coming to the rescue of its every economic argument and the next moment it is seen as demonic!

Through Nicole Feely, who has impeccable Liberal Party connections, the Victorian Employers Chamber of Commerce and Industry signed off on the Harvey tax review as a spokesperson for business. I find it extraordinary that whenever VECCI has a comment to make on an issue such as the Fair Employment Bill, it is trotted out as a spokesperson for all small business and we are told we must tug the forelock and listen to it — yet on this issue VECCI is suddenly irrelevant to the opposition.

The opposition needs to get the consistency of its team case right. It is either with VECCI or against it. VECCI is either a spokesperson for or an enemy of small business. Opposition members need to sort out in their own minds where VECCI lies.

I turn now to the shadow Treasurer's role in this matter, and in particular to some of the inconsistencies she has shown. I will come to her score in a moment.

Mr Holding interjected.

Mr LENDERS — As the honourable member for Springvale says, we have two shadow treasurers — the honourable member for Box Hill, who believes he is the shadow Treasurer, and the honourable member for Brighton, who is the shadow Treasurer. Time will tell.

Turning to the opposition's credibility on taxes and charges, I refer to the shameful years of the Kennett government, when the coalition cabinet had to make an assessment of what it felt about small business, to which the honourable member for Brighton alluded. In a clever debating tactic for which I again give her points for manner, she thought that if she brought the genie out of the bottle early and put it back in it would then go away. However, those members opposite who so piously had a go at the government today over this report also sat around the cabinet table and made the cold-blooded and ruthless decision that 77 000 small businesses could wear an increase in land tax!

Mr Nardella — How many?

Mr LENDERS — Seventy-seven thousand small businesses! Members opposite, in a cold and ruthless fashion, decided that small business could bear the pain of a decision that they made unashamedly. The honourable member for Box Hill, the de facto shadow Treasurer, is on the parliamentary record as welcoming the flattening and extension of the tax base. Opposition members — who take enormous delight in beating the drum and scaring people in Hansonesque fashion — made that decision. What they choose not to understand is that this government is out there listening. It commissioned the review to get advice and set a time line that it will follow after considering the information coming back to it. This government will not follow the Hansonesque, populist beating of the drum engaged in by members opposite.

The team opposite, including the Leader of the Opposition and the deputy leader, were also sitting around the same cabinet table when the decision was made to effectively reduce the threshold on payroll tax by broadening the base to include superannuation. They increased the number of payroll taxpayers by 2000-plus small businesses by including the superannuation surcharge.

Let's have a discussion on business taxation and on what is good for this state, but members opposite should get off their high horse on small business, given that they widened the land tax net to include an extra 77 000 small businesses. The mob opposite should be ashamed that they widened the payroll tax net to include more than 2000 small businesses by a definitional turnaround — yet now they are criticising us! Let's have a discussion about tax and the Harvey review, but let's not be populist about it.

It is a pity that the Leader of the National Party has gone because I really like the name Ryan, which has a particular appeal to members on this side at the moment. The Ryan by-election in Queensland is the best indication of how communities respond to political parties that do not consult or discuss when dealing with tax matters. The introduction of the business activity statement, which was one of the key factors in the Ryan by-election, was about the federal Liberal Party having a go at small business, which the Howard's Heroes in this chamber did nothing but cheer on.

Members of the Kennett cabinet sat around and happily endorsed the business activity statement (BAS) and everything that went with the GST. They were cheerleaders for it — and that affected small business probably more than anything else that has happened in our lifetimes in this place. It is a tax that crushes small business, destroys their aspirations and adds paperwork.

But at no time were members opposite prepared to move matters of public importance condemning the Howard government for what it did to small business.

The remaining speakers from the Labor side, including the honourable members for Ripon and Frankston East who have massive small business experience, will certainly go through a number of these issues. I will conclude with an assessment of the debate in the case put by those opposite. I give very good marks to both the Leader of the National Party and the Deputy Leader of the Opposition on the manner of their presentation. They are good public speakers; I will not give them a score, but I make no criticism of their manner. However, on matter they were absolutely and sadly woeful. I would mark the two of them together at probably 5 out of 40 — and that is probably being generous — because the substance of their speeches and their understanding of a consultation process was all wrong. If there are to be business tax cuts you actually need to look at where the revenue is coming from and consider such issues. As I said, I give them a dismal 5 out of 40.

The final mark is for method and putting the team case. I give them 5 out of 20 for method; they followed each other in debate, and that was about the limit of the team case. There were inconsistencies between the Liberal and National parties, between the pseudo shadow Treasurer and the real shadow Treasurer and between the National Party spokesman and the leader. If you add the marks together you get 10 out of 100 — which is the leader's recognition rate!

The ACTING SPEAKER (Mr Lupton) — Order! I draw the attention of the house to the matter of public importance before the Chair, which is:

That this house condemns the state government for refusing to rule out the State Business Taxation Review Committee recommendation of a \$1 billion increase in land tax which will destroy small business and small investors in Victoria.

I ask honourable members to try to restrict themselves to the matter before the Chair. The Leader of the Opposition.

Dr NAPTHINE (Leader of the Opposition) — Thank you, Mr Acting Speaker; I will certainly speak about the motion before the Chair. I suggest that if the honourable member for Dandenong North claims to have had any education in debating, then the educator needs to go back for retraining — the honourable member for Dandenong North completely failed to demonstrate any debating skills whatsoever.

The ACTING SPEAKER (Mr Lupton) — Order! The Leader of the Opposition will speak to the matter before the Chair.

Dr NAPTHINE — The honourable member's arguments were inconsistent and absolutely irrelevant to the topic before the Chair. He would get zero out of a hundred for his contribution here today!

Mr Helper — On a point of order, Mr Acting Speaker, the Leader of the Opposition is clearly disobeying your previous comments by totally ignoring them.

The ACTING SPEAKER (Mr Lupton) — Order! There is no point of order.

Dr NAPTHINE — The motion before the house condemns the state government for refusing to rule out the State Business Tax Review Committee's recommendation for a \$1 billion increase in land tax. Why didn't the first Labor Party speaker in this debate address the topic? Why did he not say, 'Yes, we will rule it in', or, 'No, we will not rule it in.'? Why didn't he address the topic?

Fundamental questions have to be asked. Why does the Bracks Labor government hate Victorian small business so much? Why does it want to kick small business to death in this state, particularly in regional and rural Victoria? The honourable member for Brighton outlined very well the overall case concerning the land tax change and the detrimental effect it will have on this state's economy. As the honourable member for Portland I will speak particularly as a representative of regional and rural Victoria and about cases that affect businesses in those areas.

The honourable member for Monbulk will continue that logical argument by talking about the effects on agricultural industries and their service industries, and the honourable member for Caulfield will talk about the effect the change will have on self-funded retirees and other older people in our community. The opposition is making a logical and sensible contribution to this debate, and it is a pity we are not hearing the same from the other side.

The question is: why does the government not rule out this massive increase in land tax which will bring in an extra \$1 billion and which will be taken out of the pockets of Victorians and put into the coffers of the Treasurer? Why will its members not tell the 250 000 people who will have to pay land tax for the first time under Treasurer Brumby's proposal that they will leave them alone? Labor Party members say, 'But this will happen in the fullness of time and the budget

will tell you what we are going to do'. I can tell the house that the proposal is already having an impact in country Victoria — today, last week and the week before — ever since the report came down.

The potential significant damage of this land tax impost is already having a significant effect on country Victoria. It is having a direct effect on sales of businesses in country Victoria. A hotel in Colac was ready to be signed up to be sold, but the potential buyers withdrew from the sale until the land tax issue is resolved. It has had an immediate definite effect. It has had an effect on confidence and potential investment in country Victoria. The Treasurer needs to make a decision on the matter now, because it is having an impact in country Victoria as we speak.

I will give a couple of examples; I will give a tour of country Victoria and the impact the proposed tax is having. Recently I visited and met with business operators in the city of Ararat.

Mr Helper — Did you find it?

Honourable members interjecting.

The ACTING SPEAKER (Mr Lupton) — Order! The honourable members for Springvale and Ripon are being disorderly.

Dr NAPTHINE — The honourable member is known as Joe Helpless! He is also known as Joe of No Help to Anybody!

Mr Helper — Who wrote that one for you?

Honourable members interjecting.

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Ripon is starting to test the Chair's patience.

Dr NAPTHINE — In the township of Ararat I met with people from a number of local businesses. For example, the local proprietors of the Autopro shop, a business in the main street of Ararat, currently pay no land tax on a land value of \$30 000. Under the Labor plan they will pay land tax of \$867 per year. They own a retail business next door that is currently vacant, but that will not exempt them from having to pay nearly another \$1000 a year land tax on that. They are asking why this impost is being imposed on country businesses in Ararat.

In Bairnsdale a service station proprietor on a land value of \$240 000 currently pays \$680 a year in land tax. Under the Labor proposal he would pay \$6936 a

year. A supermarket in Peel Street South, Ballarat, on a land value of \$1.2 million currently pays nearly \$12 000 a year in land tax. Under the Labor proposal it would pay nearly \$36 000 a year in land tax. This is going on throughout regional and rural Victoria.

The people who own businesses in my electorate are absolutely frightened by the Labor government proposal. The milk bar proprietors I have spoken to in Casterton are concerned about having to pay nearly \$1000 in land tax on a land value of \$30 000 when they currently pay zero. They are very concerned about why the Labor Party wants to put that impost on small businesses across the state.

It is not just retail businesses that are concerned; an engineering business in Avoca on a land value of \$85 000 currently pays \$85 a year in land tax. It would be up for nearly \$2500 a year. A manufacturing business in Benalla on \$240 000 worth of land currently pays \$680 a year, yet under the proposal it would pay nearly \$7000. This is a massive impost on small business in regional and rural areas. Many have never paid land tax before.

The other aspect of this crazy proposal of the Labor Party is the shifting of costs from metropolitan to country areas. I refer to page 59 of the business tax report, where it states:

It is also proposed that the metropolitan improvement levy, currently collected by water authorities, is abolished and the needed revenue (around \$70 million a year) collected as land tax and included in the overall land tax rate.

The Labor Party is proposing to give tax relief to people who own \$1 million houses in Albert Park and Williamstown by abolishing the levy that is currently imposed on them by water authorities and having that paid for by the milk bar proprietor in Avoca, the fish and chip shop proprietor in Casterton and business operators in Bairnsdale and Benalla — they will be paying extra tax to give tax relief to \$1 million householders! It is an absolutely disgraceful shift of taxation from city people to the small country businesses, who will pay the additional impost.

In line with the statement of public importance, I call on the Treasurer to rule out this proposal immediately. It is unfair to small business. It is a cost shift from the metropolitan area to the country and from the big end of town to small business. The Liberal Party will continue to stand up for small business, whether it be against massive Workcover increases, against the imposts of the Fair Employment Bill or against the proposed massive increases in land tax.

The proposed increase in land tax would affect small businesses across country Victoria, whether they be retailers, manufacturers, tourism businesses, agricultural service industries or self-funded retirees. It would have a massive impact on country Victoria! It would be a huge cost shift of taxation burden from the city to the country. It is unacceptable to the Liberal Party. It is unacceptable to me. It should be ruled out immediately. It is already having a significant impact on confidence in regional and rural Victoria. It is having a detrimental impact on investment there and is affecting potential sales. It again shows that this government does not care about small business and does not care about country Victoria.

Mr STENSHOLT (Burwood) — Government members would definitely rate that speech as a 10 per cent effort! Actually, we are not too sure who the leader is. Perhaps there will be a vote in the parliamentary Liberal caucus.

I rise to contribute to the debate on the important issue of small business and taxation. Unlike the Liberal opposition, the Labor Party actively works with and supports small business in Victoria. The Labor Party is governing for all of Victoria, not just for the big end of town, which was the pattern under the previous government, led by the former honourable member for Burwood. The former Premier rarely consulted small businesses in his electorate. The other day I was talking to the proprietor of a business in Burwood who said I was the first politician who had spoken to him in 27 years. That is a long time. Obviously the previous incumbent was not around!

The government cares about small business people. It talks to them, listens to them and works with them.

An honourable member interjected.

Mr STENSHOLT — They do not. Let me say a bit about what the government is doing in Burwood, where there are 1700 businesses, the vast majority of which are small businesses. I have set up a business forum in Burwood to provide the local businesspeople with an opportunity to consult and meet with ministers and other government leaders. The Minister for Small Business has visited and talked to local businesses to hear their concerns. It is a big contrast with what happened previously. I actively support small traders, particularly in Ashburton and Burwood Village, where I am a member of their associations.

I will tell the house a little about helping small business in Burwood Village. I arranged for local businesspeople to meet the Premier at a community cabinet meeting

last year. As a result a committee was set up between the traders, the Department of Infrastructure and, because the shopping centre straddles two council borders, the two local councils. I was happy to announce that they would receive \$30 000 from the two councils and the government's Pride of Place program to support the shopping centre. It will be a big fillip for the traders. A headline in this week's *Progress Press* states: 'Big plans to spruce up shops'.

What do local small businesses think of all this? What is their view of the effort put in on their behalf by the Bracks Labor government? The Premier has visited the shopping centre twice, which I think is about as many times as the previous member visited it in the preceding 10 years. An article in the *Progress Press* states:

Burwood Village Traders Association coordinator ... said she was thrilled.

They (traders) feel that they have been recognised after years of neglect ...

The centre is one of the older looking centres in the area ...

There have been years of neglect and it is important to the traders that they are listened to and consulted, which is exactly what the government is doing.

The business taxation review is a good example of that consultation. It is a comprehensive review put out by an independent panel. I talk to businesses to get constructive feedback on taxation because the government is neither a scaremonger nor is it being negative. I talk about the constructive issues dealt with in the review and ask them what they want from the government. I am their representative, just as the Bracks government is the representative of all small businesses in Victoria. It is doing the job properly and appropriately by taking feedback from them on taxation reform, listening to them and working actively for them.

Small business is looking forward to the \$400 million in business taxation cuts and is contributing to the dialogue on the issue. It is interesting to hear the views of the people in the street, particularly the business people, on taxation. The common view is that the Liberal Party, both state and federal, has shown little interest in or understanding of business people's concerns. They remember the record of the previous government; they remember that business taxation went up by 50 per cent while the rate of inflation went up by only 14 per cent. They remember that 77 000 more of them paid land tax when the threshold was lowered from \$200 000 to \$85 000 — 77 000 more were caught in the net. That net was partly knitted by the former Minister for Small Business in the previous

government, who is now the shadow Treasurer. She is one of the architects — like Madam Defarge — of that particular effort on small business. Seventy-seven seems to be a good number: I note from press releases overnight that 77 per cent of small businesses in New South Wales are not happy about taxation changes there — I am sure that adds up to more than 77 000. Business people in New South Wales are not particularly happy about federal tax reform.

It is difficult to talk to locals about what the Labor Party is doing — they are quite happy with the Bracks Labor government. Rather, they talk about what the federal government has done — the Liberals' mates at the big end of town, particularly their mate Costello. The enemy of small business in Victoria is Peter Costello, a great friend of the shadow Treasurer.

Few businesses in my electorate, let alone in the federal electorate of Higgins, which covers part of my electorate, have good words for Goldilocks, our federal Treasurer. They see the situation as one of Goldilocks and the three bears: recession, panic and retreat. As Costello and his mate John Howard flip-flop and backflip all the way down High Street and Toorak Road, small businesses are becoming completely overburdened by the federal tax issue, the business activity statement (BAS) and the implications of becoming tax collectors. They deeply resent not only the fact that 77 000 more of them had to pay land tax when the threshold was lowered, but also that they now have to collect tax on behalf of the federal government.

The Liberals have no credibility when it comes to taxation on small business. The locker is empty: small business has abandoned the Liberal Party in droves because it has no respect for it, and the Liberal Party knows it. The main concern of small business is the crushing burden of the BAS and the GST. I can empathise with them from my recent experience running a small consultancy for a couple of years. I thank my lucky stars I have not had to grapple with the BAS and all that.

I return to the taxation review. As was said earlier, it is an independent review with a wide range of recommendations for payroll tax and stamp and other duties. It is the first review in 18 years. Independent people have led the review and provided a comprehensive and challenging report that details all the taxes paid by business in Victoria. It is led by people from Pricewaterhousecoopers and the Victorian Employers Chamber of Commerce and Industry — although I note a particular person is no longer with VECCI.

Good government is all about communication: getting a review written by experts in business taxation and putting it out there for consultation, independent advice and feedback. Given the record of the previous government, I do not know whether the Liberal Party knows what communication means. The government is seeking views on a whole range of taxation measures through consultation. The proper role of government is to consult. That is something new in this place; it was introduced only recently by the Bracks Labor government, which is governing for all Victorians.

The government is consulting and will deal with taxation in the next budget. The shadow Treasurer does not understand that such matters should be dealt with in the budget, and it will be dealt with in the budget as a matter of good governance. That is how the system works: not by scaremongering, but by considered and constructive input into forming sensible fiscal policy. The government will consider that input for all Victorians —

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

Mr McARTHUR (Monbulk) — It is a pleasure to follow the mediocre performance given by the honourable member for Burwood, who demonstrated his complete ignorance of the impact of this disastrous proposal on small business in his electorate. He also demonstrated the wider ignorance of this Bracks Labor government of the impact it will have on the Victorian society, the social fabric in rural and regional areas, on small business and on employment.

The appalling suggestion is that the land tax threshold should be abolished and that a flat rate of land tax should be introduced for all businesses in Victoria. Let us consider what that will mean.

This proposal, apparently supported by the Treasurer, absolutely abolishes the current threshold on land tax, thereby bringing every small business in Victoria, whether it is in an inner city suburb or in the smallest country town, into the land tax net. Further, it introduces a flat rate of tax and gets rid of the existing progressive rate. That will have an appalling impact because it will transfer the burden of land tax from the big end of town, the multinationals, onto the small independent operators and family businesses.

The honourable members for Dandenong North and Burwood referred to the lowering of the threshold during the term of the previous government. It was reduced from \$200 000 to \$85 000, but the progressive scale was maintained.

The impact of that reduction of the threshold brought those businesses with a land value of \$85 000 to \$200 000 into the net. What does an \$85 000 business pay in land tax a year? I will tell you; it pays the massive amount of \$85. What does a business with a land value of \$200 000 pay each year? The answer is \$200. Although 60 000 or 70 000 more businesses were brought into the net, they came in at a rate of between \$85 and \$200 a year — an average of \$140 or \$150 a year across 70 000 businesses — a total tax take of some \$14 million a year.

What does the Bracks government propose? A flat rate with no threshold — more than \$1 billion of additional land tax each year from now on in perpetuity on every business, on every street, in every town, across Victoria.

I want to look particularly at the impact on agriculture. As all honourable members know, agriculture is principally made up of small, family-operated businesses, some of which are successful but others are struggling. Those farm businesses depend for their viability and future on access to a wide range of service industries, including stock and station agencies and veterinary clinics. They also need access to professional services in offices operated by accountants, doctors and lawyers. They need close-by access to machinery sales and service; they need viable abattoirs across regional Victoria and viable and operating saleyards within reach; they need access to packing sheds and processing plants for their crops and produce; and they need access to transport operators to cart away their produce or livestock or bring in their inputs whether it be other livestock, fertilisers or feed. What will happen if John Brumby's proposal goes through? Every one of those sales, service and support industries will pay land tax — every one — almost all of them for the first time!

I now look at what that might do. The burden of this increased tax on those businesses can operate only in a restricted number of ways. Firstly, it can push up the costs of the business, which must then be passed on to its customers, who are the farmers and residents of small country towns. If the costs cannot be passed on, it may —

Mr Lenders — What does the VFF think about this?

Mr McARTHUR — The VFF is dead against it. If the costs cannot be passed on, the viability of that service industry may be threatened, and it will reduce the number of jobs in those industries and in country towns.

I turn now to a couple of examples. A caravan park in Gippsland that provides accommodation and services to, among others, farm workers, has a land value of \$1.2 million. Currently it pays land tax of some \$10 900. Under John Brumby's proposal it will pay land tax of \$34 700, an increase of some \$23 800.

A farm equipment supplier in Gippsland has eight sites across Gippsland with a total land value of some \$749 500. On the aggregation system the current land tax payable on that land-holding, which services all of those small towns in country Victoria, is \$2305 a year. Under John Brumby's proposal it will pay \$21 675, an increase of \$19 370. That will cost someone their job. It will cost a family in East or West Gippsland their father or mother's job — it could cost someone their house.

There are hardware shops all across Gippsland because farmers and country people use and need access to hardware shops. A hardware shop in Inverloch with a land value of \$109 000 currently pays land tax of \$110 a year. In future it will pay \$3150.10, an increase of \$3040 a year. A further example: a hardware shop in Grantville with a land value of \$174 000 currently pays land tax of \$174 a year. What will its owners pay next year under John Brumby's proposal? The answer is \$5028.60, and it will pay that every year thereafter.

A veterinary operation in Mansfield in the electorate of the honourable member for Benalla with a site value of \$64 000 currently pays no land tax. However, that well-respected vet providing services across north-eastern Victoria will pay \$1849.60 in land tax next year. Plunketts, a winery at Avenel in the Seymour electorate currently employing some 30 people, has a site value of \$41 500. Its land tax will rise from zero to \$1199.35. This proposal will cause damage right across rural Victoria.

Midfield Meats is already in trouble, and it refuses to expand because of the Labor Party's Workcover policy. Its site value is \$650 000, and its current land tax is \$1430 a year, which will go to \$18 785. That will be a big help to Midfield and a big help to jobs in western Victoria!

I turn now to examine the family farm exemption that currently exists. How wide is the exemption? Does it apply to a winery on the farm? I doubt it. Does it apply to packing sheds on the farm? I do not think so. Does it apply to a farm investing in wind generation to provide clean, green energy to sell on to the grid? I doubt it. Will it apply to farm-stay tourism operations? No, I do not think it will. The operators will pay land tax. Will it apply to a farm-based engineering business? No way,

José! Will it apply to an agricultural contractor who uses his farm to store equipment? No.

How long will the exemption last? What does the Department of Natural Resources and Environment say about the current land tax exemption? DNRE's submission to this independent review states:

The outcome of land tax on conserving native vegetation no longer reflects community expectations.

It also says:

Clearing blocks of native vegetation, draining wetlands and completing other 'improvements' so that they can be classified as farmland may eliminate the need to pay any increase in land tax associated with the site value increase and may also have serious implications for conservation of habitat.

It goes on to say:

This submission recommends changes to the Land Tax Act 1958 to correct conflicts — —

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

Mr LONEY (Geelong North) — The honourable member for Monbulk commenced his contribution by talking about mediocrity and then comprehensively failed to reach even that standard.

His behaviour shows that not much changes here. We know that real estate agents subscribe to the property sale theory of the three Ls: location, location, location. It seems our current opposition subscribes to the theory of the three Hs: hypocrisy, hypocrisy, hypocrisy. Throughout the contribution opposition members have demonstrated an absolute commitment to hypocrisy, which is probably the only commitment the house has ever seen from the opposition. It is not committed to anything else, including its leader!

A number of opposition speakers voiced their support for reduced taxes and small business and said that theirs was the natural party of business and that they know better about these things. It seems that they know better than business itself, but we will let that go for the moment. When they come in here saying these things it is important to take a quick look at their record because it is not too distant — certainly not as distant as most Victorians would like it to be.

What was the record of the former coalition government over those seven long, dark years of negativity that prevailed in this state? Our now anti-tax opposition had a different view when it was in government. It increased taxes from \$6.2 billion to

\$9.5 billion — that is, a 50 per cent increase in the tax impost on Victorians.

Mr Nardella — How much?

Mr LONEY — Fifty per cent!

Mr Nardella — Five times its popularity.

Mr Helper interjected.

Mr LONEY — That is probably correct, and the honourable member for Ripon would certainly know how popular the opposition is outside Melbourne.

It is also important to have a look at what the former government did on similar issues. We know its stance on land tax. The house heard an attempted defence of the previous government's increase in land tax by the honourable member for Monbulk saying, 'The way we did it was a good thing'. The former coalition's 'good thing' added about \$50 million to the tax on Victorian small business during its four-year term of government. The honourable member wants to argue by saying, in effect, 'Our \$50 million tax was a good thing, but if a report comes up talking about it while we are in opposition, it is a bad thing'.

The opposition's entire argument can be viewed as stemming from the short walk from this side of the house to the other in that it has forgotten what it did in government and wants everyone else to forget about it as well, but Victorians have longer memories than that and they will judge the opposition accordingly.

I listened carefully to the honourable member for Monbulk when he said that his big difficulty with this piece of legislation is its effect on the farming community. A couple of weeks ago I met with the Victorian Farmers Federation (VFF). The federation has probably engaged in more talk with members of the farming community and listened to people involved with agriculture than has the honourable member for Monbulk. The VFF said it supported the package and wanted the government to implement the business tax reductions. It put out a press release supporting the process and the recommendations, but it must have missed the honourable member for Monbulk.

What about the Victorian Employers Chamber of Commerce and Industry? We usually hear a lot from opposition members about VECCI on other matters, but has it been raised by them today?

Government Members — No!

Mr LONEY — I wonder why? Probably because VECCI supported this process, gave it the big tick, said it was proper consultation and that this is the way the government should proceed about reviewing business tax in Victoria. VECCI was a part of the process — of the independent Harvey panel — but 'independent' is a word we also have not heard much of from that side, and that does not surprise me.

During the seven years in government they demonstrated they had no concept of independence or what it means to be independent. Everything was government. Even now they have difficulty coping with an independent process. Opposition members cannot see it in any terms other than their own flawed ideologies and practices. It is a bit too much for them even to say the word 'independent', so we hear nothing about that. It is important, because the rest of the community understands that notion. There are 30-odd opposition members who do not understand it, but the rest of the Victorian community does — this report was produced by an independent panel that made recommendations it believed should be made. A process of consultation will take place and the government will respond by stating which proposals it is prepared to take on and implement. That is consultation. That is working with the community and business groups.

From my observation of the past seven years I completely understand that to opposition members that is an incomprehensible concept. It never took place when they were in office and they do not understand it. I am not surprised at the way they have rabbitied on today. I suppose we should feel sorry for them because they cannot deal with such a sophisticated concept. Perhaps opposition members need a bit of education and professional development on those issues.

The opposition has also demonstrated today that it does not stand for anything on the issue of business taxation. It stands against things but does not stand for anything. Opposition members have no ideas themselves. Not one idea has been put forward by the opposition. Where is its business tax package? Government members remember the last time it tried to produce one was around 1993, when the Premier and a former minister for small business, Vin Heffernan, said they would produce a package in six weeks. It is getting towards eight years now and still it has not appeared. Opposition members have no ideas on this issue and no package. They are just Howard's Heroes, trotting along behind the goods and services tax.

Mrs SHARDEY (Caulfield) — What a contribution that was. I did not hear the words 'land tax' once during

the honourable member's contribution, so that issue went totally unnoticed and uncommented on for the most part.

At a time when there is talk of an economic downturn and when the Labor Party continually talks about a shortage of affordable housing stock, I am appalled that the government has not ruled out introducing a flat rate of land tax with no threshold, because such a system would have enormous impact on property investors, self-funded retirees, tenants and those seeking affordable housing. The introduction of such a tax would make property investment most unattractive and would lead to an increase in rentals for private sector housing tenants, a reduction in private sector rental stock and increased pressure on public sector housing.

If one looks at the business tax review recommendations, one can see how it would apply. A flat rate of land tax at 2.89 per cent would be levied on business property with no threshold and retention of the system of unimproved valuations. I refer to the definition of 'business use property' in the Harvey report. It states:

To determine which tax rate should apply, the committee proposes that property for business use, including investment residential property which generates rental income, would be taxed at a flat rate.

...

Under this test, business purposes would include a business activity or an investment ... In this sense, the test would be broader than a distinction between residential and non-residential.

When one looks at the state of the Victorian economy, one would think that such an action would be the last thing a government would want to contemplate.

To assess the current status of the economy I refer to the comments of Ed Shann, who is well known by government members for his work with Access Economics. An article he wrote for the *Herald Sun* of 17 March states:

Victorian demand is weak due to failing private investment ... the final demand figures fell in both the September and December quarters of 2000, seasonally adjusted ...

Dwelling construction fell 27.4 per cent in the two quarters ...

The Bracks government has been slow to gear up public investment despite the evidence a year ago that private construction activity was likely to be weak.

It is taking too long to spend the \$1 billion provided in the last budget to encourage private infrastructure spending.

Not only that, but the introduction of the land tax proposal flies in the face of the policy the ALP took to the last election. I will quote from that policy, because it addresses affordable private rental. It states:

The shortage of affordable rental accommodation has increased the incidence of exploitation in the rental market and is forcing many families into substandard accommodation.

In responding to the rental crisis, Labor will ... work to develop incentives that encourage private landlords to provide affordable stock for public or community management; develop a planning framework, with local government, that encourages the construction of affordable housing stock by private developers; and, advocate that the federal government reshape existing tax incentives available through negative gearing and depreciation allowances to provide more appropriate investment incentives for affordable housing in the private rental market.

Labor talked about working with the private sector to develop more private rental housing stock, encouraging the federal government to give more incentives for people to invest in the private rental market by way of investing in property, but what has it done? It has taken direct action to discourage particularly self-funded retirees from investing in this sector.

It is not as though the government has not been put on notice. The Real Estate Institute of Victoria has strongly opposed the introduction of a flat land tax of 2.89 per cent with no threshold. I refer the government to the comments of the REIV on this tax:

Any gains for the property industry in the form of abolition of stamp duty on business property conveyances are wiped out by the imposition of a flat 2.89 per cent land tax rate and the removal of the tax-free threshold.

Under the proposed changes to the land tax system, an investor who owns a property valued at \$150 000 will be forced to pay \$4335 per year in land tax, that's \$83 per week, up from the current \$150 per year. This will either mean that rents will rise or property prices will fall or a combination of both, meaning that property will be a less attractive investment.

There are considerable economic multiplier effects attached to investment in the residential property market. Using input-output multipliers published by ABS, it is estimated that a \$1 million investment in residential property generates 12 full-time equivalent jobs and supports \$2.1 million through the economy.

The increase in land tax will adversely affect the residential rental market as property owners calculate their rental as a rate of return on investment. By increasing land tax, the cost of investment increases and the rate of return required by investors will therefore be higher. It follows that the residential rental market will be directly affected either in the form of a direct increase in residential rents or conversely a softening of property prices to reflect the higher cost investment.

Should residential rents increase this will have a direct impact on inflation and will reduce the level of disposable income in the economy. The REIV is most concerned that this change would have the greatest impact at the lower end of the market where people can least afford a rent increase and where investors are primarily single (entry level) property investors.

This is the advice of the largest peak body involved in the housing market and in investments by self-funded retirees, particularly investments in property, which provide rental properties for Victorians.

Under this appalling proposal Victorian investors, many of whom are self-funded retirees, will be worse off than those in any other state in Australia. I will quote some of the figures that have been provided so we can understand the position it will put Victorian investors in.

The current rate of land tax on a \$100 000 investment is \$100, and that will increase to \$2890. On a \$250 000 investment, the current tax is \$300, and that will increase to \$7225. On an investment of \$500 000, the current tax of \$800 will go up to \$14 450. Under the proposed regime Victoria will be charging the highest level of land tax of every state for every category across the country.

There are more than 2 million retirees in Australia. We know that at retirement nearly 40 per cent of men and 20 per cent of women rely on investment retirement schemes as their main source of income, and governments continue to push for retirement-based superannuation rather than government benefits.

Because of this ill-conceived proposal, self-funded retirees will leave the property market in droves. The number of land tax payers will increase from 146 000, as assessed by the business tax review document, to 377 000. The tax take from this proposal will move from approximately \$475 million to \$1.5 billion.

As we know, the previous government reduced land tax rates along with benefits especially targeted at medium-sized businesses resulting in savings to business of more than \$30 million a year.

While this government proposes taking action to stymie the housing investment market and the investments of self-funded retirees, we should note that our federal coalition colleagues have taken a positive step to stimulate the housing market by increasing the first home owner subsidy to \$14 000.

The ACTING SPEAKER (Ms Davies) — Order! The honourable member's time has expired.

Mr HELPER (Ripon) — Listening to this debate, I have been amazed at how quickly and how much we can learn in a short time. I was a small business proprietor before entering Parliament. I would have thought that when an opposition proposed a debate on a matter of public importance, first and foremost its members would contribute to it by raising issues of relevance.

Secondly, I would have thought that the matter proposed would be a genuine matter of public importance. Alas, I have been disillusioned! All we have heard so far is the bleating of an irrelevant opposition, led by a 10 per cent leader. The matter of public importance is totally off the mark. It is about a process. It says the government should not consult on the Harvey report, that it should rule out the report's recommendations before the community has had the opportunity to have an input. The matter of public importance has been put together by a gaggle of process junkies who dislike the way the process is applied.

This matter of public importance also serves to further demonstrate the gross hypocrisy for which members of this opposition have become famous. They are like lambs when it comes to their federal mates and the business activity statements imposed on small business. They would have been the bane of my life if I had not succeeded in entering Parliament and escaping having to operate a small business under the Howard government.

I remember one day leaning on my counter after spending a short time counting the till — as always there was not a great amount of money in it! — and thinking, 'What would it be like if I do not succeed in entering Parliament and have to deal with the implementation of the GST?'.

It would have meant trying to find an extra day a week when I was already trading six and a half days a week. It would have meant supposedly saying thank you for a \$200 incentive to cover the cost of introducing a new taxation system — an absolute and gross insult to the small business community —

The ACTING SPEAKER (Ms Davies) — Order! I remind the honourable member of the matter of public importance before the house and ask him to come back to it.

Mr HELPER — I appreciate your guidance, Madam Acting Speaker, but the reason I raise these issues will become evident in a moment. The introduction of the business activity statements and the federal government's taxation changes have been an

absolute and total disaster for small business in Victoria, as they have been for small business across the whole of Australia. But these lambs opposite become bleating wethers when it comes to consultation here in Victoria.

Let's keep in mind what this matter of public importance is about — that is, whether the government should consult about recommendations made by an independent panel, which had broad-ranging and excellent representatives on it —

Mrs Shardey — On a point of order, Madam Acting Speaker, it appears that the honourable member is under a delusion as to what this matter of public importance is about. It is about the government's refusal to put aside the recommendation on land tax. It does not mention the word 'consultation' at all.

The ACTING SPEAKER (Ms Davies) — Order! The honourable member should not misuse the opportunity to put a point of order in that fashion. There is no point of order.

Mr HELPER — The honourable member for Caulfield would have been thrown out of small business! As a former small business proprietor I have tried to imagine how I would have reacted to the process put forward by this government. I would have been impressed by a government that was talking to the small business community about taxation changes that it may or may not introduce. That is a concept that the opposition is incapable of understanding. One can compare the government's approach to the secret but planned back-door introduction of the federal government's tax changes.

When the heat is applied to coalition members in Western Australia, Queensland and the federal electorate of Ryan, they start doing backflips — again with an absolute lack of consultation. As a result, and maybe it will sink in one day, they are not enjoying the political fruit they would have expected to come from their backflips.

I want to dwell on the scare campaign about the Harvey report that has been launched by the opposition, including the visit by the 10 per cent Leader of the Opposition to Ararat to try to drum up some scaremongering.

Mr Mulder interjected.

Mr HELPER — It was certainly more than the Leader of the Opposition succeeded in doing.

Mr Plowman interjected.

The ACTING SPEAKER (Ms Davies) — Order! The honourable member for Polwarth should wait his turn, as should the honourable member for Benambra.

Mr HELPER — The feedback I received from the Ararat business community, with which I have good and solid links, is that before the visit the opposition leader had a 10 per cent recognition rating and after his visit he had a 10 per cent relevance rating, given his feeble attempts to drum up a scare campaign.

Mrs Shardey — On a point of order on relevance, Madam Acting Speaker, the honourable member is still not referring to the matter of public importance that has been raised. He has not yet mentioned the topic of land tax, so I ask you to draw him back to the issue.

Mr HELPER — The point of order raised by the opposition is interesting, Acting Speaker. I find it difficult to see the relevance of the opposition leader drumming up a scare campaign about land tax. However, I await your ruling.

The ACTING SPEAKER (Ms Davies) — Order! A fair amount of leeway has been given to speakers in this debate. I do not uphold the point of order, but I ask the honourable member to take heed of the topic he should be talking about.

Mr HELPER — I turn to those who are for and against the proposals in the Harvey report. Among those in favour are, clearly, the Victorian Employers Chamber of Commerce and Industry, which was closely involved in drawing up the report; the Victorian Farmers Federation — and like the honourable member for Geelong, I remember the meeting at which the VFF gave a clear and large tick to the Harvey report and urged the government to implement it in its entirety; the Australian Industry Group, which is obviously impressed not only with the recommendations but also with the process of consultation; and, until now, significant components of the National Party.

I refer to a Western Victoria ABC radio transcript of 28 February, which quotes the newsreader as saying:

... The National Party wants the state government to adopt the key recommendations of the business tax review.

...

... The National's spokesman on finance and gaming, Roger Hallam, says the measures will work in concert with the GST —

I have some disagreement with that —

to reduce the tax take on business.

It is not surprising that the National Party has not yet managed to reach a unified position on this. The Leader of the National Party was somewhat less supportive of the report's recommendations than the National Party's spokesperson on finance and gaming, no less.

I dismiss the matter of public importance brought forward by the opposition and regret, for the sake of politics in Victoria, that it again demonstrates the opposition's hypocrisy.

Mrs FYFFE (Evelyn) — I am pleased to speak on the matter of public importance.

Mr Pandazopoulos interjected.

Mrs FYFFE — I am pleased the Minister for Major Projects and Tourism has interjected about grape grazing, because in answer to a question without notice he commented on how well tourism is doing in Victoria now compared with the situation under the previous government. The Yarra Valley Grape Grazing Festival — this may not seem relevant to the matter of public importance but it will end up being so — was started in 1988 when Victoria had a Labor government. The then Labor government's interest in tourism was so intense that it would not give even 1 cent to support it, so grape grazing had to survive without any help at all from the relevant minister. When the Kennett government came in — —

Mr Lenders — On a point of order, Acting Speaker, while it is interesting to listen to the honourable member for Evelyn speak about tourism, given your earlier guidance that the matter of public importance is about land tax, I suggest she is straying a little far and I urge you to bring her back to the issue.

The ACTING SPEAKER (Ms Davies) — Order! I have just mentioned that honourable members have been given a fair amount of leeway during this debate; however, I remind the honourable member to take note of the topic.

Mrs FYFFE — What I was saying before the point of order was raised is relevant to the land tax issue, because although the previous Labor government gave no support for grape grazing, when the Kennett government came in it saw the value of tourism and invested in and encouraged the development of tourism accommodation. Grape grazing was a good investment given the range of tourism accommodation now available in the Yarra Valley.

Under the land tax proposal that investment will not continue. I will give some examples of how land tax will affect tourist accommodation, which will in turn

affect regional festivals such as the grape grazing festival. A self-funded retiree with a guest cottage on a separate parcel of land at Daylesford that is valued at \$130 000 would currently pay \$130 in land tax. Under the proposed scheme that self-funded retiree would pay \$3750 — an extra \$3620 dollars per year.

A lot of what has been said by members on the government benches is untainted by reality. They have no conception of what small businesses operate on and what profit margins they have. Small business tourism accommodation, whether it be B & Bs or self-contained cottages on farms or in towns, is occupied on average for only four nights per week over 48 weeks per year. In the example I used, the proposed increase would be \$73 per week.

The operators of a small tourism accommodation business who have been renting their property at \$140 per couple per night will have the option of increasing those rental fees or cutting back on their gross profit margin. The market will not stand increases in fees.

If the Minister for Major Projects and Tourism, who was proudly talking about how well tourism is doing, were to go to the smaller functions he is invited to attend but does not, he would find out how difficult things are in many areas of regional Victoria. Victoria offers more than just the big 4 and 5-star accommodation venues and the huge festivals; it also has lots of little accommodation venues and small festivals that will be dramatically affected by these proposals.

There will be market resistance to operators of B & Bs increasing the current rate of \$140 per night per room. If you divide \$140 into the \$3620 increase, the result shows that the room would have to be let out for 26 nights to cover the increased payment. The reality is that there are other associated costs for the operator, so it would have to be more than 26 nights. A room rented out at \$140 per night results in an average gross profit of only \$70, so operators will have to rent their B & B accommodation, whether it be in a guest house or attached to a farmhouse, for an extra 51 nights — or three months — just to pay the extra land tax. That represents 13 weeks — three months — of extra trading. The true small business people will be affected by this government's lack of reality.

I will give another example. A self-funded retiree who invests in a house at Rosebud with a site value of \$100 000 currently pays \$100 per year in land tax. The retiree rents out the property during peak holidays, long weekends, and so on. There are only four weeks in the

peak holiday time at Rosebud when they can get good rent — and for a three-bedroom house they would get \$1000 a week. You do not have to be Einstein to realise how the increase in land tax will affect such investors. The tax will increase by \$2890, and they will lose money on their investment. Retirees will stop being self-funded and independent and will be better off putting their money in the bank.

People who lost so much in the recession we had to have and who lost businesses because of the mismanagement of the former state Labor government have since struggled to buy their homes, and many of them now operate B & Bs so they can have their independence and maintain their private income. This land tax increase will destroy that.

How on earth will farm-stay tourist accommodation be valued? Will it be valued on the dollar turnover of the business? People pay to stay in a cottage or in a room attached to a farmhouse because it is part of the farm. The farm is the main marketing arm of those tourism businesses, and it is the farm that attracts people. How will farm stays be valued? Will they be based on the total dollar turnover of the business or on a certain part of the farm area?

Wineries have been encouraged to expand into restaurants and accommodation places. The reason those facilities are so popular and are doing so well is that they are in the midst of vineyards. The vineyard is the tourist attraction and is marketed in all the advertising and promotions of such businesses. Will the whole vineyard be included in the valuation under the proposal? Will it increase their land tax to tens of thousands of dollars? If so, there will then be no winery-based tourism, restaurants and accommodation businesses, because the majority of wineries would much rather just make wine. The damage that will do to rural businesses is absolutely appalling. Contrary to what this government believes — which, from what its members have said this morning, is totally untainted by reality — small business operates on very small profit margins, which are quickly eroded.

When looking at getting investment into this state the government should look at New South Wales and its theme parks. In New South Wales there is a cut-off point for land tax at \$205 000 and a 1.7 per cent flat rate — two-thirds of what is proposed here. So how much more investment will we get in this state? We are not seeing much coming in now, and it looks like there will be even less.

Much of the talk this morning has been about the most wide-ranging of issues and very little has related to land

tax. If the proposal is adopted by the government ongoing damage will occur to small tourist businesses. Many small rural regional towns will not have tourists, many small shops will close, many small farms will not be able to continue to operate because they will have had to look for another source of income — many areas of rural and regional Victoria will be devastated. Yet in response to a question in this house the Minister for Major Projects and Tourism said something like, 'The Treasurer will do what is best for Victoria'. He did not say, 'I will urge the Treasurer to support and protect the tourism industry'.

Although the tourism industry is the saviour of many rural and regional areas of Victoria, I advise the minister that it is not the panacea that will cure all ills, and it will not solve everything. Tourism happens after a lot of hard work has been done by courageous people who start small businesses that help their regional towns. If this proposal is accepted, every pie shop, cake shop, bread shop and person employed in tourism in rural and regional Victoria will be damaged.

Mr NARDELLA (Melton) — I commence my contribution to the debate on the motion before the house by referring to the record of the honourable member for Brighton — she is actually in the house, which is terrific — who has an atrocious track record as a former Minister for Small Business in supporting small businesses from 1996 to 1999. I will give three examples of situations that were experienced by small businesses during that time.

The first example relates to retail tenancy legislation. The honourable member for Brighton says the government is not about assisting and does not care about small business, but in 1997 or 1998 the retail tenancy legislation passed through this house and the other place.

An honourable member interjected.

Mr NARDELLA — It has a lot to do with it, because claims are made by honourable members on the other side that the government does not care about small business. When the record is put straight, which is what I am doing, they do not like it.

At that time there was a lot of debate, especially among those involved, about the security of tenancy of small retailers in shopping centres who do it hard, because they build up their businesses and could have everything quickly taken away by the big proprietors. The former minister had to be dragged kicking and screaming to a meeting in Collins Street with all the

small retailers because she did not want to listen — and she is still not listening.

Mr McArthur — On a point of order, Madam Acting Speaker, I draw your attention and the attention of the honourable member for Melton to the matter currently before the house, which is:

That this house condemns the state government for refusing to rule out the State Business Taxation Review Committee recommendation of a \$1 billion increase in land tax — —

The ACTING SPEAKER (Ms Davies) — Order! Will the honourable member refer to his point of order!

Mr McArthur — In referring to the point of order, Madam Acting Speaker, I am explaining to you and the house what the matter is that is currently before the Chair. I ask you to draw it to the attention of the member speaking and to advise him that he should restrain himself and confine his remarks to those things that are relevant to the matter before the house. Certainly retail tenancies are completely outside the ambit of the wording of the matter of public importance currently being debated.

Mr NARDELLA — On the point of order, Honourable Acting Speaker, the premise of the opposition in arguments it has put to the house today is that the government does not care about small businesses and that its record stinks. That is not the case, and through this debate on a matter of public importance I am rebutting those arguments.

The ACTING SPEAKER (Ms Davies) — Order! I have heard enough on the point of order. A fair amount of leeway has been given to honourable members in the debate, but I ask the honourable member to come back to the issue of the matter of public importance.

Mr NARDELLA — Thank you, Honourable Acting Speaker. In a number of instances the previous government did not look after small businesses whatsoever. I know it galls honourable members on the other side when I bring out the facts, but they are true, and I will continue to do so time and again.

I refer specifically to the land tax issue, the subject before the house. When she was the Minister for Small Business, the honourable member for Brighton cheered on the then Treasurer when the threshold was reduced from \$200 000 to \$85 000. At that time she did not care about and had no concern for small business. That measure put in place by the Kennett government in 1997 brought into the net an additional 77 000 small businesses — and they were small businesses, because

the lowering of the threshold to \$85 000 essentially affected small businesses.

There have been claims that the State Business Taxation Review Committee review will not deal with payroll tax. The record of the previous government is woeful in that the former honourable member for Brighton introduced the superannuation surcharge into the payroll tax. Small businesses in my electorate are saying, 'These are extra imposts on us, these are extra costs, which means we do not employ extra people'. With this review the government is trying to rectify the policies of the previous government.

What are opposition members scared of? They are scared of consultation, about going out into their community and talking about business tax changes and about this review. The last taxation review in this state occurred in 1983, not under the Kennett government — not one iota of a review was undertaken in its seven years in office — but under the previous Labor government. It has taken 18 years to get it reviewed again.

The Harvey report is an independent report made following a review that involved consultations throughout Victoria. It is about reducing the tax burden on all businesses in Victoria, especially small business. A number of key principles are involved.

On two occasions I called together the people who run small businesses in Melton and talked to them about the Harvey review. The honourable member for Dandenong North, the parliamentary secretary to the Treasurer, came to the first meeting. The business people in the Melton electorate were very clear about the problems they saw in the Harvey tax review and the issues for their own businesses. Those matters will be communicated directly to the Treasurer and I shall explain them to the house. Part of the consultative process is that it is open, with people putting their views and explaining their problems.

The business people of Melton raised with the honourable member for Dandenong North and me a number of important matters. They revolved around the land tax issue. People at the meeting made it clear to us that land tax is a problem. Currently a number of them do not pay land tax, but under the proposals of the independent Harvey review they will be liable to pay land tax and they have a problem with that. Part of the consultative process should be to let everyone know what the issues are. The government should not institute a consultative process and then immediately say, as members of the opposition have, 'We can't have

the review; we must cut it off. We cannot or are not allowed to talk to small business owners'.

The business people of Melton raised a number of other interesting issues for our consideration, including the payroll tax threshold. That was not discussed by the honourable member for Brighton but it is certainly a very important issue for the people who run small businesses in Melton. They brought to our attention the ability to pay taxes or to pay regular components of taxes, especially after the debacle of the federal government's business activity statement and the GST. As I said, they talked about the effects of the proposed land tax. They said that outstanding accounts have blown out because of the GST.

The Harvey report is important to the government. The government is considering it in the context of the budget and the two principles of a more competitive environment and growing and creating jobs and businesses in Victoria and improved simplicity and transparency. It should be supported because consultative processes are open processes, and that is what the government is undertaking — not the scaremongering or the falsehoods or lies that the opposition is currently peddling. I suggest they wait until the budget.

The ACTING SPEAKER (Ms Davies) — Order! The honourable member's time has expired.

Mr MULDER (Polwarth) — I raise my concerns on behalf of small business people and property owners in the regional and rural districts of Victoria. Before us, in a report the recommendations of which the government seems very happy to adopt, is a Clayton's business tax cut for Victoria. Obviously the report is about finding ways and means of funding tax cuts in Victoria. It is quite clear to people out in rural and regional Victoria that small business will be used to fund government tax cuts in this state.

It is very interesting to read Labor's policy on small business, which states:

Labor has an ethos of fairness, initiative and equality of opportunity. A Bracks Labor government will be unashamedly pro small business.

A Bracks Labor government believes in the benefits of strong competition — but competition which is fair, rather than stacked in favour of big players and those with political clout. Labor is committed to evening up the odds for small and medium businesses.

An honourable member interjected.

Mr MULDER — It is false; it is also interesting. Liberal members of Parliament want to know why,

whenever there is an issue relating to small business, whether it be Workcover, the Fair Employment Bill — and now land tax — it is left to us to go out and sell that message to the business community. It happened in Ballarat and Bendigo where we asked small business operators whether any of their Labor members of Parliament had been out to discuss the Fair Employment Bill with them.

Mrs Fyffe — They never see them in Ballarat!

Mr MULDER — No! I spoke to the operator of a video store in Buninyong and explained what was happening with the Fair Employment Bill. At the end of that particular conversation, the question was asked: when will members of the Labor Party be coming out to put their point of view? There is no doubt that the Premier and the rest of the government will have to put a rocket under the members representing the Labor government in rural Victoria to come clean and explain some of the legislation issues and their impact on small business.

Page 55 of the review contains the extraordinary statement that land tax:

... cannot in theory be passed on as a higher rent to a lessee because the rent a lessee is willing to pay reflects demand, and this is not affected by land tax.

The report is saying that an investor in rural or regional Victoria in a property valued at about \$80 000 is prepared to cop something in the order of a 25 per cent reduction in income.

Another issue not addressed in the report is what will happen to owner-occupiers in rural and regional areas — that is, people who own the butcher's or baker's shops in the main street of a town. The proposal is a direct tax slug on them; there is no way they can circumnavigate it. Many businesses in rural and regional Victoria are owned by their operators.

The report also does not cover what will happen to investment in rural and regional Victoria. The proposed land tax system will ensure that future investors steer clear of rural and regional Victoria. The land tax recommendation has the ability to create shanty towns. Investors will look to go to a hub where they are sure of getting a high rate of return because occupiers of premises can absorb land tax increases. Therefore there will be a great disincentive to invest in rural and regional Victoria.

That is why Labor members are not out there telling the story. That is why, when it comes to Workcover, the Fair Employment Bill or land tax, they crawl under a

rock. They are not game to face small business. It is always left to members of the Liberal Party to tell the story. Otherwise the consultation process would be taking place. It is not taking place because it is being relayed to us in that manner every time we go out and speak to people in small business.

As for some of the other implications of the proposed land tax, it was very interesting to hear the honourable member for Ripon say that the Victorian Farmers Federation has ticked off on the land tax. I wonder whether the full implications were explained to the federation, including that land that is now used for primary production is exempt. What about the wife who runs a sewing business from home to support the family? What about the trucking company or the fellow who carts a bit of gravel, superphosphate or sand from his property where he also has primary production? In my area several ice-cream makers run small operations from their farms — that is, on a primary production site. What portion of the site will be used for assessing land tax? What about the sour dough bread maker at Illawarra, the bed and breakfast operators referred to by the honourable member for Evelyn or a family who operates a fencing business from home to supplement the income of their primary production? Was the issue raised with the VFF, given that the honourable member for Ripon has said that it is happy to sign off on it?

I refer also to the mobile hair dresser who is the wife of a farmer and is operating from a home where primary production is being carried out. How do all those people fit into the recommendations on land tax? Who will determine how land tax will apply to people who operate such businesses?

The honourable member for Melton said that on several occasions he has discussed this particular issue with people in small business but he has not said what those people are saying about it. Are members of the government trying to tell us that people in small business are happy about the proposal? They seem to have spent an awful lot of time in their contributions in skirting around the issue and not getting to the point of what people in small business are saying about land tax in Victoria.

Members of the Liberal Party are getting the message very loudly and clearly that nobody out there wants the land tax. It is obvious from the comments from across the chamber that there will be support for the recommendation, that the government is very keen to introduce land tax and to catch all Victoria's small business operators in the land tax grab that will cause an enormous amount of hardship throughout rural and regional Victoria.

It is interesting that within one and a half years of coming to government the Labor Party has increased Workcover premiums, tried to impose fair employment legislation that would have shut down business around the state and now wants to introduce a land tax for small businesses.

The government claims it is pro-small business. I would like to see one piece of legislation that it has introduced to assist small business in Victoria. If the government is so pro-small business, it should go out and tell small business operators what it has done for them, how it has improved their situation and what it intends to do for them in the future. The government is doing absolutely nothing for small business. That situation is typical of the sloppy work of government members and their inability to assist small business. It is no wonder the government hides from the consultation process and will not go out and talk to small businesses or come into the house with recommendations designed to assist them.

In all electorates, including my own, ministers are cutting ribbons and hanging off the coat-tails of the previous government and the work it did. I have not seen a single initiative from the present government, certainly not for my electorate, that gives me any indication of hope for the future prosperity of the state. It has done absolutely nothing in almost two years, but believe me, the projects are running out and eyes are on the government to say when it is going to start delivering for small business. It had better do it quickly, because the previous government's projects have almost come to an end. There are not many more Kennett initiatives that the Labor government can cut ribbons on.

The government is running short of time and projects, and cannot get into catch-up mode because it does not happen that quickly. I could point at a number of projects that government ministers have had their hands on in my electorate where they have attempted to get projects up and absolutely failed because of incompetence. The government cannot deliver on projects and is still running on the work of the previous government. I say to the government, 'Your time is arriving and the opposition will hold you to account on all your previous claims to assist small business and drive tourism'.

It is all the former government's work. Government members have not done a single thing. They are complacent and lazy and they are sitting back. No work has been done for rural and regional Victoria and time is running out for them.

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

Mr VINEY (Frankston East) — It is difficult to follow in the debate someone who lectures from the pulpit in a time-is-nigh kind of speech. It was a hectoring speech about time running out and it reminded me of the fire-and-brimstone pulpit lectures of many years ago.

I join the debate to congratulate the government on its commitment to openness and consultation. It has consulted with and listened to the business community, and has involved it in decisions about the future of business taxation.

I come from a small business background, having run a company in Seaford for 10 years. I am also involved with the Australian Institute of Company Directors. The business community is widely appreciative of its inclusion by a government that is developing its policy to business taxation and ultimately to delivering its commitment to the reduction of business taxation.

The government's approach is in stark contrast to the efforts of the previous government. In her contribution the honourable member for Evelyn discussed issues associated with tourism, yet she served on the board of Tourism Victoria when the Kennett government widened the land tax net to include a further 77 000 businesses. Where was the honourable member for Evelyn then? Apparently as the advocate and representative of the tourism industry on the board of Tourism Victoria she was silent on the matter, as indeed must have been the honourable member for Brighton, who was the previous Liberal government's Minister for Small Business and Minister for Tourism.

The honourable member for Brighton is the proposer of the matter of public importance that is before the house today, yet as the small business and tourism minister she must have sat at the cabinet table when the Kennett government widened the business tax net on land tax. The seven years in office of that government saw an increase in total taxation revenue from \$6.2 billion to \$9.5 billion, well above the rise in the consumer price index.

The matter of public importance being debated today comes from an opposition that sat silent when the federal government introduced the goods and services tax and the business activity statement, known as the GST and the BAS: two lots of three letters that have come to be absolutely abhorred by the business community. Australia is now entering the GST recession and must deal with the BAS collection and

accounting system that is a nightmare for small business. Members of the opposition sat mute during the whole process of the introduction of the GST. They geed up the Prime Minister and became Howard's Heroes, pushing for that kind of taxation reform.

Opposition members have clearly not learned anything about the principles of consultation and establishing a group such as the State Business Tax Review Committee, which had an independent function to perform under its terms of reference. It was instructed to have a look at the state of business taxation in Victoria. Who were the people on that committee? John Harvey of Pricewaterhousecoopers was the chairman. The other members were: Nicole Feely, chief executive officer of the Victorian Employers Chamber of Commerce and Industry; Professor John Freebairn, professor of economics at the University of Melbourne; David Pollard, Commissioner for State Revenue; and Kathleen Townsend, director of Executive Solutions Pty Ltd. Those eminent people in the business community undertook on the government's behalf to look at business taxation in Victoria with clear terms of reference. The government has introduced that style of operation, which contrasts with the style of the past seven years, and is welcome in the business community.

It was an open review involving widespread consultation throughout the community, which the honourable member for Polwarth seems to have overlooked. There was wide consultation and extensive submissions were made by people from throughout rural and regional Victoria and from Melbourne. This open review came from a government that is prepared and happy to listen to people's comments and to consider them in the context of ongoing government policy.

Part of the Harvey report, which is the subject of this matter of public importance, considers the tax system that Victoria inherited. The report's overview states:

The Victorian economy is at a crossroad. Increasing globalisation, the immense power of information technology to deliver productivity gains in all parts of the economy, and the long-term decline of manufacturing in Australia, particularly in Victoria, make it imperative that the state begins the new decade with an appropriate taxation system.

...

In preparing for its future, therefore, Victoria needs to be smart about its system of state taxes.

The opposition will struggle with that. The overview further states:

The taxes that Victoria has inherited are not fully conducive to these ends ... Some of them have severe unintended consequences ... above all, the array of state taxes in Victoria is hopelessly complex.

One of the key objectives of this business tax review was to simplify the Victorian tax system and assist businesses in dealing with it.

The review report also refers to the incredible complexities of the commonwealth taxation system and its impact, particularly the GST and the BAS, on the business community. The objective of simplifying the tax system is to offset the complexities of the GST and BAS systems, which have struck small businesses.

At page 13 the report overview states:

Businesses which made submissions to the committee generally argued for fewer taxes, easier compliance and lower tax rates. Changes of this sort would partly compensate for the complexities of the changing commonwealth tax system.

That is one of the objectives of the independent review, which the government welcomes and is proud of initiating.

My work as the member for Frankston East has involved extensive consultations with the business community in the Frankston area, which is made up mainly of small businesses. I can assure the house that the taxation issue discussed among small business people is not that dealt with by the Harvey business tax review, which they recognise is an attempt to simplify the system, but rather the incredible impact of the GST and the work they have to do constantly during their operations for the business activity statement. The GST has reduced their cash flows, increased their compliance costs and had an incredible dampening effect on the local economy.

The changes are bringing on an unnecessary GST-driven recession. It will be the Prime Minister's second recession. His first occurred when he was Treasurer and his second will occur while he is Prime Minister — and he will be removed from office as a result of it.

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

Mr MAUGHAN (Rodney) — I am pleased to participate in the debate on the matter of public importance and to strongly support the statement that this house condemns the government for refusing to rule out the state business taxation review recommendation of a \$1 billion increase in land tax.

The proposal is causing great concern in country Victoria, particularly for small business. It will have an adverse effect on small businesses and the agricultural industries, particularly in small country towns, and it will flow on to jobs.

The State Business Tax Review Committee essentially recommended that there should be a \$1 billion increase in land tax in Victoria. The government stands condemned because it has not made any attempt to put that recommendation off the agenda. It is still running, and one can only assume that the government is hell bent on implementing it. It is bad enough to increase taxes across the board, but it concerns me more that an additional 250 000 taxpayers will be caught up in paying land tax.

The government has been silent on the issue. Many people have no idea of the additional costs that will be imposed on them by this government in the not-too-distant future. The government professes to be concerned about small business and country Victoria, yet it whacks them with massive increases not only in workers compensation insurance but also in land tax. It will catch many people who do not pay land tax but who will now have to pay it for the first time. Others who are already paying land tax will have to pay significant increases.

As I have said, the role of government is to create an environment of confidence in which those who have money may invest in a range of enterprises and, at the end of the day, receive a return on their investment and make a profit. The government should create an environment that encourages investment in order to create the jobs that generate the wealth that governments need to pay for health, education and community services and the drug initiatives that the house will be speaking about later.

The government's proposal goes against that principle. In not stopping this land tax initiative it is deferring rather than encouraging investment. I know of many investors who are waiting to see what will happen. One in particular has been sluggish with a land tax bill of \$25 000 a year for the past two years. An increase on that will put him out of business.

Mr Nardella — He must have a bit of land.

Mr MAUGHAN — He does not have a bit of land, and I will speak with the honourable member for Melton about that later. It is government land owned by Victrack. Nonetheless, he has been hit with a land tax bill because in its wisdom or otherwise the State Revenue Office has decreed that Victrack owns some

\$200 million or \$300 million worth of property, which ensures he is taxed at the higher rate of 5 cents in the dollar. Although this particular investor has created 65 jobs, he is paying land tax at the maximum rate — the same as the big end of town. If he owned the property freehold he would be paying only one-fifth of that amount.

That is only one business, and I will refer the matter to the Treasurer in the adjournment debate tonight. It is an anomaly that 65 jobs are at risk because of his massive land tax bill of \$25 000 last year and \$25 000 this year. If the proposal goes through that tax bill will increase.

The proposal is having a negative effect on small business in country Victoria. Owners of properties below a capital improved value of \$85 000 who currently pay no land tax will suddenly find they must pay \$1445 a year. Some 250 000 people, many of whom live in country Victoria and who currently pay nothing, will receive bills of \$1445. People whose properties are valued at the cut-off point of \$85 000 and who currently pay \$85 a year will have to pay \$2457, which is a massive increase.

Higher up the scale — and this is typical of many small businesses — people who operate groceries or welding shops or farm machinery businesses with site values of \$150 000 and who currently pay \$150 will pay \$4335 under the government's proposal. Many of those businesses are battling to survive. They have had to find \$3000 or \$4000 to cover their increased Workcover premiums, and having to find a further \$4000 will prove to be too much. Even if they do not go out of business they will not be encouraged to employ more people. In the view of the National Party many of them will reduce their costs by reducing staff so they can remain in business.

In the electorate of Rodney thousands of small businesses such as milk bars and food outlets are doing it hard and have little to play around with. Although tourism is doing well in the Echuca area, it mainly comprises small businesses such as souvenir shops, accommodation, tours and motels. They vary from those with a site value of \$100 000 to motels that are worth \$1 million or more.

The operator of a motel with an unimproved value of \$500 000 who currently pays \$800 will pay \$14 450 under the proposal. Echuca-Moama has some 35 to 40 large motels. Their operators currently pay \$6000, which will rise to \$28 900 — a massive increase. With a further drop in confidence it will be hard for those operators to find an additional \$25 000 or \$30 000 to pay their land tax.

My heart is in agriculture, which is important to the electorate of Rodney, as is dairying. Some 3000 dairy farmers in Rodney milk 350 000 cows and produce \$300 million worth of milk. The average dairy farm has land with an unimproved value of \$250 000. Dairy farmers are doing it hard after dairy deregulation and the adjustments in the market. They are good farmers, but their costs will rise from \$300 to \$7225. They do not know that now, and when it comes it will be difficult for them to cope with. They are coping with Workcover premiums, but they are doing it hard.

Service businesses such as machinery dealers, welding shops, produce merchants, fuel suppliers and transport operators will all be caught by this additional burden of land tax. They will pass their costs on to the agricultural industries, which have to compete on a corrupted world market. The proposed measure will make the food-processing factories — the Bonlacs, the Murray Goulburns, the Heinzes, the Krafts, the Nestlés — less competitive as they go out to sell in the market.

This is the government that talked about being friendly to business and bringing a better deal for country Victoria. Since coming to office all the government has done is increase the costs associated with Workcover, land tax and other systems — I could go on and on. What has it done to give a positive incentive to small business to go out and employ people, to create wealth?

Mr Nardella — We got elected!

Mr MAUGHAN — Yes, you were elected, but you will not be there much longer if you do not deliver on the very things you said you would do — that is, provide a better deal for country Victoria.

Victoria needs what the commonwealth government is delivering in terms of —

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member's time has expired, and so too has the time for raising matters of public importance.

BUSINESS OF THE HOUSE

Filming of proceedings

The ACTING SPEAKER (Mr Kilgour) — Order! I wish to advise the house that the Speaker has approved the filming of the drug education and prevention debate, which will take place in this chamber at 3.00 p.m. today. The debate will be broadcast live to Queen's Hall to provide additional viewing access for the public. There will be three cameras in the chamber: one located in the Hansard

box, one behind the lower gallery on the left-hand side of the chamber and one behind the lower gallery on the right-hand side of the chamber. Additional lighting will also be used.

PARLIAMENTARY PRECINCTS BILL

Introduction and first reading

Mr BRACKS (Premier) — I move:

That I have leave to bring in a bill to provide for the control, management and security of the Parliamentary precincts, to repeal certain provisions in the Unlawful Assemblies and Processions Act 1958, to amend the Parliamentary Committees Act 1968 and the Road Safety Act 1986 and for other purposes.

Mr PERTON (Doncaster) — I ask the Premier to provide a brief explanation of the purpose and contents of the bill.

Mr BRACKS (Premier) (*By leave*) — This piece of legislation has long been sought by the Presiding Officers, particularly the President of the Legislative Council, who wanted to ensure that the rules for the Presiding Officers were updated ready for the joint sitting of the federal Parliament which will occur in these parliamentary precincts for the centenary of Federation celebrations.

The bill effectively does that. It establishes the right balance between the roles and responsibilities of the parliamentary precincts and the Presiding Officers of those precincts. It also sets out the right protocols between the Presiding Officers and the police and clarifies those matters concerning overlap and distinction between the responsibility of the police and of the Presiding Officers respectively.

Motion agreed to.

Read first time.

STATE OWNED ENTERPRISES (AMENDMENT) BILL

Introduction and first reading

Mr BRUMBY (Treasurer) — I move:

That I have leave to bring in a bill to amend the State Owned Enterprises Act 1992 as a consequence of the introduction of a national tax equivalent regime and for other purposes.

Ms ASHER (Brighton) — I ask the Treasurer for a brief explanation of the contents of the bill.

Mr BRUMBY (Treasurer) (*By leave*) — The legislation effectively brings our State Owned Enterprises Act under the national tax equivalent regime. This is to do with the payment of tax equivalent payments. We have been doing that in Victoria for the best part of the last five years for government business enterprises, but as part of the intergovernmental agreement all of the states have signed up to a common national approach to the payment of tax equivalents.

The government is endorsing that approach. The practical effect of this legislation in terms of dividends or tax equivalent payments is nil and has no effect on those government business enterprises, but it brings us in line with the national legislation.

Motion agreed to.

Read first time.

CITY OF MELBOURNE BILL

Introduction and first reading

Mr CAMERON (Minister for Local Government) — I move:

That I have leave to bring in a bill to alter the electoral structure of the City of Melbourne, to provide for the direct election of a Lord Mayor and a Deputy Lord Mayor, to facilitate an early election of the members of the Melbourne City Council and for other purposes.

Mr PERTON (Doncaster) — I ask the minister to explain the purpose and contents of the bill.

Mr CAMERON (Minister for Local Government) (*By leave*) — The purpose of the bill is to bring about early elections in the City of Melbourne, to provide for the direct election of a mayoral team and of other councillors on the basis of proportional representation and for other purposes.

Motion agreed to.

Read first time.

ENVIRONMENT PROTECTION (LIVEABLE NEIGHBOURHOODS) BILL

Second reading

Debate resumed from 2 November 2000; motion of Ms GARBUTT (Minister for Environment and Conservation).

**Government amendments circulated by
Mr PANDAZOPOULOS (Minister for Gaming)
pursuant to sessional orders.**

Mr PERTON (Doncaster) — The bill has had a tortured origin. The fact that this morning the government has circulated amendments that the opposition has not seen before, despite several requests, is an indication that the legislation is ramshackle and badly drafted and ought not to have been introduced in the way it has been.

The opposition will not oppose the bill because the government has wrapped up a number of vague and fluffy concepts with some important provisions. Those are the new provisions for environmental audits. To put it bluntly, our non-opposition to the bill does not reflect any cheer or joy at its contents, but we recognise that it contains important components that many sectors of industry and local government believe should be passed.

Clause 3 inserts the principle of accountability in proposed section 1L (1), which states:

The aspirations of the people of Victoria for environmental quality should drive environmental improvement.

In her second-reading speech the minister said:

Our Greener Cities policy recognises that people are becoming increasingly aware of the importance of their environment to their quality of life. In particular, improving the liveability of local neighbourhoods is a key theme in Greener Cities.

It may be a key theme, but the contents of the bill are by no means set out in the ALP's policies.

The legislation has been a model of bad consultation — in fact there has been no consultation whatsoever with the Victorian public. Those matters could have been referred to a parliamentary committee or to the Environment Conservation Council, but instead the legislation has been wholly drafted within the bowels of the Environment Protection Authority by EPA officers.

To the extent there has been consultation on the contents of the bill it has been hopelessly inadequate. I refer to one example. The Municipal Association of Victoria informed me that it had two days to consider the bill before its introduction. Honourable members know enough about drafting to know that the MAV was informed of the bill and brought into the process only after the bill had obviously been approved by cabinet, drafted by parliamentary counsel, and was ready to go.

Other organisations also were not consulted but informed. For instance, the Housing Industry Association (HIA) was brought in in much the same way as the MAV. It then wrote to Minister Garbutt by letter dated 15 November, but the minister, as she has done with much correspondence, failed to respond to the HIA, which represents people who produce billions of dollars of infrastructure every year in Victoria and whose work is vital to the state and the implementation of the bill.

A range of other organisations have written to me but I will not take the time of the house to name them all. The reality is that, as the minister stated in the second-reading speech, this is extremely important legislation on which there has been no consultation with the public or with the organisations that will have to live with the regulations and implement them.

It is not the first time this has happened. Honourable members will recall that the last EPA legislation was introduced in exactly the same way. The organisations that were to be regulated by the bill were brought in only hours before the bill was introduced and essentially told by the EPA what the contents would be. In that case the opposition said it would act to amend the legislation and again, at a minute to midnight, essentially, the EPA finally announced to the people who were to be regulated by the bill that it would adopt some of their criticisms and that amendments would be brought into the house at the last moment.

The same thing has happened in this case. After very good consultation in which my friend and colleague Andrea Coote, an honourable member for Monash Province in the other place, has taken an active role at a meeting with the MAV and the HIA, the opposition said it would block part 3 of the legislation if the government was not prepared to accommodate the concerns of the MAV and the HIA. What happened? Last Monday afternoon, the day before the bill was to be debated in the house, the EPA called in the MAV and the HIA and said it would introduce house amendments to pick up their concerns. What sort of agency is it? What sort of legislative process is this?

Important environmental legislation, which is said to be in accordance with the aspirations of Victorians, has been produced in secret by inexperienced drafting officers from the EPA, with no consultation or public advertisement and then brought into the house. After the opposition said it would act to meet those concerns, the EPA quickly had a meeting and doctored up some amendments, and they are introduced today.

The contempt shown for the Parliament by the EPA and this minister is demonstrated by the fact that the opposition has been asking the minister's office for these amendments but has not been shown them. They were introduced at the beginning of the debate. As the shadow minister I am meant to speak about the amendments without having seen them before I commence my contribution. It is an utter disgrace. The minister is an utter disgrace; she is incompetent, and one really has to call into question the competence of the EPA.

This is not the first time such a thing has happened. It happened when we were in government, too. Regulations that were quite inappropriate were introduced by the EPA when I was chairman of the Scrutiny of Acts and Regulations Committee. The EPA did not back away until the Scrutiny of Acts and Regulations Committee indicated it would take a resolute approach to the regulations. In those circumstances the EPA had to enter into an accord with the now Australian Industry Group. In this case also the amendments are being introduced pursuant to a memorandum of understanding between the MAV and the Victorian Local Governance Association through a house amendment.

The amendments that the opposition wanted are being introduced — that is, that the guidelines relating to the neighbourhood environment improvement plans ought to be subject to consultation. I understand the house amendment will be made subject to the Subordinate Legislation Act. That appears to be the case, but certainly between the luncheon break and when the debate resumes I will have to take some advice on the contents of those amendments.

When the minister was the Labor Party's spokesman for the environment she said she would improve consultation and would introduce legislation only after consultation with the public. So far she has introduced five pieces of legislation on which there has been no consultation — certainly no public consultation, but just the most cursory discussions with the groups that will need to implement the legislation; just a 'Here's what we are introducing into the house'. It is not good enough, and the opposition will continue to scrutinise this bill.

What are the purposes of the bill? The first is to amend the Environment Protection Act to empower the Environment Protection Authority to develop economic measures to provide incentives to avoid or minimise harm to the environment. It also provides for the EPA to develop and approve neighbourhood environment improvement plans (NEIPs); amends the principal act

to allow the issuing of pollution abatement notices in relation to requirements in NEIPs; makes new provisions for environmental audits; provides for voluntary or directed NEIPs; and amends the principal act to clarify offences relating to industrial waste, water pollution and powers of officers to take film and make recordings of investigations.

I will take each of those purposes in order, and probably the easiest place to start is in relation to environmental audits. It is appropriate that I quote the Municipal Association of Victoria on this matter. Its view is that the audit provisions are very important and need to be passed as soon as possible. It gave the opposition an example. Last year an invalid audit certificate was issued and that mistake has made it obvious to local government bodies and to the opposition that this part of the act must be strengthened and that the process must be made watertight. Indeed, in a letter it sent to the opposition the Stonnington City Council wrote that it supports the amendment on the audit provisions and also supports:

... improvements to recognise the growing trend towards producing corporate environment reports. The loophole that, at present, allows an environmental auditor to issue a certificate or statement of environmental audit without completing an environmental report would be closed.

That is essentially the attitude of industry to these matters. For instance, a couple of questions have been raised by the Victorian Chamber of Mines. Its query is as follows:

The proposal to formalise the process of accredited environmental auditors makes sense although with such a formal process the cost of these elite consultants will become far too expensive for small businesses to handle. There should also be provision for companies to have one of their own staff accredited to undertake the audits, (although, this would generally only be done by large companies). Clause 53T(3) implies that an environmental auditor must pay a fee after completing each audit. This can't be correct. This will mean that industry has to pay for the auditor and a fee to the EPA for the audit (what value do the EPA add?).

I ask the Minister for Housing, who is at the table, or the parliamentary secretary to the Minister for Environment and Conservation, to make a note of that, so that perhaps that question can be answered during the committee stage of this bill, during a second-reading contribution or in the minister's response. Essentially the opposition is permitting this bill to proceed at this stage to allow the environmental audit provisions to proceed. To date there has been little or no commentary on the sixth purpose of the bill — clarifying offences relating to industrial waste, water pollution and powers of officers to take film and make recordings of investigations.

Next I will take the house to the principles of environment protection. This area of the bill has troubled most people who have read it. There is no objection to a set of purposes and principles being introduced into the Environment Protection Act. Indeed, that will help to give better guidance to both the EPA and the courts when they are interpreting the provisions of the act. However, these provisions are actually a hotchpotch of principles that have been taken from a wide range of international instruments. It is by no means clear and no explanation is given in the second-reading speech or in the explanatory notes as to which of these clauses has come from which international agreement, and which of the headings has been altered by the Environment Protection Authority.

Some of the principles are quite longstanding. They include the 1992 Intergovernmental Agreement on the Environment and the National Strategy for Ecologically Sustainable Development, as well as others that during the middle to late 1990s emerged from initiatives of the Australian and New Zealand Environment and Conservation Council, such as waste management policies. It would be a lot easier if there had been a process whereby the principles had been advertised, the public could have commented on them, organisations could have commented on them, absences in this bill could have been questioned, and the minister could have responded.

I give a commitment that when the opposition is elected to government at the next election and is reviewing legislation like this, it will have a public process for reviewing the acts concerned. If people believe the principles ought to be extended or ought to be better drafted, that will be appropriate. The environmental movement would appreciate that commonsense approach because this has essentially been drafted by young drafting officers. My suspicion is that more senior officers have read it, that it sounded good and that they perhaps added a little bit here and there but basically ticked it off. My suspicion is that there has been little input at all from the minister's office itself.

Indeed, when I asked the briefing officers for a clear explanation as to where a number of these provisions had come from, it was not clear, and it was clear that some of them had been drafted internally. A senior business figure in Victoria has made the comment:

The principles of environmental protection are sensible motherhood type statements most of us would agree with ... Most of the principles appear to be based on the intergovernmental convention agreed I think in 1992. But why has the government left out the principle relating to the need to retain international competitiveness? Don't they see this as important?

The failure by the government, or the Environment Protection Authority as the drafting agency, to include the principle relating to the need to retain international competitiveness is of great concern, but hardly surprising given the nature of this government.

As I indicated, the consultation by the government has been hopelessly inadequate on this matter. The opposition sent out letters to a wide range of people and received almost 150 responses. In the time available to the house it is not possible for me to cover all of those, but one experienced drafting officer has pointed to a number of strangely phrased provisions and queried whether, if there had been a public process in Victoria, some of these provisions would have remained phrased in the way they have been phrased. For instance, proposed section 1G(2) states:

Producers of goods and services should produce competitively priced goods and services that satisfy human needs and improve quality of life ...

The gentleman who wrote to me said he is a father of a six-year-old. Does that imply that companies should not be producing Pokémons or the various games that tend to waste the time of children and the community? It would be useful, whether in the minister's response or in some part of the second-reading debate, that some explanation be given to the community as to precisely what the government means by proposed section 1G(2). As the bill is likely to go into committee, that question may need to be asked at that time.

The same correspondent — a very experienced drafting officer — has written the following in respect of proposed section 1L:

This is unmitigated BS.

Perhaps I should not elaborate on that.

It is a statement of ideological preference, rather than a principle of efficient/effective ecological management. If the value of a 'recovered energy' option is greater than one of 're-use' or 'recycling', say, on what grounds should we prohibit it? I have a real example to hand, in which burning old tyres for energy for cement kilns was to be ruled out by EPA regs so that they could be crumbled into playground padding, of lower value. Where was the benefit? EPA officers could explain it only in ideological terms — until they got to the part about the ... agreement they'd done to encourage the plant that would recycle the tyres to locate in Victoria by agreeing to pass such regulations.

In other words, it was not a matter of environmental principles but of the Environment Protection Authority, engaged in industry development of its preference, introducing laws to suit not just an ideological preference but also a set of agreements it had entered into.

I have already referred to proposed section 1L, which states that:

The aspirations of the people of Victoria for environmental quality should drive environmental improvement.

That is indeed the case, but the only way that can be done is by involving the people of Victoria in law making and policy making. To have legislation drafted inside the EPA, driven by officers of the EPA rather than the interested and active members of the Victorian public, is to my mind very foolish indeed.

The Liberal Party will not vote against those principles. As I quoted earlier, it has been said they are to some extent motherhood principles, but some are so vague and badly drafted they are almost meaningless in the context of a modern Victorian economy. I repeat that when we have been elected and are reviewing this legislation, those principles will be re-examined in the light of what the public, industry and the environment movement think about them. As that is likely to be in 2003–04, it will be rewritten in the language of 2003–04 — that is, in the plain English of Australians rather than in this mishmash of paragraphs drawn from many different international documents.

I will now refer to the area of neighbourhood environment improvement plans (NEIPs), which is the part of the bill that has caused the greatest confusion and concern. If I could summarise the nearly 120 comments I have received on those plans, the question to be asked would be, ‘What is the demonstrated need for these NEIPs?’. It is by no means clear from the second-reading speech or from any of the government documents what is intended.

I ask the minister in her second-reading summary, or her parliamentary secretary, to explain if it is intended, for instance, to reduce the number of petrol-driven cars in inner city suburbs like Footscray, Port Melbourne or Richmond by introducing regulations that would allow one motor vehicle only per household. Is it intended to prohibit the use of wood-fired stoves in Footscray and Richmond in the inner city or in country towns such as Ballarat, Daylesford or Hepburn Springs? If that is the intention of the government, let it say so explicitly. However, the government has not been forthcoming with examples of the matters the bill is intended to address and how it will address them.

The people of Victoria are right to expect the bleakest outcome from the regulations that will be applied and the neighbourhood environment improvement plans that will be introduced under them. That part of the bill caused representatives of local government the greatest concern, because local government must implement the

regulations and be the driving force behind the initiation and preparation of the documents. However, no resources have been promised to local government by the Minister for Local Government, the EPA or the Minister for Environment and Conservation to enable local government to implement the regulations. The confusion was great.

It might be best for me to tell the house what the Municipal Association of Victoria told the Liberal Party. As I said earlier, the association had only two days to consider the bill before the minister took it to Parliament. It was unsure of what that portion of the bill is trying to achieve and concerned that it will require stakeholders to both prepare a plan and implement it, and the plan could or might be flawed.

The MAV is concerned that the relationship between the liveable neighbourhoods and other planning issues will be blurred and it does not know who will have precedence. It suggested that the bill be held over and a workshop established between all interested parties and a resolution reached before the bill is passed through the Parliament.

When the Housing Industry Association looked at the issue it said there was significant confusion over what a liveable neighbourhood plan actually means. Bearing in mind the attitudes of the MAV and the HIA, it was the intention of the opposition to block part 3. However, as I said, at a moment to midnight the government called in the HIA and the MAV and said it would move amendments. I suspect you have not seen those amendments before now, Mr Acting Speaker, despite your status in the third party, and all the Liberal Party received was an outline of house amendments to be proposed by the Minister for Environment and Conservation.

The most important of those is said to be house amendment 1, which will make the guidelines referred to in part 3 a disallowable instrument subject to the Subordinate Legislation Act. In regard to house amendment 2 the document I have, which I am trying to match up to the document tabled on behalf of the minister, states the following:

MAV was concerned that there was no formal process for a local council to seek review or negotiation of an EPA direction to prepare a NEIP, short of appeal to the Victorian Civil and Administrative Tribunal. It was agreed that this would be resolved if there was a statutory requirement on EPA to consult a local council prior to issuing such a direction.

The house amendment which has been prepared would formally require EPA to consult with a protection agency

prior to issuing a direction to the protection agency to submit a proposal to develop a NEIP.

That appears to be no. 1 on the sheet before the house. That is a matter to be taken up in committee. However, in essence, the 1-minute-to-midnight surrender by the government to the needs and desires of municipal government and the Housing Industry Association has taken away some of the administrative pain of the NEIP system, but it still leaves strong questions about why those NEIPs are needed, what useful purpose they will serve and how they will work.

Everyone believes neighbourhood communities should work to improve their local environment, but the convoluted system being imposed by the EPA on local government, which was never flagged in the government's election policy, is to my mind not the way to do it.

The opposition will monitor the situation. My friend the shadow minister for planning and environment will be assisting me in the task of monitoring the operation of the NEIPs, and when we are elected to government after the next election it will be a matter of assessing how they have operated and engaging in some genuine consultation with the people likely to be affected by them.

The ACTING SPEAKER (Mr Kilgour) — Order! This would be a good time to break for lunch. The honourable member for Doncaster will have the call when the matter is next before the Chair.

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

DISTINGUISHED VISITOR

The SPEAKER — Order! It gives me great pleasure to welcome to the Legislative Assembly the Honourable Carolyn Pickles, the Leader of the Opposition in the Legislative Council in South Australia.

QUESTIONS WITHOUT NOTICE

Rail: regional links

Dr NAPHTHINE (Leader of the Opposition) — Welcome back to the chair, Mr Speaker; I wish you a speedy recovery from your illness.

I refer the Premier to his commitment to build high-speed rail links to Victoria's regions during Labor's first term in government. Given that we are almost halfway through the government's first term and

that not one spike has been driven nor one sleeper laid in any of the four projects, I ask: will the Premier now reiterate his promise that these trains will be up and running during the government's first term of office?

Mr BRACKS (Premier) — A central and important commitment of this government is the building of four regional fast rail lines — from Ballarat to Melbourne; from Bendigo to Melbourne; from Geelong to Melbourne; and from the Latrobe Valley to Melbourne. They will cut traffic times, lead to increases in population, increase employment and have a great effect on the state as a whole, spreading the economic benefits to the whole of Victoria.

We spent the first year undertaking the feasibility — —

Dr Napthine interjected.

The SPEAKER — Order! The Leader of the Opposition!

Mr BRACKS — We have spent the first year undertaking a feasibility study of these projects. We spent the first half of this year, as we have identified previously and publicly, seeking registrations of interest from private sector contributors to the state-funded and backed projects here in Victoria. We anticipate, as we always have, that at the end of this year or the start of next year we will be starting these projects.

Hospitals: funding

Ms ALLAN (Bendigo East) — I refer the Minister for Health to the government's commitment to boost funding for Victorian hospitals. Will the minister inform the house of the latest action to better equip our hospitals?

Mr THWAITES (Minister for Health) — Honourable Speaker, you will be aware that, unlike the other side, the Bracks government is committed to significantly boosting capital works in our public hospitals and health system. Unlike the previous government, we are not selling off hospitals, we are not selling — —

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Frankston!

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Mornington!

Mr THWAITES — For example, instead of selling the Austin hospital we are putting \$320 million into building a new hospital. Already this year I have announced more than \$40 million in equipment grants for our hospitals. Today I am pleased to announce a further \$11.4 million for hospitals across the state, including the hospital in the Leader of the Opposition's electorate. These grants cover the big ticket items of equipment that hospitals could not readily purchase on their own. I should say that we are committed — unlike the previous government — to ensuring that a fair share of the dollar goes into country areas.

I point out that this year the Department of Human Services is spending about \$124 million on capital works in the country, compared to some \$88 million or \$85 million under the previous government — that is a 40 per cent increase in expenditure in country areas. This equipment is very important in improving the quality of care in our public hospital system.

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Mornington.

Mr THWAITES — Presumably the Leader of the Opposition does not care about improving hospital equipment. We are putting an additional \$2 million into the Austin hospital to replace the old PET camera. We are also putting \$850 000 into the Royal Melbourne Hospital towards the purchase of a new gamma camera.

There are also the hospitals around the suburbs. The honourable member for Frankston East does a tremendous job for his hospital, where we are putting in \$321 000 for extra ultrasound equipment. Maroondah Hospital — we do not know who the member is out there! — will get \$300 000 for an extra ultrasound machine.

Many of our country hospitals are doing very well. The honourable member for Bendigo East will be pleased to know that the Bendigo Health Care Group is getting \$200 000 towards extra cardiology equipment. The honourable member for Ballarat will be impressed with the allocation of \$203 000 for anaesthetic equipment. I am sure the honourable member for Swan Hill has an interest in his hospital, which will get some \$200 000 towards the replacement of pathology equipment.

The government is committed to a strong public hospital system, not to selling it off, and is building extra quality of care into its hospital systems by providing the finest, most up-to-date equipment.

Schools: funding

Mr RYAN (Leader of the National Party) — I refer the Minister for Education to the fact that country schools are struggling to implement the new school global budgets, and I ask: will the minister reaffirm her commitment that no school will be financially worse off because of her flawed funding formula?

Ms DELAHUNTY (Minister for Education) — Since the Bracks government came to power it has invested an extra \$600 million in schools across the state. As the honourable member would know, the government started from a very low base. Victoria was the lowest funding state per head of population.

Honourable members interjecting.

Ms DELAHUNTY — The opposition does not want to hear this, but that is where the government started. It meant that many country schools could not get specialist teachers. The government inherited country schools that did not have maths, LOTE or history teachers. That was the legacy left by the previous government.

The Bracks government has set about redressing that imbalance. It has restored shared specialist teachers and implemented a teachers agreement that gives small schools the opportunity to attract and keep the top teachers. The school global budgets give little schools that up to now have been competing against the big metropolitan schools an opportunity to attract and keep top teachers. Isn't that a fair go for country schools? Don't our schools want to have a fair go at attracting top teachers?

Since 1999 school global budgets have increased by 13.4 per cent, and in the Gippsland region they have increased by 13.1 per cent. All schools will now have a chance to attract and keep top teachers.

Opposition members interjecting.

Ms DELAHUNTY — It is interesting that honourable members are interjecting, but what are they saying about the Kemp agenda, which is moving public funds not into the government schools but into resource-rich private schools?

Mr Ryan — I raise a point of order, Mr Speaker, on the question of relevance. The minister is clearly debating the issue. I asked her a question about global budgets, and I would ask you to have her return to the issue, particularly the 500-plus schools that are trying to get transitional funding.

The SPEAKER — Order! I do not uphold the point of order. I will not allow the Leader of the National Party to repeat his question and ask a further one. However, I point out to the minister that she must not debate the question but come back to answering it.

Ms DELAHUNTY — You are quite right, Honourable Speaker. Our country schools have a right to a fair go at funds from the state and federal governments. The federal government's funding formula is providing an increase —

Mr Ryan — I renew the point of order, Mr Speaker, and ask you to direct the minister to accord with the ruling you have already made.

The SPEAKER — Order! The minister hardly had an opportunity to continue her answer. I do not uphold the point of order.

Ms DELAHUNTY — The question was about school global budgets.

Honourable members interjecting.

Mr McArthur interjected.

The SPEAKER — Order! The honourable member for Monbulk!

Ms DELAHUNTY — In 2001 an extra \$140 million has gone into school global budgets. When the Liberal–National coalition left office many schools were either closed or begging for funds. The coalition has no ideas, no plans and no place in the education debate.

Housing: Victory Boulevard estate

Mr STENSHOLT (Burwood) — I refer the Minister for Housing to the government's commitment to revitalise Victoria's ageing public housing stock, and I ask: will the minister inform the house when works will commence on the Victory Boulevard public housing estate in Ashburton and what further action the government is taking to address the need for more social housing in the eastern suburbs of Melbourne?

Ms PIKE (Minister for Housing) — Over the next three years the government will spend \$27 million to provide additional social housing in Melbourne's east and in particular will address concerns in Ashburton, Ashwood and Chadstone.

I am pleased that the government has decided to spend \$8.5 million not only to redevelop the Victory Boulevard estate in Ashburton but also to purchase additional social housing in the area. This

redevelopment has been shaped by local community participation. Local people have been working together to plan for the future of their community. They have come up with a very creative plan — and it has come at a good time. While the building industry is facing a downturn, this initiative will create many opportunities through the construction of new public and private homes. There will be flow-on benefits for the community, including shops and other small businesses, as well as opportunities for people to work on the projects.

This is another step by the government to improve the quality of public housing in Victoria. I remind the house that public housing in these sorts of estates was sadly neglected by the previous government. In fact, a lot of energy was put into mechanisms to sell off many of Victoria's high-rise estates. The initiative is a further demonstration of the government's commitment to strengthening and building communities and enabling people to find solutions within their own communities to fulfil their social and housing needs. It represents a strong commitment to Melbourne's eastern suburbs.

I put on the record my gratitude to the honourable member for Burwood for the role he played as the chair of this committee and for facilitating an excellent process that will lead to an excellent outcome.

Rail: Tullamarine link

Mr LEIGH (Mordialloc) — I draw the attention of the Minister for Transport to the campaign by the Treasurer to stop the airport rail link travelling along the Broadmeadows route and to comments by his cabinet colleague, the Minister for Community Services, that she would oppose construction along this route so long as she has breath in her body. I further draw his attention to the fact that the Minister for Community Services handed out protest pamphlets at local railway stations, leading to 300 submissions against the Broadmeadows route being made to the Department of Infrastructure.

Given the action by his colleague, will the Minister for Transport now admit that the government's consultative process is a farce and that the only route under real consideration is the more expensive Albion route?

Ms Asher interjected.

Mr BATCHELOR (Minister for Transport) — What are you squawking about now?

The SPEAKER — Order! The Minister for Transport will answer the question rather than inviting interjections.

Mr BATCHELOR — The government was elected on a promise to examine the most appropriate route for a transit link to Melbourne Airport. The concept is widely supported across the community. Work undertaken by the Department of Infrastructure has shown that there is support for it both in the broader community and along the corridors where the two possible transit routes have been identified. When the people in those corridors are asked what their attitude is to a transit link coming through their area, the majority of them support it, and it is widely supported in the broader community.

By stark contrast to the previous government, this government is prepared to look at the issues surrounding the planning of new projects. The government is currently undertaking a planning process that involves community consultation. I invite all honourable members opposite to look at what is happening, because they may learn something. When they had the opportunity in government they failed to understand that consulting with local communities is worth while because it creates ideas and identifies the issues that are important to them.

I remind you, Honourable Speaker, of this government's success in undertaking a community consultation process on the extension of the Eastern Freeway. The government is not afraid to go out and talk to local communities, and it will continue to do that.

When the government came to office it was left with a shambles of a consultation process on the airport transit link. The previous government had appointed a panel but had restricted the task it was allowed to do. When the government came to office it received a report identifying the concerns of the previous panel. The panel made a number of interesting points. Firstly, it said it needed wider terms of reference to further examine the social and other impacts of a transit link along the Broadmeadows corridor and requested that it also be allowed to examine the planning implications of the Albion corridor.

After receiving that report the Bracks government allowed the planning process to continue to address those issues. That is now happening, and all honourable members on this side of the house support the approach of identifying the appropriate corridor through which a transit link should run. Once the government identifies those planning issues and considers the recommendations, it intends to make the proposals public so it can call for expressions of interest on the route and mode of operation of the airport transit link.

Dr Napthine interjected.

Mr BATCHELOR — Are you opposed to its operation by the private sector?

Dr Napthine interjected.

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

Mr BATCHELOR — To clarify the issue: the government will take it to the private sector and seek its involvement in the implementation of government policy.

Mr Doyle interjected.

The SPEAKER — Order! The honourable member for Malvern!

Police: chief commissioner

Ms ALLEN (Benalla) — Will the Minister for Police and Emergency Services inform the house of the details of the appointment of Christine Nixon to the post of Chief Commissioner of Victoria Police and to the opportunities and challenges facing the new commissioner?

Mr HAERMEYER (Minister for Police and Emergency Services) — Last week the Premier and I were pleased to announce the appointment of Ms Christine Nixon as the new Chief Commissioner of Victoria Police to succeed Mr Neil Comrie. Ms Nixon will commence her duties on 23 April. She comes to Victoria with an exceptional combination of leadership skills and extensive police operational and management experience together with impeccable integrity. The process by which she was appointed was exhaustive and transparent, and applications were considered from a high-quality field. However, the decision was unanimous and clear cut from both the independent short-listing committee, which included Mr Mick Palmer of the Australian Federal Police, and the ministerial selection panel.

I was disappointed to hear the comments of the honourable member for Wantirna on the news that night. Upon being questioned he conceded that Ms Nixon was, perhaps, the best applicant, but he was still dumbfounded that a Victorian was not chosen. That statement is not 'dumbfounded'; it is just dumb!

Honourable members interjecting.

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

Mr HAERMEYER — What he is saying is that the panel should have chosen the second, third or fourth best option, which makes no sense at all. Ms Nixon served the New South Wales police force with great distinction for 28 years and is currently an assistant commissioner in that state. She has a strong tradition in policing as her father was also an assistant commissioner in New South Wales.

During her career she has undertaken some tough operational roles together with major and challenging managerial roles. She has had experience with the London metropolitan police and has qualifications including a Bachelor of Arts from Macquarie University and a Master in Public Policy from Harvard University.

To both panels she showed a vision for the future of the Victoria Police as well as the leadership skills to implement them. She confronts some major challenges in her new role. As honourable members are aware, the Victoria Police through the Police Association is about to embark upon an enterprise bargaining agreement over the next three years. The Police Association has a valid role to extract the best possible deal for its members. The government and Victoria Police have a role to play in negotiating an arrangement that is both fair to the members of the force and also economically and financially responsible. That will not be an easy task, and Ms Nixon's human and industrial relations expertise will stand her in good stead.

She must also take on consideration and implementation of the Johnson review, which made wide-ranging and significant recommendations concerning the Victoria Police. She needs to assist the government to rebuild the police force as it attempts to recruit 800 additional police over the term of the Parliament. She must also assist in undoing some of the attrition and morale issues that stem from the deliberate cutbacks undertaken by the former government. She must also improve conditions that lead to the force's workers compensation claims, which have been disappointing in recent years. The government believes they relate to many of the stress issues that stem from cutbacks to the Victoria Police during the Kennett years.

The Victoria Police ads currently seeking to recruit an additional 2500 recruits to the force are based on the theme 'New century for a new force'.

An opposition member interjected.

Mr HAERMEYER — How is it going? There have been 23 000 responses to the ad, so the response has

been fantastic. A new century for a new force, and Ms Nixon is very much the leader for that new force.

In conclusion, I thank the outgoing Chief Commissioner of Police, Mr Neil Comrie. He retired as chief commissioner on 10 March after a distinguished career of 34 years in the Victoria Police, including eight years as chief commissioner. He has a family history in the Victoria Police spanning more than 100 years. He leaves the force in excellent shape. His legacy of local priority policing, the attention he gave to improved ethical standards in the force and the implementation of Project Beacon, which retrained the entire police force after the unfortunate spate of police shootings in the early to mid-90s, will be his enduring legacies.

He leaves the force with Victoria remaining the safest state in Australia and continuing to have the most highly regarded police force in the country. I place on record my appreciation, the government's appreciation and the appreciation of the Victorian people for the job Mr Comrie has done in his eight years as Chief Commissioner of the Victoria Police.

Police: logging protests

Mr WELLS (Wantirna) — On this World Forestry Day I refer the Minister for Police and Emergency Services to the current protests in government-approved logging areas near Trentham. Why were police instructed at 2.00 p.m. yesterday not to intervene, thus allowing forest protesters to block timber workers from exercising their lawful right to work?

Mr HAERMEYER (Minister for Police and Emergency Services) — A long-established tradition and principle operates between a government and a police force called operational independence. I need to point out to the honourable member for Wantirna that it is not appropriate for the government to direct members of the police in any way as to who they should or should not arrest or attempt to influence the way they discharge the responsibility of the office of constable.

Mr Cooper interjected.

The SPEAKER — Order! The honourable member for Mornington!

Mr HAERMEYER — So far as the forestry operations are concerned, there is an established memorandum of understanding between the police and the Department of Natural Resources and Environment (DNRE). This deals with the Wildlife Act of 1975, the Forests Act of 1958 and the Conservation, Forests and Land Act of 1987.

Those acts are the responsibility of the DNRE. Protocols operating between the police and the DNRE mean that the DNRE is responsible for the discharge of the act. However, the police will assist in any arrest or in any way required by the DNRE to ensure that the provisions of the act are carried out, implemented and given effect to.

Unfortunately some of the loggers, who are certainly out there doing their rightful job, have contacted Victoria Police instead of the DNRE. The issue of the misunderstanding was resolved this morning. Senior police met with logging protesters to explain the protocols, and there will be a further meeting to enhance that understanding later this week.

I hope it is a case of the loggers having a better understanding of who to go to in those circumstances. Victoria Police will certainly assist DNRE officers as required, but in the first instance the DNRE is the body to be contacted.

Gaming: problem gambling

Mr LENDERS (Dandenong North) — I refer the Minister for Community Services to the important Gamblers Help service that provides advice to problem gamblers. Will the minister inform the house of the status of the G-line number and the demand for telephone support for problem gamblers?

Ms CAMPBELL (Minister for Community Services) — In November the government launched its hard-hitting and truthful advertising campaign ‘Think of what you’re really gambling with’ with an easy to recall telephone number — 1800 156789. The old advertised G-line was also available for people to phone and receive support. Both numbers were operating.

Timely access to appropriate support services and counselling is the primary focus of the government’s problem gambling communications strategy. Gamblers Help offers gamblers telephone counselling, information and a referral service. It plays an absolutely pivotal support role for problem gamblers.

The Bracks government invested \$1.8 million in its summer offensive and an additional \$6.1 million to assist problem gamblers primarily through telephone and face-to-face counselling. Support has been provided with the 1800 number. Previously, assistance was given through the old G-line number. However, I was appalled to find that under the Kennett government contract with G-line, while it allocated money for advertising, it did not ensure that it held that telephone number for any future contract. Millions of dollars of

taxpayers’ funds were invested in a counselling line that would become redundant once a contract was no longer used.

The Bracks government has worked to ensure continuity of service for problem gamblers so they can either ring Gamblers Help or the old telephone number. This has been made possible by ensuring that Turning Point, the current operator of support services, has access to the old telephone number and by working closely with the Western Australian government. G-Line Western Australia walked out of its contract and the Western Australian government was able to provide us with that telephone counselling line.

The Bracks government has secured that number. We are ensuring that there is a redirection of calls to the old number, that this government delivers on its commitment and that problem gamblers receive help when they need it, with whatever number they call. Were Turning Point’s contract to end, as was the case in the previous contract, with it not being renewed as the contract deliverer, the Department of Human Services has secured that telephone number, and all the money invested in advertising it will be useful in the long term.

Treasurer: answer

Ms ASHER (Brighton) — I note that the Treasurer made a personal explanation to the house in the dead of night last night for misleading the house during question time. I refer to Australian Bureau of Statistics data on private new capital expenditure released yesterday, which shows that on any indicator — actual, seasonally adjusted or trend — private sector capital investment fell between December 1999 and December 2000, which is the exact opposite of what the Treasurer advised the house yesterday. Will the Treasurer admit that what he told the house yesterday was a lie?

Mr BRUMBY (Treasurer) — Yesterday the honourable member for Brighton asked me a question in Parliament, to which she has again referred now. Following the asking of that question I sought advice from my department on it and on my answer. I will provide to the house the advice I received from my department, but I will read the following paragraphs, because they respond to the question asked by the honourable member. My department advised as follows:

Purpose: To provide you with information about a question without notice asked on 20 March by the member for Brighton.

Issues/Comments.

The question referred to 'ABS data on state business investment' and went on to assert that Victorian business investment has declined in every quarter since the election of the Bracks Labor government.

There is no data series published by the ABS titled state business investment.

The usual source of business investment data published by the ABS is private gross fixed capital expenditure published in the Australian National Accounts: Quarterly State Details. The December quarter issue was published on 9 March. These data are the most reliable and the broadest source of information on business investment.

These data show private gross fixed capital expenditure on a trend basis in the December quarter 2000 was 2.9 per cent higher than in the same quarter in 1999.

Ms Asher — On a point of order on the issue of relevance, Mr Speaker, I indicated in my question today that I asked a question about private new capital expenditure. I invite the Treasurer to look at any estimate contained in here, actual, trend or seasonally adjusted, which are all down.

The SPEAKER — Order! I will not allow the Deputy Leader of the Opposition to continue with the point of order as she is clearly attempting to make a point in debate.

Mr McArthur — On a point of order, Mr Speaker, during the earlier part of his answer the Treasurer stated that he had received a briefing and quoted from it to the house. I ask that he make that document available.

The SPEAKER — Order! Was the Treasurer quoting from a document?

Mr BRUMBY — I am quoting from a document headed 'Minister for State and Regional Development'.

The SPEAKER — Order! As the minister is quoting from a document he is required to make it available to the house.

Mr BRUMBY — At the beginning of my answer I said I was happy to make it available. The document states:

These data show private fixed capital expenditure on a trend basis in the December quarter 2000 was 2.9 per cent higher than the same quarter in 1999. The data also show that there was a decline between the September quarter 2000 and the December quarter 2000 of \$227 million (2.7 per cent).

As I said to the house yesterday, the December-on-December figures are up and the December-on-September quarter figures were down. That is exactly what I said yesterday.

Dr Napthine — On a point of order, Mr Speaker, the *Hansard* record of yesterday's proceedings shows that the Treasurer said:

If you compare the December 2000 figure with the December 1999 figure, you can see that private sector capital investment is actually up, not down.

The figures in the Australian Bureau of Statistics (ABS) report on private capital expenditure — —

Honourable members interjecting.

The SPEAKER — Order! The house will come to order. Behaviour of the kind that was — —

Mr Maxfield interjected.

The SPEAKER — Order! The honourable member for Narracan shall refrain from behaving in that manner. There is no point of order. The Leader of the Opposition is clearly attempting to make a point in debate.

Mr BRUMBY — As I said at the beginning of my answer, I am more than happy to table the briefing note, which confirms that the data to which I referred and the ABS state final demand data is the accurate data. I am also happy to table for the benefit of the house the ABS Australian national account quarterly state details for December 2000, which show that total private fixed capital formation investment in the December quarter 2000–01 was \$8.174 billion compared with \$7.94 billion in the previous December quarter — —

Ms Asher — On a point of order, Mr Speaker, on the issue of relevance, and again of misrepresentation, the Treasurer made it clear yesterday, and the *Hansard* record shows, that he was talking about private sector capital investment, which refers exactly to the ABS figures that were released yesterday. He is trying to squirm out of it. He is again — —

The SPEAKER — Order! The Deputy Leader of the Opposition raised a point of relevance and then proceeded to spoil it by attempting to quote and to refer to yesterday's *Hansard*. I shall prevent her from doing so. I remind the Treasurer of his obligation to be relevant to the question that was posed today.

Mr BRUMBY — The most important statistic was the one contained in today's *Herald Sun* — that is, the 1074 Labor Party supporters who voted to keep Dennis Napthine in his job!

Honourable members interjecting.

The SPEAKER — Order! The house will come to order. I remind all honourable members, including the Treasurer, that the requirement is that the document be handed to the Clerk.

Mr McArthur — On a point of order, Mr Speaker, as were other honourable members, I was watching the Treasurer after you ruled that he should make the document available, because, as he said, he was quoting from it. The Treasurer had in his hand a red file of documents as well as those sheets that he has handed across the table. I ask you to direct him to make it all available.

Mr Batchelor — On a point of order, Mr Speaker, the Treasurer was quoting from a document, which he tabled. This is the second time the opposition has tried to use this confidence trick of claiming that documents that were handed over were not the relevant documents. It should not be tolerated on this occasion or in the future. It is an abuse of standing orders for the opposition to make claims that are palpably not true.

Dr Napthine — On the point of order, Mr Speaker, the tradition in this house has been that when it has been asked that documents be tabled the whole file has been determined to be part of the documents. That decision was made with respect to a former member for Polwarth, the Honourable Ian Smith, on a previous occasion in this house. It was ruled that just removing part of the file and handing that over was insufficient and that if a minister had at the table a group of documents that were part of a file the whole file would be handed over as part of the agreement to table the documents. I think that is the point the honourable member for Monbulk is making, and I would suggest, Sir, that you rule in that way.

The SPEAKER — Order! I will hear no further on the point of order. I have indicated to the house on a number of occasions the requirements for making documents available. On this occasion the Treasurer was quoting from a document that he indicated he would make available to the house. When the Treasurer handed the document over to the Leader of the Opposition the Chair took action and reminded the house of the requirement to hand the document to the Clerk.

On the point of order raised by the honourable member for Monbulk, the honourable member queries whether a file attached to the document should also be made available and says there are numerous previous rulings that indicate that if a document is attached to a file the file should be made available. On this occasion it appeared to the Chair that the Treasurer was quoting

from the one document. To satisfy all queries I will examine the *Hansard* report of the Treasurer's quoting of the document and if necessary report further to the house.

Melbourne Food and Wine Festival

Mr HELPER (Ripon) — I refer the Minister for State and Regional Development to the food and wine festival being held in Victoria this week and ask whether he will inform the house — —

The SPEAKER — Order! It is with reluctance that I interrupt the flow of the honourable member's question. I ask the Deputy Leader of the Opposition to present the document to the Clerk.

Honourable members interjecting.

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

Mr HELPER — As I was saying, I refer the Minister for State and Regional Development to the food and wine festival being held in Victoria this week and ask whether he will inform the house of the importance of this industry to the Victorian economy?

Mr BRUMBY (Minister for State and Regional Development) — I am happy to advise the house about the Melbourne Food and Wine Festival, which is being held in Melbourne from 16 March to 4 April. This year the festival is bigger and better than ever. It will include more than 100 events and will attract thousands of interstate visitors. Eight overseas journalists are coming to Victoria to cover this event. It is a sensational event for Victoria, sensational for our tourism industry, and a wonderful event to promote Victorian food and wine generally.

We estimate that the festival will inject somewhere between \$8 million and \$10 million into the Victorian economy, so it is a significant tourism contribution, and I know it is one that delights the tourism minister. This year the government is contributing \$290 000 towards the festival. It is a substantial contribution, but one of the things we have required this year as part of the government contribution is a much stronger regional focus. For example, last year only three regional events were included in the Taste of Victoria activities. This year as part of the Taste of Victoria activities there will be 14 regional events, and 21 regions and towns across Victoria will be involved in the general food and wine festival. This again shows that the Bracks government does not govern just for Melbourne, it governs for the whole of Victoria.

Talking about the whole of Victoria, I would have thought the National Party might have shown some interest in this, but its members are too focused on the other big issues that are around at the moment. But in terms of the food industry in general, I am delighted to inform the house that in the past year food and fibre exports from Victoria reached \$6.7 billion — this is something that is a real passion of the Minister for Agriculture — a 28 per cent increase on the previous year. Victorian exports of food and fibre have gone up to \$6.7 billion. What this means is that in the past year we have seen something like \$500 million of new investment in the food industry in our state.

Just yesterday morning I was out in Melton with the honourable member for Melton concerning a new investment there by a Japanese company, Saizeriya, which in Japan supplies the largest chain of Italian restaurants in the world. It is the first time the company has ever sourced product from outside Japan, and it is doing it in Victoria, in Melton. It is a \$50 million investment providing 200 jobs, and 100 per cent of the product will be exported overseas. I believe if we get this right we will see more such investment in the future.

One of the policies of the former government that we did adopt was the target of \$12 billion of food and fibre exports by 2010. If we achieve that target — and we are on track — it will mean something like 150 000 new jobs for Victorians. Unlike the former government, we are actually putting in place the export programs, the development programs, the infrastructure programs and the support that is needed for industry to get the export numbers up and to get into overseas markets.

Finally, I want to mention the important part played by our wine industry. We have in Victoria more wine regions than any other state. We have 340 wineries and 2000 grape growers. This year our exports from wine alone will approach \$200 million, so again it is a great news story. The honourable member for Ripon, who asked this question, is aware of the importance of the magnificent food and wine industry in the Pyrenees. Taste of Victoria and food and wine festival events are being held in the Pyrenees district, which again shows the commitment of the Bracks government.

We are not just about Melbourne, important as it is; on this side of the house we have a real commitment to growing the whole of the state, and we are doing it through this festival, of which we are proud to be a part.

Mr Cooper — On a point of order,
Mr Speaker —

The SPEAKER — Order! As it is approaching 3 o'clock I will have to interrupt the business of the house. Unless the honourable member for Mornington can conclude his remarks in the 30 seconds available, I suggest he take the point of order when we resume.

Mr Cooper — I think I can do it in 30 seconds, Mr Speaker. In regard to your earlier ruling, I draw your attention to Speaker Coghill's ruling on 16 May 1991, which appears at page 72 of 'Rulings from the Chair', on the procedure to be adopted where it is alleged that material was concealed or mutilated. The reference sets out the procedure followed by Speaker Coghill in that matter, and I suggest to you, Sir, that you should follow the same procedure with the matter regarding the documents the opposition alleges the Treasurer did not table.

The SPEAKER — Order! I will take that on board when examining the matter further.

Sitting suspended 3.00 p.m. until 5.44 p.m.

DRUGS: EDUCATION AND PREVENTION STRATEGIES

Mr BRACKS (Premier) — I move:

That this house takes note of the addresses of Mr Neil Comrie, Dr David Penington and the other expert advisers.

As we have heard, and as we all know, drug abuse rips families and communities apart. As parents and as people associated with carers, we know that everything possible is done to protect our children from getting hooked up with and involved in drugs. But we cannot protect our children unless we fight this problem together, and that is why we have come together today. I again congratulate Mr Neil Comrie, Dr David Penington and the other experts on taking that initiative, and I thank them for their contributions today.

We are fortunate in Victoria to have such a wide range of experts to contribute to the debate on how to tackle illicit drug use as a government and as a whole community. These people are not only experts in their field but also passionate about the cause, as they should be.

The government wants that passion to spread across all sectors of the community in order to tackle this problem, and in particular to prevent the use of illicit drugs, to educate young people about the dangers of drug use, to save lives and to provide effective treatment for those who are caught up in the web of drug use and dependence.

The government also wants to make sure that the full force of the law is brought to bear on individuals who traffic drugs and perpetrate this problem on the Victorian community. That is why the government has introduced the maximum penalty of life imprisonment for those who peddle large quantities of drugs to our young people. It is an important symbol of the government's determination to ensure, as I said, that the full force of the law is brought to bear on those who are responsible for this misery.

The government is determined to make a difference in each of the identified areas of prevention, rehabilitation, enforcement and saving lives. Every step the government has taken over the past 18 months has focused on those four areas. The government welcomes the contributions made today on all these areas, specifically those on prevention and education strategies to assist and support the next generation of young Victorians.

We are stepping up our commitments in each of these areas, and we are calling for an equally big effort from everyone involved in this problem — that is, parents, educators, police, health professionals and community organisations, among others.

On behalf of the Parliament and the people of Victoria I place on the record the government's appreciation of the work done by Dr Penington and the Drug Policy Expert Committee, which has led us to this point. I also congratulate Mr Neil Comrie on his initiative in suggesting today's joint sitting.

As a consequence, these initiatives have largely enjoyed bipartisan support. I think the differences between the parties have been overstated. If you were to list the issues surrounding prevention, treatment, saving lives and enforcement, you would probably find 90 per cent agreement across all political parties in the house. However, the media focus is always on the differences, as we would expect as politicians. If we aggregate the efforts of previous governments and the efforts of this government, we find that they enjoy predominantly bipartisan support. The range of initiatives taken by this government on other fronts are outlined in the resource material provided to every member of Parliament in the joint sitting.

I want to focus on prevention, which has been a topic of today's contributions, before going to other parts of our strategy. In concert with the rest of the community — and as a fundamental starting point — the government is determined to do all it can to prevent young people from using drugs in the first place. If we can achieve that together, there is no doubt that it will be a fantastic

achievement for the state of Victoria. We join with the rest of the community and with all those who made contributions today in saying that if we can prevent young people from starting, it will be fantastic — and that is what we want to do.

As Dr Penington pointed out, we now know a lot about the drug problem — probably more than we have shared with the community and more than politicians in most other jurisdictions in Australia or around the world.

A lack of proper family support and a lack of education, as well as unemployment, low incomes, homelessness and social exclusion are all identified in drug experts' reports as factors that place people at risk. As we have heard today, young people need to be connected. They need to have a sense of belonging and a sense of their place in the world; and they need to be supported in whatever choice they make, even if it is the wrong choice. In those cases they need the support of the community and to have people around them to assist them in making better choices in the future.

That is why we are investing in education, training and jobs for our young people. Since coming to office we have put 2000 new staff back into Victorian schools. I note the call for welfare and nurse support in our schools to get in there early and detect problems with drug use. We have taken action on that. We have placed a student welfare coordinator in every secondary school in Victoria and employed school nurses who can detect the early warning signs and give practical advice to students. I welcome the call from Mr Neil Comrie for that to occur. With that support staff now in schools we can better identify the training they need to better identify those problems in the future.

An additional \$65 million will be provided over three years to prevent early school leaving and to boost young people's participation in education and training, which is also important. Ensuring that young people are active, involved and training for or in work is important in preventing drug use.

We have also invested \$158 million in a targeted jobs package — our community jobs program — to create 32 000 new job opportunities, traineeships and apprenticeships over the next four years. The Minister for Post Compulsory Education, Training and Employment told me before that that program is already bearing fruit, with a lot of long-term unemployed young people coming to us and saying how beneficial it has been in their lives.

Of course school and work are important, but this is about more than school and work. It is about ensuring that parents are able to properly support their children and feel confident about discussing drug use with them. That is why we have invested in parent support programs and massively expanded the availability of drug information nights for parents, including my launching yesterday, with the Minister for Health, the Family Drug Helpline. As a result of people who have regrettably experienced deaths in their families coming forward and wanting to do something, 35 parents are now trained to answer calls from other parents who are going through similar circumstances.

This will be backed up by a major public awareness campaign linking parents and others needing help to an 1800 telephone number. As part of this campaign, we will be alerting young people to the risks of excessive drug use, including excessive cannabis use.

Today I can announce, as part of the historic joint sitting, that the government has committed an extra \$2.4 million to this campaign, which will commence in June this year. It will focus specifically on education and support programs and on advertising to assist in minimising drug use, including cannabis use.

Neil Comrie spoke about the importance of having a comprehensive strategy to prevent the next generation from engaging in illicit drug use through education, early intervention and prevention and diversion. I and the government endorse this approach, which is central to our drugs strategy.

However, much more can be done. I note the call by Mr Andy Hamilton for the government to employ specific objectives and targets to improve public health, and especially the health of our young people. Those targets are part of our drug programs. Last year I set four clear targets to guide the government's drugs strategy over the next three years. Those targets require that every government school has an effective — following the contributions today I emphasise the word 'effective' — drug education program that is comprehensive, enduring and long lasting. I note the calls against programs that are short lived and have had to be regenerated.

Secondly, at least 7000 minor drug offenders will be diverted every year from the courts to compulsory treatment. Each year at least 50 per cent of seriously dependent heroin users will be linked to drug treatments, and the waiting list for drug withdrawal and detox services will be cut to less than 10 days. We have clear targets, and we would of course welcome the

opportunity to set new targets for any future prevention initiatives that come out of this summit.

Since the conclusion of the work of the Drug Policy Expert Committee under the leadership of Dr Penington, the government has been mindful of the need to set up a more permanent body to oversee the implementation of the government's drug strategy and to take forward some of the prevention strategies. Today we heard several calls asking for that to happen — one by Mr Neil Comrie for a statutory authority to take that responsibility; and one by Dr David Penington for a drugs council reporting to the Premier.

I can give an undertaking that the government will establish a Premier's drug prevention council after consultation with the experts who presented contributions today. The form, terms of reference and the conduct of that, as Mr Neil Comrie indicated today, need to be determined by agreement across the chamber and in the community over the coming months. We intend to seek agreement on the structure and conduct of that drug prevention council.

The council should have a primary focus on drug education and prevention. That has been emphasised today, and we will make recommendations on new directions and priorities, as well as, as I said, scrutinising and oversighting the existing policies.

I and I think all Victorians want to harness a wide range of expertise for this effort, including educators, communications experts and practitioners in the drug and alcohol field. This council will be properly resourced and charged with the responsibility of coming up with new strategies for preventing illicit drug use among our young people. It will also provide advice on what needs to be done to ensure the effectiveness of our existing drug education and prevention programs. It will address issues such as the accreditation of such programs, which was addressed by Mr Neil Comrie. The council will report to the Parliament on an annual basis through the Drugs and Crime Prevention Committee, and it will also report directly to me as Premier, as has been recommended.

I have been impressed by the array of people who want to become involved in tackling the drug problem. If one looks back over the past year, one sees that they have ranged from the Australian Medical Association, the Victorian Law Institute and the Institute of Australian Engineers to business people across the community.

I am also pleased to announce that the government will work with the new drug prevention council to establish

links with business, philanthropists and the community so it can contribute resources and skills to the new drug prevention programs that we undertake as well as the existing ones.

In the past too many of our strategies have focused on the enormous pressures generated by increasing drug use in the community. This new body will ensure that there is a longer term focus and that we harness the energy and the skills of the community to work with our young people and prevent them from using drugs.

As part of this long-term approach I am also pleased to announce today to the Parliament that the short-term funding previously provided under the Turning the Tide program will now become part of the core recurrent funding under the drugs strategy, which I think will be welcomed by all those involved in rehabilitation and support for those people who find themselves in such circumstances. Together with the additional \$77 million that will be provided over the next three years, it will result in a near doubling of the funding available to tackle drug abuse since we came to office.

I conclude on this point: no-one, and certainly no-one in the government, underestimates the size of the task ahead of us. But no-one should underestimate the significance of the drugs strategy the government has put in place. I reiterate that we have doubled the resources that have been contributed to the drug strategy in Victoria. It is a product of an enormous amount of work by people in the past, including Dr Penington and his committee over the past 12 months. I am heartened by the response we have had from all sections of the community.

We have committed \$5 million to local drug prevention strategies so this model can be extended to municipalities and local authorities around Victoria. We know that local communities have imaginative grass-roots ideas on how to prevent people from using and becoming hooked on drugs. It is clear that the additional commitments the government has made are yielding tangible results.

As a result of the efforts of the police, the supply of heroin has shrunk in recent months. We heard Neil Comrie quote the impressive drug statistics from last year. More drug offenders than ever before are now being referred for proper treatment.

As a result of doubling the number of rehabilitation beds available the government has cut the waiting time for drug withdrawal and detoxification services to 10 days or less. The advancements that have been made in the former treatment available means there is a high

rate of success in turning lives around. These are all improvements, but we must all work even harder to reduce illicit drug use in the next generation. I believe the contributions we have heard today will assist us enormously in that process.

I am particularly heartened by the widespread acceptance that this is not someone else's problem, because it is our problem, and that is a message that should also come out of what we are doing today. We must tackle it together. The government is providing a massive increase in funding and showing leadership on drugs, but it takes more than that — it takes effort and commitment from right across the community and from both sides of politics. Each and every one of us needs to get behind the strategies, to think about new ideas and to work together to turn this tragedy around.

I welcome the contributions made today. I think we have achieved an enormous amount already, but with these new initiatives we can do even better in the future.

Dr NAPTHINE (Leader of the Opposition) — We come here today to tackle a problem that confronts every community and every government — how to stop the damage caused by illicit drugs, and indeed many legal drugs in our society. I commence by thanking the former Chief Commissioner of Police, Mr Neil Comrie. Not only would we as a society be the poorer without his efforts over the recent years in his role as chief commissioner, but also we would be the poorer without his recent efforts, which have stimulated this drug discussion today.

I also take this opportunity to thank the other speakers for their positive and significant contributions. The time has come for us to put aside our differences and focus on stopping future generations from being trapped in the web of drug abuse.

The Victorian community is united in its desire to strengthen the key areas of education, prevention and early intervention for those at risk. This is what Mr Comrie and other speakers have challenged Parliament to consider, and it is why we have been presented with this unique opportunity today. As we all know, the scourge of drugs has increasingly spread throughout our communities over the past 10 to 20 years. It has directly affected thousands of people, particularly young people, and has indirectly affected many families and individuals. I challenge anyone to name an individual in Victoria who has not been affected by the drug problem in our society.

Many people are the silent victims of drug abuse, and we must ensure that the voices of drug users, their

families and everyone affected by this terrible drug trade are heard here today. Tactics and strategies used in the past have sometimes been successful and sometimes not so successful. We have to build on the successes of the past as we look to the future. As we look well into the future we need to ensure we assess what has been successful in the past and build on it. We must consider new strategies. We must look here, interstate and overseas, and ensure we focus on the real issue before us today. The challenge that has been put before us today is to help future generations say no to drugs so that they do not become caught up in the tide of drugs.

Today we can take some solace in the fact that the heroin toll this year stands at 11, whereas at the same time last year it stood at 64 — an 80 per cent reduction. We must acknowledge the efforts of the police and the other authorities that have been involved in reducing the availability of heroin in the community, thereby reducing its use by young people at risk. However, while we continue with those efforts, we must also continue to focus on prevention strategies, because in the long term they are the most important means of protecting our young people.

Mr Comrie has challenged us all to come to some real decisions, and in a bipartisan way look to the future in tackling this blight on our society. The Liberal Party offers the government its full support in doing just that. In the past Liberal members have championed the expansion of treatment facilities, resources for law enforcement and a number of the justice strategies. We have also been very strong in our commitment to the expansion of efforts to prevent our children and young adults from falling into the trap of drugs in the first place.

Last year the Liberal Party consulted widely on the issue of drugs in the community and produced a comprehensive program entitled A Safer Way, which dealt with a whole range of issues in the drug debate. I wish to speak briefly to some of those before I move on to the major issues before us today. The blueprint in our strategy was based around prevention through education, early intervention and more effective coordination of efforts to stop people falling into the drug trap. It included better treatment through the opening of 500 extra detox and rehabilitation beds, new powers for authorities to provide compulsory treatment of overdose victims, law enforcement and justice through an expanded and specialised police force, stiffer penalties for drug pushers, and specialist judicial programs to confiscate all assets of drug pushers.

At the same time Liberals said no to injecting rooms. We firmly stand by that decision. We said at the time that this would send the wrong signal to young people, and if we are talking about education for young people we cannot send mixed messages. If we are saying to young people that drugs are harmful and dangerous, we cannot send them a mixed message that they are okay in certain situations. We must be consistent, and the Liberal Party will continue to be consistent on that point.

In the long run there is a need to focus not on differences but on areas where both sides of politics agree — and we both agree on the need to have more coordinated and effective prevention, early intervention and diversion strategies. We need to provide young people with education and information, but most importantly we need to provide them with hope for the future so that they have self-esteem, a positive view on life and generally can go forward with confidence without having to resort to high-risk behaviours, including the abuse of drugs and alcohol.

Today we need to put the focus very much on education, early intervention and a diversionary approach, and that involves a comprehensive community approach. It is not merely an issue that we take up through schools and education. It is not an issue that we can any longer say is solely the responsibility of families. As we have heard today, many families are dysfunctional and do not provide the right support for young people. It is a complex problem that needs to be given attention in all three areas — in the schools through our education system; in the community through sporting and community groups, and through the general community environment in sending a message that provides hope and opportunity for young people; and in our support for the family environment.

We certainly need to look again at how we provide drug education, particularly to young people in the senior years of primary school — the 8 to 12-year-olds. Although in many secondary schools we have sound education programs that can be improved and can be extended across all secondary schools, the important group is the 8 to 12-year-olds in primary schools. Recently I met some of them at Christ the King Primary School in Braybrook. Those young people are full of hope and life. When you ask them what they say are the things that should be done to improve their neighbourhood and community they say, 'Get the syringes out of the playground and stop the drug pushers being in our local shopping centres'. That is what they are saying in grades 5 and 6, which sends us a message that it is that level at primary school where we need to increase our efforts.

We need to provide support for families right from the time of the birth of their children to assist them in providing a more positive environment for those children to grow up in. We need to give support through the kindergarten and early primary school years and onwards into the secondary school, TAFE and university years.

Programs need to be geared towards the needs of young people and their communities. Although there needs to be some sort of model to deal with these drug education programs that has been evaluated and is effective, we must recognise that the programs need to be tailored to suit different areas — Springvale versus Box Hill versus Hamilton versus Portland — different societies and different communities.

That is why I suggest that the government has a positive look at a program entitled Communities that Care, which has been evaluated in other countries and which is being adopted in a number of communities in Victoria. The Communities that Care program works on evaluating the strengths and weaknesses of a young person's environment, including improving the young person's connectedness to their family, school, community and peers, using that connectedness to increase their resilience, and ensuring through that increased resilience that they are at less risk of succumbing to some of the challenges of adolescence, such as drug taking, premature school leaving, high-risk promiscuity, drug and alcohol abuse and other high-risk behaviours that young people find themselves involved in.

I wholeheartedly endorse taking a whole-of-government and whole-of-community approach to dealing with the issues of early intervention and prevention through the community, the family and our education system.

Mr Comrie called for the establishment of an independent statutory authority that reported to the Parliament. The Liberal Party wholeheartedly endorses his call and urges the government to take up the issue immediately following today's joint sitting.

I suggest that the independent authority report directly to the Parliament through the all-party Drugs and Crime Prevention Committee. The authority should have the imprimatur and resources to scour the world for the best strategies in education, early intervention and prevention; to undertake the necessary research; to complement that research through new and innovative strategies; to tackle problems that lead to drug abuse; to assist in the development of school drug strategies such as the one at Heatherhill Secondary College; and in

particular, to develop drug strategies for primary schools across the state. The authority should also be able to coordinate and lead the many arms of government and the non-government agencies that are involved in these programs across the state.

Clearly, the authority should be given the brief and the resources to undertake serious research on the issue to ensure that Victoria's programs are the best and most effective in the world. As well as reporting regularly through an all-party parliamentary committee, the new authority should report to a joint sitting of the Victorian Parliament on an annual basis. That would be a good way to keep all members of Parliament up to date with its activities while allowing the community to share in and comment on its decision-making processes. Having the authority report to a joint sitting of Parliament on a regular basis would be a positive step towards ensuring that the momentum of today's joint sitting is not lost.

We have talked about the drug problem for many years. Last year I said it should be the first priority of all honourable members to do everything they can to prevent young people from using illegal drugs in the first place. Let us put in place a plan that can tackle the problem through education and prevention strategies that help young people to say no to drugs.

It should not be a matter of resources: the resources that are needed to deal with the issue have to be made available. It is not a matter of a lack of community awareness or support: the community demands such a response from its elected representatives. Today must be about much more than a summit. It must be about putting in place a genuine plan of action to address this issue.

The question we must ask ourselves is whether we are doing everything we can to save future generations from drug abuse. If the answer is no, we are not doing enough. We simply must not allow this unique opportunity to pass us by. This debate must lead immediately to concrete decisions to establish the authority and give it the imprimatur to get on with the job of implementing positive drug education and early intervention and diversion strategies for the sake of future generations of Victorians.

Mr RYAN (Leader of the National Party) — I support the motion moved by the Premier and seconded by the Leader of the Opposition. In so doing, I sound a note of warning. Given the contributions made by the various speakers, let there be no doubt that we need to achieve practical outcomes from this debate.

These issues have been talked about for a long time in a variety of forums, most recently in August last year, when a debate on the drugs issue came before the chamber. We need to make sure that this time we get something practical out of the debate as well as a process to put it in place.

We must concentrate on the areas in which there is agreement between the parties. As the Premier said, during the previous debate on drugs the focus was on those things that divided us rather than on those things on which we agree. The reality is that we have agreement on a vast range of issues that contribute to the terrible drug problem Victoria faces.

Apart from endorsing the notion that we must have a practical outcome to put before the people of Victoria, we must ensure that in doing so we concentrate on and give effect to those issues on which there is agreement across the chamber to achieve the results we all seek.

I will not dwell on the problem itself. In saying that I do not intend to diminish the extent of the problem; on the contrary, my doing so is intended to highlight the fact that we are all conversant with the difficulties we face. One of the great virtues of having those eminent speakers address us was that each contributed to the discussion in a way that represented their unique involvement in the issue over the years.

I again make the plea that we ensure that country Victoria is remembered in this debate. The focus of the debate has understandably tended to concentrate in and around metropolitan Melbourne. While travelling in country Victoria over the past few days I spoke to a lady who is a counsellor of young mothers in a large town. She told me she counsels a number of young mothers who are dealing in heroin not only to support their own drug habit but also to fund their daily needs in the so-called family environment in which they find themselves.

I raise that in addition to the other matters raised by the experts because I recognise the gravity of the problem we are looking to accommodate. The most compelling message to come out of what we heard is that we owe it to the young people of Victoria to find solutions and put practical measures in place to facilitate them.

I pay tribute to the Honourable Ron Best, a member in another place, who, as the National Party spokesperson on health, has done an enormous amount of work in developing a model that I now wish to put before the Parliament — it is the day for doing so — as an example of how committed the National Party is to achieving practical outcomes. The Honourable Ron

Best has been involved with Dr Rob Moodie and Vichealth over many years. That organisation has made a great contribution to Victoria, and the proposals that Mr Best has advanced are based on his experience with Vichealth.

In putting those proposals before the Parliament I am saying that we need to cut to the chase. While I respect the aims the Premier has advanced for the entity he has described, I would hate us to fail to deal with the issue that moved Neil Comrie to address us today on his proposition for an authority that reports to Parliament. We need to get down to taws and achieve practical outcomes.

The National Party has in mind an authority along the following lines. It would comprise representatives from the broad community — for example, the police, justice, health and education sectors, church groups, the welfare sector, local government, the community and government departments — as well as representatives from this chamber. The authority would need that sort of broad perspective.

It would be a central focus for the programs that are already running, as well as acting as a mechanism to develop new programs, be they from within Australia or overseas. Among the material distributed to all honourable members today were the two booklets I am now holding — one entitled *Prevention of Drug Abuse in Victoria* and the other entitled *Drug Treatment and Rehabilitation in Victoria*. The programs outlined in those booklets, which are laudable and worthy, are being implemented.

The previous government was responsible for many of the programs, and the current government, to its great credit, has pursued a lot of those programs and has added to them, so in that bipartisan sense these documents are representative of a lot of work done by the people in this chamber.

But the key point in the context of this discussion is this: one of the documents, the prevention document, mentions 34 individual programs. The other one, the drug treatment and rehabilitation program document, mentions 20 individual programs. One of the 34 programs referred to in the first document comprises 16 individual programs within itself, so just in these two documents there is a total of 54 programs, plus the additional 16.

I think what Neil Comrie and others are saying to us is that there needs to be a mechanism of an overarching body that can take the various programs and evaluate and manage them in a way that gets the best outcomes.

I must say that I do not know whether that would be done by an authority that sits right outside government — because I think there is an issue about quarantining the funding delivered in the programs by government departments and lifting it out of there into the hands of a new authority — as opposed to having the enterprise I have described, which would have a capacity to coordinate those existing government programs within the budget and to do the other work I have described.

Let me leave that aside for the moment. I believe that what Mr Comrie is talking about is the notion of something that has an overriding capacity to organise the way these programs are delivered, and to do it in a coordinated manner to get the best outcomes.

I think it ought be in the form of some sort of institute. In his inimitable fashion the Honourable Ron Best of the other place has even named it VICTORY — which is an acronym for the Victorian institute for the care and treatment of rehabilitating youth, which I did not think was a bad effort in all the circumstances. But the main thrust of the notion was to have that sort of a body to give those sorts of outcomes.

The focus of the enterprise, in whatever form it might take in the general scheme of things, would be on a variety of things: the question of early intervention; the issue of prevention, which Mr Comrie has highlighted again and again and which has been spoken about by so many of the other speakers as being pivotal; education, rehabilitation; detoxification; the policing issues, which of course are very important; the diversion programs; the correction systems and the programs being delivered in those systems; and the support programs for those who have come out of the system, whether by having come out of corrections or by having gone through one of the programs delivered by either a government or non-government agency, to avoid the situation we see today where many people who emerge from this process are effectively dumped on the street and their system of support falls away.

Today we heard about the tragedy described by David Brunt in his contribution in which he said so tellingly how the young lad had been supported by the system for three months but a week later he was dead. They are tragedies we have to avoid, and when I talk about the necessity for support programs that is what I have in mind.

I believe the organisation that is established needs to be a legislated entity and to have the powers that are needed for the purpose of giving it the sort of focus I have described. Obviously it will need direct

government funding, and in that sense it differs from the Transport Accident Commission (TAC) and the accident compensation authority model, because they are funded directly by those who are, in a sense, the beneficiaries or who are obligated under the respective schemes.

Car owners pay registration fees that fund the TAC; employers pay premiums for the purpose of funding the accident compensation authority. However, with this organisation it will be different; it will need to draw funds from the government and also from the private sector in a way that has been generally described here today. It will need to deal with existing programs and to be responsible for developing additional programs.

Victoria has under the current government a Growing Victoria fund of \$1 billion. Funding wise, if we are fair dinkum about this — to use an expression used by Peter Wearne — why shouldn't \$100 million of that be allocated straight across to such an enterprise by way of what I would term in reality in this day and age seed funding for the problem, if we are to really come to grips with it? Or should it come out of the Community Support Fund in circumstances where the legislation, as it stands, would enable funding to be derived from that source for the purpose I am now describing?

I give an undertaking to the house that the National Party will cooperate fully with the government, with the opposition and with the independent members of Parliament with a view to getting the outcome everybody here seeks. For the first time in my nine years in this place I really think we are at the cusp of an opportunity. For the first time since I have been grappling with this, in my years in the law before I came to Parliament let alone in my time in this chamber, we have a chance that we must not let go by.

I endorse the motion before the house, and I will finish where I started. We have a clear obligation to all Victorians to ensure that we get practical outcomes that can be delivered in a way that Neil Comrie had in mind when he started the process that has led us all here today and that the other people who came with him to speak on and support this issue have put before us. We have a responsibility — the 88 of us who comprise the Legislative Assembly of the state of Victoria. If we do not get this right, then be it on our own heads, because at the end of the day the responsibility is very much owed to our young people who are the lifeblood of our future.

Mr THWAITES (Minister for Health) — One thing that is clear from today's special sitting is that the drug problem is a joint community problem and that we have

to tackle it together. We certainly have bipartisan support for that motion, and that goes beyond Parliament right through to the community — the schools, the families and the young people.

However, I do not think we can underestimate the task. This is not a problem that is faced only in Victoria or even only in Australia — this is a worldwide problem. We are facing a situation where increasing quantities of illicit drugs are being grown in Asia and are coming into Australia and continuing to provide a major supply. Of course what we have to be about is reducing the demand for that supply.

The focus of attention today has been upon prevention and reducing the demand from our young people and some of our older people for those drugs.

I would like to compliment the speakers today. I would particularly like to acknowledge the huge role that Dr Penington and his committee have played, not just in the past year but over a number of years, in providing expert advice on drug issues.

A disappointing thing is that some people have been saying in the media that this is just a talkfest — that there is too much talking and that there ought to be action. The reality is that there has been a great deal of action. Not only has there been the work done by Dr Penington to produce a report, but there has been action based upon that report. That action has seen an increase of something like 80 per cent in funding for drug programs and is seeing a doubling in the number of treatment and rehabilitation beds.

We are now seeing an improvement in waiting times for things like counselling and access to withdrawal beds. We acknowledge there are waiting lists — we want to reduce them — but there are certainly improvements. I think we owe a debt of gratitude to Dr Penington and his committee, and indeed all the people working out there in the field such as David Brunt from the Salvation Army. I was very pleased to launch with Major Brunt and the Salvation Army new beds that it is providing with government resources for homeless people, a group which has been ignored so often before and which, together with people with mental illness, is often particularly afflicted by drugs. So there is a very positive message.

The Penington committee indicated — and we all know — that the one area that has been underdone is prevention. There has not been enough done in the past. I think the Penington committee report of November indicated that only 2 per cent of the budget had gone into prevention. The government is proposing to boost

that to 13 per cent. That will provide the resources for the sorts of programs we are talking about today — prevention programs to give resilience to our young people and to protect them so it is less likely that they will become involved with drugs.

There are three aspects of prevention. The first is primary prevention to prevent people from getting into drugs in the first place. The second is secondary prevention — which I want to talk more about after dinner — to protect those young people who are experimenting, and we know that all young people do. Probably everyone here has experimented in one way or other with licit or illicit drugs. The third is tertiary prevention, which relates to those who are seriously dependent and how we can help them. After dinner I would like to refer more to what we can do about secondary prevention.

Sitting suspended 6.30 p.m. until 8.02 p.m.

Mr THWAITES — Before the suspension of the sitting I was referring to the excellent work done by the Penington committee in advising on prevention of drug abuse. If the advice of the Penington committee were to be summarised, it was that parents, families and communities must be mobilised to work together on the prevention of drug abuse. The core areas that were identified and that the government has been adopting as its prevention policies are: community strengthening, community drug education, and drug education initiatives targeted at specific groups in the community.

As I said earlier, there are three types of prevention. The first is primary prevention, which is about keeping children protected so that they do not take up drugs in the first place. One of the key aspects of that and one of the lessons we learn is that keeping children at school is vital to ensuring that they have the resilience and personal esteem to resist taking drugs. That is an area that the Minister for Education will talk about further. The government is committed to that area and has committed a huge amount of resources to keeping kids at school and to providing the support they need, through additional welfare support, through school nurses and a range of other programs.

I will talk a bit about secondary prevention, which is vital. It relates to doing whatever we can to ensure that young people who experiment with drugs do not go on to drug dependence. As I said, the reality is that a huge proportion of young people will experiment with drugs. All the research indicates that most young people have tried tobacco, marijuana or alcohol. We have to do what we can to ensure that that does not develop into a dependence. A key plank of what the government will

be doing is a major community education program and a media campaign directed at young people to try to stop them taking that step into dependence.

The commonwealth government will soon be launching a major drug advertising campaign. This government will subsequently launch a media and public education campaign which will be complementary to that commonwealth campaign. It is important, though, that the campaign works. We have to be realistic about the matter. Telling young people to just say no does not work. What young people want us to do is to just tell the truth. They want to know the truth about drugs. They want real, not misleading, information. There is research that indicates that if we put too many resources into scare campaigns, we may have exactly the opposite effect of that intended — we may encourage some young people to take risks because of the style of advertising used. We should not think that the simple adoption of road safety or TAC-style advertising will necessarily reduce the number of young people moving to drug dependence.

That is why the campaign the government will be launching will be very well targeted, based on evidence and research. It will target firstly the peers of young people who may be moving to drug dependence. Next it will target other young people who may be able to assist the young people experimenting with drugs to ensure that they do not go on to dependence. The best way of doing that is to give accurate and true information.

One of the drugs that is relevant is marijuana. Many young people do not realise the health risks associated with taking marijuana. We must be honest with young people about it and not try to give information that they know is patently false. That is why we will be directing the campaign principally towards the peers of young people to protect those who are experimenting with drugs.

We will also be directing the campaign to their families so that families with young members who are experimenting with drugs have true and accurate information. We will be ensuring that those families also get access to information about how their children can get treatment. Currently many parents in that situation do not know where to get help or treatment for their children. That leads to anxiety and a lack of access to rehabilitation. Through the campaign the government will be ensuring that parents, peers and friends of young people in that situation have access to the information they need to prevent further drug abuse.

Mr HONEYWOOD (Warrandyte) — I come to this debate, like many parliamentary colleagues, with a limited knowledge base that I am pleased to admit has been somewhat enhanced by this afternoon's keynote speakers. Unlike my colleague Dr John Ross in another place I have not embarked on intensive academic study of drug programs around the world; unlike my colleague the honourable member for Footscray I am not involved in brokering drug program implementation and service delivery within and between language-other-than-English communities in the area I represent; and unlike the Honourable Wendy Smith in another place I have not yet initiated and coordinated activity camps for young people at risk.

What I bring to the debate is a view that each parliamentarian should be strongly representative of particular drug education and prevention programs for and on behalf of the communities we are honoured to represent. The decline of local communities and their ability to find local solutions to significant social problems has been well documented.

I wish for a moment to refer to a book entitled *It Takes a Village — And Other Lessons Children Teach Us*, which was on the New York bestseller list for many years. One only has to look at the contents of the book to see some key indicators of what faces local communities in finding the solutions they need to drug education situations. It includes sections headed 'No family is an island', 'Every child needs a champion', 'Child care is not a spectator sport', 'Children are citizens too' and 'Let us build a village worthy of our children'. They are all key indicators of what disturbs many local communities in establishing local solutions to local problems after 20 years of decline in local communities. Whether it be that particular worthy book or Jim Stynes recently arguing, 'What if we all believed in the old African proverb "It takes a whole village to raise a child"? Would this mean we would all take responsibility to turn a challenge into an opportunity?'

Right around Victoria local communities are attempting to come up with ways to handle their own drug education challenges. For example, the honourable member for Seymour would be well aware that Seymour Technical High School had a problem with drug dealers going inside the school grounds. The Minister for Post Compulsory Education, Training and Employment has also visited the school. It has attempted to deal with the problem by installing video cameras in the toilets for both boys and girls. When I first heard of it I thought, 'How can this be?' However, it has been an effective deterrent for a local problem of drug dealing that was difficult to supervise. I am sure the honourable member for Seymour would regard the

holistic approach the school has taken to the problems in its community as worthy of support.

Equally, how many parliamentarians would be aware that in New South Wales four schools now have random drug testing for targeted students, with the consent of parents? It is not a solution I would be attracted to, but it is a way in which some communities are trying to face up to the difficulties involved in this problem.

On a more positive note, the Honourable Ken Smith, a member for South Eastern Province in another place, and I recently visited the Blackwood Annexe of Drouin Secondary College and had a barbecue lunch with young people at risk, under the supervision of the coordinator, David Hayes. Late last year the honourable member for Polwarth arranged for me to visit Colac Alternative School.

In each case regional communities have devised locally relevant programs to support and underpin young people at risk. These schools provide six months of virtually one-on-one involvement and mentoring for young people who are at risk of committing suicide and becoming addicted to drugs, and who in some cases have been rejected by their families and their mainstream school. Often after the six months of special programs, involving camps and special activities, these young people are well and truly equipped with the confidence to go back into another mainstream school. These are positive examples of locally relevant solutions to the terrible challenge we all face.

We should not throw out the wonderful programs devised by local communities for local communities when there is talk of having one centralised authority. Having said that there is great merit in Mr Comrie's suggestion of a special authority to look after this key issue. Why do we need a central authority? Mr Comrie noted that the drug programs are often caught up in the vagaries of yearly funding. One has only to look at the Life Education Victoria program that takes drug education to 210 000 primary schoolchildren each year. It receives approximately \$300 000 a year in state government funding, but local communities raise \$1.4 million a year separately to help pay for the 23 mobile classrooms and 32 trained educators who implement that fantastic program for young kids.

Life Education Victoria is an excellent program but it reaches only half of Victoria's government primary school children. It currently finds itself on a drip-feed, relying on a yearly budget allocation, whereas up until last year it had a three-yearly funding guarantee. This is

the very problem highlighted by Mr Comrie — that the vagaries of yearly budget allocations often do not give surety to communities that are trying to deal with drug education programs in their own way.

Apart from Life Education Victoria, I recently had the privilege of addressing a program for leaders of the future that was organised through the good offices of the honourable member for Glen Waverley. The youth leaders program highlighted approximately 40 young people in years 10 and 11, who fed back to me as shadow spokesperson on education some of the problems they had with the current curriculum and the way in which personal health, hygiene and drug education are dealt with, particularly in government high schools.

The feedback was that the curriculum content is boring. I know the Minister for Education will be listening to this and will probably be heartily agreeing. All too often the curriculum is also taught by teachers who do not have any professional development in the methodology of teaching personal health and drug education. That is not to blame the teachers — they do an outstanding job — but unfortunately there has been little increase in professional development budgets. There has been only a \$9.3 million to \$9.6 million total allocation for professional development for teachers for the coming year — a \$300 000 increase, which barely makes up for inflation.

The current curriculum content appears to be inappropriate. It does not change between years 7 and 9, so it is not geared to the particular needs of students in different age groups, and the teachers do not have the necessary professional development skills. Some of the young people said that the school welfare coordinators were 'out of touch and unapproachable'. We need to ensure that a central authority on the one hand supports local solutions to local needs but on the other hand can coordinate and underpin good statewide programs in this crucial area.

They are some of the suggestions I would make. I would support an authority that operates at arms length from the government instead of the compromise thrown up by the Premier this afternoon, involving yet another advisory council.

Ms DELAHUNTY (Minister for Education) — I am delighted to participate in this debate, which is perhaps one of the most significant since the call to ban opium smoking was made in this chamber in 1884.

I thank the community leaders who gave their time and expertise to enable us to share their perspective on what

can be done to try to solve the scourge that is the drug problem. I thank them for their wisdom and their blunt advice, which was built on sustained research — not just prejudice — and life experience. As members of Parliament we often hear the *cri de coeur* from a section of the lost generation, their parents and loved ones. We heard today that part of the solution lies in a partnership with other sections of the community. As parliamentarians — and as a government — we can show leadership in the debate, but unless we have complete partnerships we have no hope of making a big dent in the problem.

I congratulate the Minister for Health on the leadership he showed during the joint sitting and on driving the drug strategy on behalf of the Bracks government. The speeches, questions and responses we heard today confirmed that the government is on the right track. The government does not pretend to have all the answers, but certainly its multifaceted approach is supported by the experts we heard today.

There was a consistent theme in all today's speeches. The emphasis was on prevention and on the role of schools in trying to stop young people dabbling in heroin, in particular, and as a result taking the spiral dive. The government appreciates that schools are at the front line of prevention. It also understands that in this greedy culture in which we all live the other institutions that used to support young people as they passed from childhood into adulthood have started to falter. It may be the fault of the churches or of families — many young people do not have families to support them — or it may be that the other community organisations that in the past supported young people and offered them assistance during their rites of passage have now fragmented and dissipated.

As Minister for Education, and as a parent, I accept responsibility for the role schools play in preventing young people dabbling in heroin and other illicit drugs. But the government cannot do it alone. It is false to suggest that schools alone will be able to fix the problem. Schools accept their responsibility, but they cannot do enough on their own. As one of the speakers said, how do you mend a broken heart? It takes all the ingenuity of many organisations and community groups to deal with the pain and distress that drives many young people into drug abuse.

We will take on our responsibility, but we will do it in a way that invites both parents and community leaders to acknowledge that one size does not fit all. We need a variety of drug education programs and strategies in our schools to discover what works for one particular group of students. A centrally imposed solution will not work;

indeed, that would be an insult to the parents, teachers and students.

I wish to share with the house some of the success stories of the individual drug strategies we have seen and are seeing in our schools. I repeat, the strategies are designed by individual schools with the support of the education department and other community groups and institutions.

For example, Craigieburn Secondary College has identified local drug issues and developed effective strategies that work for its community. It has a peer drug education program and a parent drug education forum. In a tiny close-knit rural community, Boort Secondary College approaches the drug issue not just as a school issue but as a whole community issue. In consultation with other community groups it has set up a series of programs to build up resilience in young people, particularly those in the challenging middle years, including the transition phase from primary to secondary. I refer to two programs at Boort Secondary College — the year 9 Building Blokes program and the Girls Standing Strong program.

In metropolitan Melbourne, Williamstown Primary School has developed the social skills programs called Willy Kids are Friendly Kids. The program is part of an integrated whole-school approach to developing resilience and social skills in young people to enable them to resist the delusion of being able to solve their problems through drugs.

We also heard Archbishop Pell refer to the percentage of Catholic schools that are doing terrific work as part of their pastoral care programs. St Jude's, a Catholic primary school in Langwarrin, has an integrated social skills program that is supported through its connections with the police schools involvement program, which was mentioned by Mr Comrie. In particular, it is focusing on issues of grief and loss. We often try to protect our children from grief and loss, but sometimes that is not the best approach.

Age-relevant drug education needs to be embedded in the school experience. The curriculum guidelines already include drug education as a core component of the health curriculum. Other opportunities exist through science, English and in the study of society and the environment program to examine the ramifications of drug abuse.

Young people need information about drug-related risks they can believe in and trust. When dealing with drug education you have to allay the fears of parents, particularly in primary schools. Great anxiety exists

among parents of primary school children about what is appropriate education. The government is working with parents through Parent Link.

As the Premier said, the government set a target in 2000 that all schools would develop an effective drug education program involving individual school drug education strategies; long-term action plans built around community responses; a focus on prevention; a whole-school approach; information; the involvement of parents, a loved one or carer of a child, absolutely; and community links.

I recommend that all honourable members who regularly visit schools in their electorates examine the Get Wise program begun by the former government. It is an example of a fantastic drug initiative developed by one government and acknowledged by a successive one — the Bracks Labor government — as effective. I agree with the Premier when he said earlier today that sometimes the community and the media overstate the differences between the parties on solutions to the drugs problem. Get Wise is a good example of a program with bipartisan support. It was drafted in consultation with parents and principals, and the working party also included the Victoria Police, the principals associations, the Catholic Education Office and Parents Victoria.

I draw the attention of honourable members to the Get Wise program. It is based on the community and provides up-to-date information about illicit drugs and their consequences. It is factual not glamorous, and it will be analysed and evaluated. The fact that a drug program has been effective or has been operating for some years does not mean it is continuing to deliver.

In conclusion, as a parent and a mother I accept my responsibility as Minister for Education, together with my government colleagues, for producing solutions in concert with other community groups. However, schools cannot provide all the answers. The government will work in partnership with others and solutions will be found, but it is glib to assume that schools alone have all the answers.

Mr DOYLE (Malvern) — Like many earlier speakers I also thank our guests at Parliament today for their contributions. I have a positive feeling about the goodwill and collective resolve of Parliament to face up to this difficult issue.

I wish to focus on a single point, and make a particular plea to the government when it is considering how to proceed. When members of Parliament think about the drugs issue and what drives it, they should think about the government front bench and who is involved. At a

quick reckoning I wrote down the ministers who would be involved and who would have departmental responsibility in the drugs question. They include the Premier; the Minister for Health and the Minister for Education, whose contributions we have just heard; the Minister for Community Services; the Minister for Police and Emergency Services, who is also the Minister for Corrections; the Attorney-General and ministers in the justice area; The Minister for Post Compulsory Education and Training, the Minister for Local Government and the Minister for Housing, who may not be immediate candidates on the first thought but who may be involved in the wider issues; and many others, not forgetting, as we never can, those central funding ministries of treasury and finance.

Consider not just all of those ministries but the agencies, professionals and communities who are dealing with drugs issues, such as hospitals, schools, municipal councils, local communities, police, health and legal professionals, teachers and public servants. Then consider the government agencies, non-government agencies and volunteers who are also dealing with the drugs issue.

I have been struck for a long time by the thought that the drug problem touches every aspect of governance and every aspect of our society. A couple of speakers said today in a salutary and sobering manner that we do not have a central effective mechanism to respond to that breadth of concern and range of responsibilities. In the course of any debate, when would the range of ministers to which I have referred — the Premier and the ministers responsible for health, education, community services, emergency services, police, corrections, justice, local government, post-compulsory education, housing, treasury and finance — sit down together and focus in a coherent way on the drug problem? The answer is that they would never come together as a committee.

Ms Delahunty interjected.

Mr DOYLE — I take up the well-meaning interjection. If that were working as well as could be expected there would be no need for us to be here today. All we would need would be a litany from either side about what was already being done and not about how much was left to be done. I hope that is not what is suggested.

As Neil Comrie bluntly said, the political process is of no use to us; it is a fragmented system and that fragmented system of ministries militates against good coordination. With the best will in the world — and I accept that the ministers do meet together like that —

when you consider the turf protection that goes on, the bureaucratic paralysis, the different priorities of ministries, the lack of communication much less cooperation between those ministries, and the budget constraints of each one, you can see that the system is not working as we would hope. Otherwise, what are we doing here? The system is not working, and nowhere in the world have they found an answer to that.

Professor Margaret Hamilton recently evinced concern at what she called 'government by perpetual inquiry', and that is one of our concerns arising out of today's debate. In Victoria we have had the Premier's Drug Advisory Council, which, with bipartisan support implemented more than 50 recommendations, all of which were steps forward. In 1996 it became the Drug Policy Expert Committee and produced stage 1 and 2 reports. New South Wales and Western Australia have gone down similar tracks.

Surely the time for consultative committees and more talk is over. Today's debate must not be a politicians' talkfest. It must not be about our congratulating ourselves on what we do, because we know we do some good work. But if it were enough, what would we be doing here? Instead of congratulating ourselves we have to look at how we can stop the debate becoming a politicians' talkfest and frittering away the chance to take further action or change policy.

There is a clear choice before us, about which I make a plea to the government. On the one hand we have the proposal that Neil Comrie made for an authority, and I will come back to that; on the other hand, in response to that we have the Premier's proposal for a drug prevention council. They are different in nature and intent, and they will be different in effect.

Rob Moodie of Vichealth, the honourable member for Footscray and I visited the United States of America, the United Kingdom, Sweden, the Netherlands, Germany, Switzerland and New South Wales and Western Australia to look at approaches that ranged from the overly cautious to the starkly provocative. The important central message we gained from all those jurisdictions was the need to properly coordinate efforts and resources.

Neil Comrie's suggestion was for an independent, statutory and well-resourced authority, not an advisory committee or another talkfest. He argued for its having a hypothecated budget, and I understand the difficulties inherent in that from the government perspective. In particular, he asked for a body that could initiate and coordinate action, especially in education and early intervention.

I understand that ministers do not wish to give up their authority over their particular patches. However, if we believe this is our no. 1 social problem, surely the time has come to think not about each minister continuing to protect their patch in education, health, policing, justice or whatever other sector is touched by the drugs issue but about going beyond the artificial constraints of ministries and bureaucracies. Nothing less should come out of our debate today. We need not talk but action!

I would not advocate a committee structure ad nauseam, but if we were to have an authority based on the need for action, we would also need a rigorous, intellectual and practical group to evaluate its efforts and tell us about its successes and failures.

Unfortunately, the Premier's proposal is for another consultative committee that reports to the Premier, again leaving the search for solutions with a disparate collection of ministries and ministers protecting their turf, which has not served us well in the past. Surely it is time to no longer think about a consultative committee, no matter how expert. Rather, it is time to give some credence to what Neil Comrie was brought here to propose. His central piece of advice was that we should set up an independent, statutory authority that could take action.

Unless we do that I fear that at 9 o'clock tomorrow morning nothing will have changed and we will go on as usual in our partisan way, agreeing on some things and trumpeting other initiatives. If that happens we will go on making the mistakes we have always made because we are unable to transcend the political boundaries that have held us back.

Neil Comrie has shown us a way forward. The choice is clear. My fear is that one more committee reporting to the Premier will be yet another talkfest that does not need to be acted on. Neil Comrie proposed an independent, statutory authority with the budget and the power to take action. We should certainly evaluate that rigorously.

Unless we know what it is that we will be doing differently from 9 o'clock tomorrow morning, why have we all come together and why are we all acknowledging that although we have done much there is much to be done? My plea is: please, no more talk; we need real action.

Mr HAERMEYER (Minister for Police and Emergency Services) — I congratulate everybody who has participated in the drug education and prevention debate, because it has been constructive. I speak from

the perspective of someone whose portfolio is at the acute end of the problem.

Mr Doyle interjected.

Mr HAERMEYER — Three of them, that's right. Eighty per cent of the people in the prison system are there because of drug-related offences. If you looked at the work the police do — on street crime, property crime and violence — you would see that overwhelmingly the crimes are drug related and result from people seeking to obtain money to service their drug habits. As many police officers acknowledge, as indeed did Mr Comrie, law enforcement alone does not work. That is not to say that it is not important — it is extremely important — but as I say, of itself it does not work.

Victoria has done a great job on the law enforcement front. As the former chief commissioner pointed out, last year in Australia 50 per cent of all heroin trafficking arrests were made in Victoria, given the sweeps in Springvale, Footscray, Dandenong and the central business district. Has it fixed the problem? No, it has not.

We need to understand that the problem needs to be tackled on all fronts. We need to ask what we have to do to get those who are hooked on drugs off them and what we have to do to prevent young people becoming new users and then dependent on drugs.

We need to look at a whole variety of interventions and approaches such as early intervention, prevention, education, supply reduction, law enforcement, treatment, rehabilitation — all have been mentioned today. They are all important and all have to be considered.

This state has led the world in its attack on the road toll. Nowhere else in the world has there been that sort of improvement in reduction of the road toll. How did we achieve that? We achieved it through a multipronged approach. I refer to a few of the initiatives that were undertaken: better roads, tough drink-driving laws, speed cameras, seatbelts, speed and red light cameras, education, particularly in schools, improved driver training and policing. We took a multifaceted approach across a number of disciplines and portfolios.

Drugs also have to be tackled on a variety of fronts. I take issue with the point made by the honourable member for Malvern. The government recognises that the assault on the drug problem needs to be a whole-of-government approach, which is why all the critical ministers, so far as any of the factors that input into the drug problem are concerned, have been

working closely together to develop a coordinated approach. The honourable member for Malvern said if that were the case we would not be here today. No matter how well we try to do it, how coordinated we are, there is no panacea to the problem. We will never have the perfect answer. All we can try to do is improve, and we can improve enormously on where we are and where we have been. To say that if all ministers worked in a concerted way there would not be a problem is taking a fairytale view of the situation.

Much has been said today about prevention. So far as I am concerned prevention is the cinderella response to the drug debate. It is about building fences at the top of cliffs rather than parking ambulances at the bottom of them. In the past we have not paid enough attention to prevention, and that is why the package announced earlier this year by the Minister for Health and the Premier contained a significant increase in attention to prevention.

We need to research what works. Certainly early intervention is one factor. As the former Chief Commissioner of Police pointed out, we are able to identify at a fairly early age those who are at risk. It is not just the kids, but also the families, and those families need support. Where you have a kid at risk you very often have a family in trouble. We need to deal with education, and that is not just about schools but about parents, general community awareness, and the attitudes of young people.

Archbishop Pell made a telling point when he said institutions such as families, churches and schools have lost their influence over young people. We need to understand the influence that popular culture has over young people and the role it plays in illicit drug-taking. We cannot develop an approach or response to the drug issue without understanding and working in the context of the popular culture within which some young people who take drugs operate.

Peter Wearne highlighted the links between types of social failure and in particular focused on family breakdown, poverty, alienation, abuse and the links between those factors and illicit drugs. Certainly structural, environmental, social and economic factors have a big impact on some young people who develop an illicit drug dependency. However, we should not overlook the cultural causes.

Many young people are not alienated, they are not abused and they are not deprived. A lot of seemingly normal, middle-class kids from good families take up heroin and other illicit drugs because they think it is cool and because it is offered to them in a social

situation. That is part of the popular culture, as I have discussed. It is about rejection of authority. As Dr Penington pointed out, the 'Just say no' approach does not work and has not worked because of that sort of attitude.

A couple of years ago I attended a seminar where someone pointed out that when they were working with a group of young kids they rephrased the term, 'If you drink and drive you're a bloody idiot' into, 'If you drink and drive you're a bloody legend'. We have to understand the way kids take that sort of finger-waving approach and work around it.

Perhaps there is a need to talk to the people who shape popular culture in this country, whether it is those who work for Nike or Coca Cola or those involved in the music industry, and get their best research, marketing and advertising people to reshape the whole concept of drug taking as uncool. Maybe we need to get the people who are best at getting into the heads of young people, shaping fashion and popular culture, to develop a concept about drugs that says drug-taking is uncool. We would need then to take what we learn from that and use it to develop programs for schools and information for parents and influential institutions so they can better get a message across to young people.

Finally, I want to pick up on some of the things that are taking place across my portfolio. Professor Margaret Hamilton raised the issue of secondary prevention. That is important because we should not simply say that once someone has taken their first hit of heroin they are a lost cause. The reality is that whether it is the first, second, fourth, or the 100th hit, as Professor Hamilton said, we need to make an attempt to prevent those people taking drugs again.

I congratulate the Victoria Police on its initiative of drug diversion programs. We are very much committed to diversion at all levels, whether at the policing, court or prison system level.

The ACTING SPEAKER (Ms Davies) — Order! The honourable member's time has expired.

Mrs ELLIOTT (Mooroolbark) — I, too, wish to pay tribute to the speakers we heard today, and to the obvious concern and erudition shown in their speeches. Coincidentally, I invited some senior students from secondary schools in my electorate into Parliament for dinner tonight and their views on drug-taking in general and preventive factors were particularly interesting.

I wish to focus tonight on what Rod Moodie called protective factors and to concentrate particularly on an area which received rather scant attention — that is,

those crucial years from conception to age 6 in a child's development. I was reading an article by Norman Swan, who is the science reporter on ABC radio. I cut the article out of a newspaper but cannot remember from which newspaper. The article states:

Thousands of high school students and their families have been surveyed in both the US and Australia, and these studies have found that adolescents who feel connected to their family and school are less likely to smoke tobacco or marijuana, drink, be emotionally distressed, engage in early sex, be exposed to violence or have suicidal thoughts. All this is independent of a family's social class and income.

As long as teenagers perceived that their parents were loving and caring, the same applied even if the parents were separated.

One of the greatest protective factors a child can have is loving parents.

I have been concerned, without a great deal of knowledge, about the apparent rise in non-medically indicated caesarean deliveries of babies. I asked a midwife whom I know if there was any difference in outcomes for children delivered by caesarean section. I realise that sometimes caesarean sections are medically indicated. She said that babies who are delivered by caesarean section rather than vaginally do not get the hormones that come about through a normal delivery and that sets them back slightly from birth, and more than slightly in some cases, and it takes them some time to recover from that. A Canadian study found that brain development in children in their early years influenced their subsequent learning behaviour and health and that stimulation in those very early years developed neural pathways and were a good indicator of later success, happiness and health in life.

I am sorry the Minister for Health has left the chamber because we need to look again at how long new mothers and babies stay in hospital after birth and the need for breastfeeding patterns to be established before mothers and babies go home. It is well known that breastfeeding is one of the strongest ways of bonding a mother to her child and is also one of the most important ways of ensuring later protection against various diseases, so that is one area where we could make a difference in these protective factors.

The second area is the almost universal service of maternal and child health. That is a gateway service accessed by nearly all parents, particularly mothers with their first babies. Maternal and child health nurses are in a unique position not only to provide advice to parents about good parenting but also to pick up indicators of disturbed home life, risk factors for both mothers and children, health problems in mothers and

babies and indications of drug use in parents and the influence of that on small children. One of the factors in A Safer Way — the Liberal Party's strategy on drugs — is to ensure maternal and child health nurses have continuing professional health development so that their professional practices are totally up to date at all times.

The child health nurses need to be accessible, but the ones that I have met have indicated that their profession is ageing — that is, it is having trouble attracting to the service young women — and I think they are all women. They said their professional development is not all it could be and that they are concerned about the future of the service unless conditions are improved and they are able not only to see parents and children at the maternal and child health centres but also to visit parents, particularly mothers, in their homes in order to properly assess where children might be at risk.

The next important and almost universal service — and one which also proofs children against the lure of drugs — is preschool. All children should have access to at least one year of funded preschool. Play groups or children's activity groups will not do — children should have that one year of preschool with a fully qualified teacher. Equally, those children whose parents work should be able to access kindergarten programs within childcare centres so they do not miss out on that year of developmental play that is so important to get them ready for school.

School teachers universally say they can tell the difference between children who have not been to preschool and those who have. Some professionals I have talked to have indicated concern about the number of children who are delivered to childcare very early in the morning, stay there all day and are collected by their parents, fed, and then made ready for bed, thereby having very little time with their parents. That is one of the problems of contemporary society. If parents are to really influence their children's development and provide a warm, loving and caring environment within the constraints and demands of contemporary life where two incomes are almost mandatory for families to survive, we as a society need to look at how parents can be relieved of some of this burden or arrange child care in such a way that it is close to workplaces so parents can see their children during the working day and that mothers breastfeeding their children can continue to do that.

I heard the Minister for Community Services on the radio the other day expressing concern about the fact that rates of breastfeeding are not rising despite initiatives to allow women to feed anywhere at any time

and in any place, and since breastfeeding is so important in that early start, this is a matter of great concern to me as well.

All these things need a whole-of-community approach. We need to show that we value these things as a community and realise that children who have a happy and healthy early childhood from the time they are born with parents who care about them and to whom they feel closely connected are at less risk of experimenting with drugs. Parents who feel confident and skilled in parenting and who do not feel that parenting is a great burden are doing everything that can possibly be done to ensure that, even if their children experiment with drugs later in their lives, they will not become drug takers in the really serious sense. I am not naive enough to think that most young people do not try some form of drugs at some stage, but most of them do not become habitual drug users, and it seems there is an extremely strong connection between the sorts of factors I have described and the fact that most young people do not succumb to the lure of drugs.

One of two of the speakers today, particularly the youth worker, Peter, who works continually with young people, referred to the fact that nearly all the young people they see who are habitual drug takers have incredibly ghastly and awful things in their background — that is, incest, child abuse or physical, emotional or sexual abuse. None of this happens in families that are truly happy, so the universal services that Victoria and Australia have always been so good at providing for children aged nought to six should be reinforced, fully funded and made accessible to any family, mother, father or child.

Mr VINEY (Frankston East) — I want to focus on a couple of things in this important debate — firstly, to review the government's initiatives in dealing with our drug problem in Victoria; and secondly, to consider the drug problems in Frankston, particularly the work being done by a range of service providers in the Frankston area. I do so because on occasions such as this sometimes the good work that has been done in the past tends to be overlooked with the focus on the future. That is not to deny the importance of looking at where we should go but to recognise that considerable work has already been done in the short period of this government's time in office.

The government's drug initiatives have several themes: rehabilitation, prevention, enforcement and saving lives. In November 2000 the Premier launched the government's drug initiative of increased funding of \$77 million over three years, \$19 million of which will be allocated in the first year.

The first area of the government's attentions is rehabilitation. It has provided funding for additional treatment services totalling almost \$30 million over three years. It is doubling the number of rehabilitation and treatment beds from 400 to 800. Some of the other initiatives to be funded under the rehabilitation section of the government's initiative include services for families with the family help line, more withdrawal units, residential rehabilitation and supported accommodation programs, enhancing our drug treatment services including programs for homeless people with drug problems, three new dual diagnosis teams for people with drug problems and mental illnesses, three rural methadone treatment services, post-withdrawal linkage support and extended hours capacity in five drug treatment agencies.

The government has also introduced diversion programs in the Children's Court, more post-prison release schemes and, importantly, enhanced treatment programs for Victorian prisoners with drug problems. The speakers spent a lot of time today talking about prevention and the need to strengthen families and the community. The government's community strengthening initiative has allocated \$5 million to that need. The government has allocated \$3.4 million to run a community drug education program using the television, radio and print media to highlight the harm associated with drug use and to provide information about counselling and treatment services.

In enforcement, the government is committed to ensuring that the Victoria Police are adequately resourced to meet the increasing demands of the drug trade. A total of 800 more police will be recruited into the police force, and I am pleased to say that Frankston has seen a considerable number of those. When I was elected as the member for Frankston East there were 44 police officers at the Frankston police station; there are now 68, and Frankston has foot patrols for the first time in many years. Frankston also has an increased number of drug diversion programs, including the Magistrates Court diversion program. A total of \$36.5 million will be allocated to the enforcement of the drug initiatives.

The component of the strategy concerned with saving lives, which has been allocated \$17.5 million, includes drug safety strategies in five targeted municipalities, mobile overdose response services, mobile drug safety workers for outreach street-based programs and increased resources for our ambulance service. Those initiatives have already been undertaken by the government as part of its campaign to deal with the drug problem in Victoria. The government will need to increase its focus on prevention, and as I outlined

earlier, part of the proposed program will include a drug education program.

I turn now to look more particularly at some of the drug issues in Frankston and the work being done by the Frankston City Council and a number of other agencies. The problem in Frankston has been documented by Melissa Gaddie, my parliamentary intern last year, in a report that is available for members in the parliamentary library if they wish to peruse it. Melissa is now a part-time member of my electorate office staff. Her report is entitled *Local Community Forum to Help Address the Drug Issue in Frankston*. The report notes that in the period from June 1998 to June 2000 there were 184 non-fatal overdoses from heroin in the Frankston area, which was the seventh highest figure in the metropolitan area.

The average age of heroin users in Frankston is decreasing due to the ease of access of heroin on the street market. In the Frankston area 50 per cent of young males who overdose on heroin are between the ages of 21 and 30; among females the under 21-year-olds are most likely to overdose; 74 per cent of overdose victims were males; and there were 24 fatal drug overdoses from May 1998 to August 2000, 19 of which occurred within the private sphere, which highlights the dangers of people using heroin in isolation.

The young people in Frankston nominate drugs as one of their key issues of concern. Over one-third of youths interviewed in a survey entitled 'Focus on youth of Frankston' nominated drugs and drug abuse as a major issue in Frankston. They were concerned about the behaviour of users, crime, violence, health and environmental issues.

I recently attended a forum of about 100 young people in Frankston, and when they broke up into groups to identify their key issues of concern each nominated drugs as either the first or second issue.

The problem of drugs is well identified and documented in Frankston. Today we had an expert drug committee in the house comprising eminent people. We have some eminent people in Frankston, whom we brought together for the purpose of the forum I just mentioned. That forum was the subject of Melissa Gaddie's report. People who work every day with the drug problem in Frankston, including Sharon O'Reilly of the Peninsula Drug and Alcohol Service, Sean Swift of the Southern HIV/AIDS Resource and Prevention Service (SHARPS), Mick Williams, the superintendent of police based at Frankston, and all the principals and staff of our various schools, have been talking with

people like myself and representatives of the Frankston council about how to deal with the drug problems in Frankston. As a result of that discussion, the Frankston council has come up with its *Community Safety Plan*, which is a comprehensive document that looks at a whole range of issues on public safety in Frankston.

Under the leadership of the mayor of Frankston, Cr Mark Conroy, the council has addressed a range of issues, including drug trade occurring near the railway station and in the Young Street precinct, which has been the cause of some concern. The council's initiatives include playing piped music; conducting a safety audit; even allocating a cleaner to take care of and pay attention to that precinct every day, which has made a significant difference to the area; and having an increased police presence.

As I have mentioned, the council has also taken up a number of initiatives which have unfortunately received criticism from people such as the honourable member for Frankston. I hope that in the spirit of bipartisanship that sort of criticism will not continue. Those initiatives include such things as a Chupa Chup program in which drugs users are encouraged to exchange needles for a free Chupa Chup, which I know is regarded by some people as being somewhat silly, but it works and has increased the number of drug users taking needles to the exchange. They also include the increasing of fines for people who do not dispose of needles properly, because the council has added extensive safe disposal bins throughout the city.

I congratulate the people at the council and the service providers in the Frankston area whom I mentioned earlier for their continuing work and effort. They are our local Frankston experts, and I look forward to working continuously with them over the next few years to deal with the problems in Frankston and take advantage of the government's extensive initiatives and funding in this area.

Mr WELLS (Wantirna) — It gives me great pleasure to join the debate on the drug motion. Neil Comrie set the scene when he said that the most significant social issue facing our community is the drug issue. As a parent of three very young children, that bothers me greatly.

Other facts that Mr Comrie mentioned that also concern me were that there has been a sevenfold increase in heroin addiction from 1991 to 1999, that in 1986 the average age of people starting to use heroin was 26.1 years and that in 1998 — just 12 years later — the average age had plummeted to 17.5 years. This is a real concern to anyone who has teenage children.

A further fact that concerns me is that 70 per cent of crime is in some way related to drugs. It would be nice to think that if you were to get rid of the drug issue the crime rate would fall by 70 per cent; unfortunately there is a greed factor in there as well, so that would not quite be the case.

Mr Comrie also stated that some heroin addicts are having to find \$400 a day to pay for their addiction, which means they are getting involved in crime. He also mentioned that being an island, Australia receives many shipping containers from Asia, the Middle East and other countries, and that it is impossible to check every single container for drugs because the country would come to a standstill if that were to occur.

Much emphasis has been placed on the demand side of the drug issue, and I can understand that. However, I would like to talk about the supply side of the issue.

To date the police in Victoria have done a very good job. The toll from heroin overdoses published in the *Herald Sun* on this day last year was 64; today it is 11. Some people would say the reason for this is the current heroin drought; I would have thought some of the credit should be given to the police for the amount of great work they have done. As Mr Comrie mentioned, half the heroin trafficking arrests in this country were made by Victorian police.

There is a need to control the supply of illicit drugs entering the community and to establish adequate treatment facilities and programs to assist addicts. Increased emphasis must also be given to programs that lead to a reduction in demand for drugs.

In opposition it is easy to make a lot of promises, but through its Combating Drugs — A Safer Way program last year the Liberal opposition made it clear that it would put an extra 250 uniformed police and detectives out on the street to combat the drug problem. That was a strong commitment, and it is something we would have followed through to ensure that the supply lines were cut. It bothers me that although the debate has been going since 3 o'clock this afternoon, to my knowledge no-one has mentioned the police schools involvement program. I would have thought that would be one of the issues members would be pushing, especially the Minister for Police and Emergency Services, from whom we heard a couple of minutes ago.

I refer to an extract from the Victoria Police web site, which states:

The police schools involvement program, also referred to as the Police in Schools program, is an initiative designed to

combat rising crime rates, drug and alcohol abuse by children and the alienation of police from the community.

In the program a policeman or policewoman from the local police station goes into a school to talk with children about the abuse of drugs or alcohol. That raises a lot of other social issues, especially in situations where the parents of those children are addicts themselves. When talking about what can be done it is crucial to state that one of the things the government needs to commit to with bipartisan support is a strengthening of the Police in Schools program.

The importance of education has been mentioned by Dr Moodie and other speakers. As part of an education program to lower the road toll, a former Liberal government introduced the tremendously successful Declare War on 1034 campaign. Last year the road toll was 406 — so 600 people a year are alive thanks to that campaign.

There has also been talk about cigarette smoking. When I was in grade 6 I remember a model being brought around to display how cigarette smoke ruins your lungs. As other speakers have mentioned, the number of smokers has plummeted.

I agree with the notion put forward by Mr Comrie that we need to start with early intervention programs, but that can also be done through the successful Police in Schools program. I believe it would be helpful to people in rural and regional Victoria, who can feel isolated. In the city there are a number of programs that young people can avail themselves of, but similar services are not available in the country. With their early intervention through the Police in Schools program, police officers can take direct action and assist with what needs to be done.

Unfortunately the program is not being treated as seriously as it could be. For example, I have received information that no-one has been running the Bendigo Police in Schools program for over 12 months. Unfortunately, the position is not being advertised. Schools in that large regional area are not being adequately serviced by the local police. I can think of no better way to address that need than to advertise and quickly fill the position.

The other program which I will briefly talk about but which no-one else has mentioned is the Freeza program, which was set up by the previous Kennett government. It was administered by the then Minister for Community Services, now the Leader of the Opposition, who did an excellent job. The program was designed to enable young people between 14 and

18 years of age to have a great time without the fear of having drugs or alcohol rammed down their throats.

Under the program events were strictly run and subject to the tightest security in the state. There was no way known that drugs or alcohol could get in. I hope that the government will look at the two programs I have mentioned, the Police in Schools and Freeza programs, and ensure that they are fully funded, because they reduce the need for young people to have drugs or alcohol in order to have a good time.

In conclusion, I hope today's debate will not turn out to be a talkfest. The opposition will be watching with great interest to see what conclusions the government draws from this debate.

Mr MILDENHALL (Footscray) — As this debate takes place things are still fairly grim on the streets of Footscray. The past few years have seen what in other situations and with different social meanings would have amounted to a national tragedy. Since 1997 72 full body bags have been carried away from Footscray following deaths from heroin overdose or abuse — and that includes 56 in the past two years, 1999 and 2000. At its peak the operators of the needle program in the centre of Footscray were distributing over 1700 needles a day and having over 1200 contacts a week. From those indicators members can see that represents an enormous amount of activity and an enormous amount of dealing — and a consequent death toll that is the equivalent of two Port Arthur massacres and more.

Because of the divisive nature of the drug debate the community's reaction has been mixed. When they are surveyed most people say they hate the physical manifestations of it, including the appearance in the street of dealers and dishevelled, chaotic users. They just want it to go away.

The actions of the new Bracks government in doubling the number of police in Footscray have been warmly welcomed by the community. Although the success of the police in displacing a proportion of the drug dealing in Footscray has added to the misery of the Kensington and surrounding communities, it also has met with a deal of local satisfaction.

The recently published *Burden of Disease* report, which compares a range of local social indicators, demonstrates the critical interaction between heroin abuse and other social dysfunctions. We basically have Melbourne's — or Victoria's — worst figures for mental disorder, heroin abuse, alcohol abuse and depression. These things are not unconnected; they go hand in hand with extremely high levels of

unemployment, family breakdowns, health problems and homelessness. They all contribute to people's low self-esteem and lead them to desperate situations. Such people are either addicted to gambling, as they hope that luck will find them and provide the answer to their problems, or to heroin or alcohol, as they seek oblivion through substance abuse.

In addressing the drugs crisis, the government has instituted programs that have forged new and effective relationships with the local community as it tries to deal with these issues. But it is insufficient, as Mr Comrie would have it, for the drug programs to be simply better connected. The critical things that make the difference in my community are the connections I talked about between employment, housing, personal progress, successful education and increased self-esteem, particularly among our young people.

The critical connections that need to be made are those between the education system, the employment and training system and the housing sector, as well as those who support families remaining intact.

The burden of disease report showed those critical connections. I would like to see any committee that is established as a result of today's discussions use material of the burden of disease type to conduct community audits to find out how strong and effective those connections are, how families are going and how critical self-esteem among young people at risk, and at risk of alienation, is being addressed. Those who find themselves on the slippery slope to a destructive and chaotic lifestyle and who make up the dreadful death toll also need to be connected with if we are to prevent further social disaster.

Many honourable members do not like the idea of needle and syringe programs but the truth of the matter is that they are the critical connection with other services for street users. General practitioners reject street users when they look for help and chemists refuse to serve them. When they go to a hospital they are unable to comprehend the huge waiting lists. The one place where they can walk straight in the door is the needle and syringe program, which connects with over 1000 people each week.

That program must be built on with an initiative that has come out of courageous and innovative work done by the Maribyrnong City Council, together with the community health centre, the hospital and others. Out of the local strategy came the idea of a primary health service for street users. From their connections with the needle and syringe programs those in desperate need will be able to meet health workers and counsellors.

There is a vital need for such services because the syringe programs have only enough resources to hand out and collect syringes. We need to add value to the connection the people running syringe programs have with users. Apart from the underresourced youth workers, they are the only people who see users on the streets.

A strategy needs to be developed to find connections for people who are in desperate need of services. A survey of street users in Footscray, generously funded by Dame Elizabeth Murdoch, found that over 90 per cent wanted to get off drugs. Users need to find a welcoming path, a sympathetic ear and a responsive agency to get to that point. Unfortunately many of our traditional mainstream services are not capable of providing that pathway.

As a suggestion I point to the two high-priority areas that would provide a practical strategy: a statewide coordinating committee, and the local partnerships, which should be microversions of those essential connections.

Mr DELAHUNTY (Wimmera) — As National Party spokesman on youth affairs and as a strong advocate for the Wimmera electorate, I thank Parliament for the opportunity to speak in the drug education and prevention debate.

This has been my first opportunity to be involved in a joint sitting of Parliament, and I congratulate the government and all parliamentarians on it. I also congratulate the eight speakers. I found Mr Neil Comrie, Dr David Penington, Dr Rob Moodie, Major David Brunt, Archbishop Pell, Professor Margaret Hamilton, Mr Andy Hamilton and Mr Peter Wearne very informative and thought provoking in their many suggestions to address the curse of drug taking in Victoria. Each speaker left me with a lasting message that I hope all of us can take up and address.

Dr Penington said that the key question was how to reduce the demand for drugs, and that is a challenge for us all. I was shocked to hear that there are 75 000 dependent users of heroin in Australia. It is an astounding figure.

Mr Comrie, who initiated the joint sitting, is to be congratulated on his presentation. As he said, it is the most significant social issue affecting Victorians, Australians and the world. He believes the key strategies should be in education, early intervention and diversion. I am sure all honourable members would agree with that. The wellbeing of our society is in our hands and it is now time to address the cause of the

drug problem. We must come up with a long-term strategy and I support Mr Comrie in that. We need the new model that he spoke about. He believes an independent authority looking at research and strategic plans should accredit programs, have some legislative powers, and importantly, be independent of politics.

Dr Moodie from Vichealth talked about risks and protective factors and highlighted the family, schooling, the workplace and the community, as did Archbishop Pell. I strongly support the family structure, and it is important that as families and communities we play a leading role in working with youth. As Archbishop Pell said, the community has learned that drink-driving is unacceptable and people must be educated that drug taking is the same.

Peter Wearne was a real highlight. He caught my attention with his dress code, and I found what he said interesting. I congratulate him on making his presentation straight off the cuff, from the heart and from his experience. He talked about lifestyle problems, and importantly, said the media has a significant role to play.

Unfortunately many young people in the Wimmera have to go away for education or work experience, or even for a lifestyle experience.

We do not mind that happening provided we can create the right environment to get them back. They usually go away to Melbourne or to large regional centres where they do not have family or social support. Too often young country people fall into trouble with drugs and get picked up at parks.

I have met with some young people of my electorate and their families; some of them have had lunch with me at Parliament House to explain their concerns. I have some difficulty with this issue given that I have not tried drugs, but I am being informed about this major social problem all the time. Parents in my area have told me that they have experienced a great deal of trouble getting local detoxification, rehabilitation and diversionary programs set up close to their communities so that family and friends are able to work with organisations to get young people off drugs.

There is also the problem in the Wimmera of funding for infrastructure and administration. I am sure that while the debate is going on and goodwill is being passed around this chamber there will be opportunities for community groups in the Wimmera to get funds from the government. The government has highlighted the fact that more money is being made available to address the drug problem, and I hope through this

initiative some of the Wimmera groups will be able to get their hands on some dollars for those programs.

The Palm Lodge Centre, which services a large area of the Wimmera, provides drug and alcohol programs — I emphasise that the centre deals with alcohol because it is also a drug of dependence for many people. The centre has had funding problems in the past, and I congratulate the *Wimmera Mail-Times* and its editor, Danny Lennen, on some of the articles that have appeared in the newspaper. The names of some people used are confidential, but he has been supporting the concerns raised by the community, the local councils and even the Wimmera Law Association, which has written to me about this matter. I congratulate the newspaper on highlighting the concerns of country people. We often think a problem is not in our own backyard, but those articles have highlighted the fact that it is there — although it does not affect large numbers of people as it does in the electorate of the honourable member for Footscray.

In my letter in reply to the president of the Wimmera Law Association I state:

... I strongly believe prevention education, coupled with improved rehabilitation, detoxification and diversion programs are the best ways to reduce the problems of drug and alcohol.

I strongly support —

as the Wimmera representative —

a viable drug and alcohol service continuing to be based and —

importantly —

managed in the Wimmera —

to service the concerns of Wimmera people.

Today I received a copy of a document entitled *An Evaluation Report of the Wimmera Regional School's Peer Drug Education Program*. It states that the program was:

introduced into the Wimmera region in 1996 as a one strategy to address youth binge drinking in the region. The program has since developed into a broader harm minimisation approach in relation to young people's drug use ...

Palm Lodge undertook the first peer drug education program as a community initiative in the Horsham and West Wimmera areas. Schools involved in the initial pilot program were Horsham College, St Brigid's College (Horsham), Murtoa Secondary College, Warracknabeal Secondary College, Nhill Secondary College and Edenhope Secondary College.

All those schools are in my electorate: I did have 52 schools in my electorate, but I now have 50.

Unfortunately, the funding for that program has also been lost to this group. As was said by many speakers in the debate today, too often the government provides funding for these programs but then lets them fall over.

Like the Leader of the National Party, I congratulate the Honourable Ron Best in another place. Members of the National Party are concerned about the issue, and as Mr Comrie said, we need to have an independent authority. As the shadow Minister for Health, the Honourable Ron Best talked about the creation of a new body called the Victorian Institute for the Care and Treatment of Rehabilitating Youth (VICTORY). It will have a similar structure to the Vichealth model and have tripartism representation. Other board members will include people from agencies such as the police and those involved in the law, health, churches, social work, community groups and government departments.

We have heard enough talk on this issue; it is now important to get on with the action. We believe the model is worth considering. The overarching body would coordinate all the existing drug programs, and I congratulate the government on some of the brochures given to honourable members today that highlight the need for prevention and treatment in addressing the drug problem in Victoria. Currently there are many good programs relating to education, prevention, policing and rehabilitation, but they are somewhat disjointed. Some programs have been duplicated and others are short of resources, which means we are not maximising the community investment in the war on drugs.

I have highlighted the concerns in the Wimmera. I strongly support the initiative put forward today, and I hope early action is taken to address the curse of drug-taking in Victoria.

Mr WYNNE (Richmond) — I am pleased to contribute to the debate on drug issues. As honourable members would be aware, my electorate shares with the electorates of my colleagues, the honourable members for Footscray and Springvale, the dramatic social impacts of drug trafficking and trading. It has proved to be a terrible social scourge on the whole community. Chaotic drug users, the residents in the electorate and the people seeking to trade lawfully as shopkeepers in the area have all experienced the terrible impact of the drug trade.

Much work has been done by the government to address the social impact of the problem, and during my contribution to the debate I would like to give due consideration to a number of forums in my electorate that have worked cooperatively with the government,

the City of Yarra and the local community to come up with a comprehensive strategy to address the problem.

As honourable members know, the trend for young people to use illicit drugs at an early age is a major social concern both in Victoria and nationally. On average, users born in the 1940s began using heroin after the age of 20 years; those born in the 1970s began using it at 16½ years and those of us who experience the drug trade in a public forum, as we do in our day to day work, every day see younger and younger drug users on the streets.

Recently, my electorate officer assisted in reviving a person who had taken a drug overdose outside the office. Although it was a traumatic experience for him, he assured me that the person concerned was no more than 15 years of age. That is the nature of the drug problem in society today.

The 1996 School Students and Drug Use Survey indicated an increase of 2 per cent from 1992 to 1996 in year 9 boys who had used heroin. The Bracks government has allocated \$10.9 million to the prevention of drug use over a three-year period.

In my electorate of Richmond, the Yarra Drug and Health Forum and the council of the City of Yarra have worked together to produce a comprehensive drug strategy which is a masterpiece of community participation. In my view it is a model that could be reproduced by other municipalities for a range of social issues that confront our communities.

The process is interesting. It follows a recommendation from the stage one report of the Drug Policy Expert Committee established by the Bracks government. The forum was not specifically responding to the Penington report. In a local context it had been on the ground for several years prior to the Penington report in trying to address the drug problem as it related to the community.

The support shown in the community through the Penington inquiry's review of public support for safe injecting facilities is no surprise. The City of Yarra recorded 70 per cent support for safe injecting facilities. Ultimately that strategy did not prevail.

The Penington committee recommended that the development of a local drug strategy must involve key stakeholders. The Yarra Drug and Health Forum included representatives from drug agencies such as the Turning Point Alcohol and Drug Centre and the Youth Substance Abuse Service (YSAS), community health centres, residents, business groups, police, the Department of Education, Employment and Training,

human services and importantly, in my view, the local municipality.

Excellent leadership was received from the City of Yarra. I pay tribute to successive mayors of the city — Steve Watson and, for the past couple of years, John Phillips, who have stood up publicly and stated that the City of Yarra was concerned about the issue and would show leadership. A key issue of this community forum was that it included all the key stakeholders and the council played an important role in that.

From this wide representation task groups were identified and members of the forum chose their interest and expertise areas. The Round Table was then developed to consider and prioritise the recommendations of the task groups. The end result was a local drug strategy which recommended programs in areas of community strengthening, public housing, special interest groups, criminal justice, prevention and community education, with the fundamental keys being treatment, rehabilitation and public and community issues.

The work of the Round Table in the City of Yarra area resulted in the establishment of program priorities at the time of the government's announcement on drug strategy. I was delighted that the Premier announced that strategy in the electorate of Richmond.

I touch briefly on the CCI program — collaboration, care and innovation — a significant program initiative established at the grassroots level. I suspect it was generated by police frustration at simply turning people around through a revolving door at the local police stations.

I pay tribute to two people: Superintendent Ian Winn — no relation — who showed great leadership on behalf of the police in backing the proposal, and Dr John Fitzgerald from the criminology department at Melbourne University, who provided much of the intellectual horsepower in getting the program up and running. He is one of those rare academics who has great standing in the academic community as a criminologist but he gets out on the ground and assists in putting programs in place that provide real benefits to people. He has carefully listened to the debate tonight.

The CCI program was established in 1999 for persons arrested for non-violent drug offences. Clients are met at the police station at the point of release and through close collaboration with the police workers are able to provide appropriate referrals and support to those people. From June to December 2000 the CCI workers dealt with 530 people through the Collingwood and

subsequently Richmond police stations, and 580 services were accessed as a result of this contact.

They have been trying to capture people at the point of their first drug-related offence and get them into some support services. This program is supported by the Department of Justice, it is being reviewed by Dr Fitzgerald, and I will be interested to see the results of that independent work.

Prevention programs are the key. The strategy I mentioned earlier involving the Yarra health and drugs forum is only one example of how the government has put on the ground something very fundamental that is making a difference to people's lives.

It strikes me having heard the contributions by the members of the expert panel that when you have children of your own — and I have a couple of young boys — you have fear for their future. However, this is a wonderful opportunity to recognise that a lot of fundamental work has been done by the Bracks government. It is taking the drugs strategy very seriously and is putting significant resources behind prevention programs, because that is fundamental to their success.

At the end of the day we can reach a bipartisan position on many of the issues. I welcome this evening's debate, but the only way these programs are going to work is if they are initiated in collaboration with local councils and communities, as has already been demonstrated with the success of the Yarra drugs and health forum. It is a real model for the way that we can deliver drug prevention programs at the community level. I thank the house for the opportunity of speaking in the debate.

Dr DEAN (Berwick) — I will be as brief as I can so that other members have a chance to speak. With your permission, Acting Speaker, I will read fair portions of my contribution because only in that way can I use the time efficiently and say the things I want to say.

I have no idea where this discussion will end. Unfortunately, in the past similar forums have led to no action whatsoever, and I suspect most Victorians do not hold out much hope. However, as my colleagues will testify, I am the eternal optimist so I intend to use this opportunity to tell it as I see it, because maybe we will take this exercise seriously. I certainly intend to take that approach.

This issue is not about how many deaths we currently have to bear, although that is bad enough. This is about how many young people are every day becoming entangled in drugs and might finish up on the drugs death cart or with destroyed lives. On present figures, in

Australia about 750 people a week will get onto the drugs wagon — that is, 110 a day or 5 an hour. Since we began this debate approximately 30 people have started on the road to addiction. Some of them will die and many more will have at least a portion of their lives destroyed. If we finish at 10.00 p.m., 35 lives will be at risk of being trashed.

Why has this been happening for so long? Why is it getting worse? Why are Victorians at the point of giving up? The answer to those questions is that previous governments, both Liberal and Labor, despite having the best will in the world, have been unable to make a significant impact. Australia is a wealthy, highly educated and motivated, confident and young nation. It is a nation that can solve any problem it faces if it puts its mind to it, whether it be fighting in world wars, winning in the Olympic Games or meeting natural disasters. We can do virtually anything we want, so why can't we have an impact on the drugs problem?

Following a \$40 million, three-year program that was undertaken with all the best intentions, I regret to report that the impact it has had on outcomes in preventing young people taking the drugs path appears to have been little or nothing. Before any Labor member seizes the opportunity to score a point, I say, 'Don't', because they have fared no better.

Last year when I inquired of schools in my electorate I found there were no long-term programs in place, no meaningful attempts being made and no focus points for hitting this problem on the head. That was not the fault of the schools. The responses I received were that once the administrative, seminar and training costs were taken out of any grant for the purpose there was little money left for any specialist approach.

So we now have a choice. We either stop all this talk and write off X number of kids a day, or we do something serious. I have watched jails become packed with young people who have turned to crime because of drugs. The cost to themselves is incalculable. While I am sure that the cost to the community is calculable, I am too scared to calculate it. I know one thing: if you did calculate it and put at least half of it back into preventing kids getting on drugs, you would probably end up saving a fortune, not to mention many young lives. This is all very brave talk, but what can be done? This is a chance for the non-experts, like me, to have a say, so here goes.

Firstly, while children from the entire range of economic and social backgrounds end up on drugs, I am firmly convinced that children who have suffered

difficult family lives are the most vulnerable. This is because drugs are an escape from home, there is no parental influence, kids emulate their parents, or it is just a way of turning a failed life into something meaningful. So the cycle perpetuates itself again and again. Consequently, the most important first step is an intensive early intervention program to fund helping those most at risk to break the cycle. We seem to all agree on this, so why has it not been implemented?

Secondly, we need a program, the purpose of which would be to ensure that when the choice is to take or not take drugs the choice is no. It could involve constant themes every day and in every way, instilled in children from kindergarten until junior school and beyond, that taking drugs amounts to being unsuccessful and being drug free is a sign of success. It could be called indoctrination, but if Chinese children can be taught to love and respect their country from the cradle to their teens, we too can teach our children during that period of development that doing drugs is the wrong path to take.

The message must be that drugs are not hip and will not lead to social acceptance. We have hundreds of incredibly well-paid heroes in all sports that would, and certainly should, invest back some of their massive wealth, gained care of the community's generosity, into ensuring kids get that message.

Thirdly, schools are only one means, albeit important, of ensuring that this message is taken up. The electronic media, the Internet, the whole gamut of technology can be used. If the right advertising can make young people crave a certain hamburger or love certain shoes, I am left in no doubt that the equivalent campaign could have an impact on young minds and turn them off a long-term drug habit.

It is no good doing all this if the message is polluted by another contradictory message that says despite all this we still condone illicit drugs. Hence my opposition to safe injecting rooms and to Dr Penington's 'Let's give up and make it legal' approach. The messages have to be accompanied by a law and order response. That does not mean throwing young people who are experimenting with drugs into jail, but it does mean a response that makes it clear where the community stands.

Of course, the aggressive response to commercial traffickers helps, but it is a bit pointless putting those people in jail and throwing away the key if you do not have at least a measured response to those who are using and thereby destroying their own and others' lives. We need compulsory diversionary programs.

We also have to face up to the old chestnut of dobbing. While we do not condone petty dobbing, advising the school authority of a friend in trouble with drugs is a good thing, not a bad thing. We cannot be serious about stamping out drugs among our young if at the same time we say that the social norm that you don't dob on your mates overrules our attack on this problem.

Law and order plays its part in making it difficult to buy drugs by blitzing areas frequented by traffickers and users. Again, if we want to be serious, the fear of being caught is part of the whole message package.

I believe we have come to a crossroads. We have two choices: we go the Penington route and say prohibition did not work so outlawing illicit drugs will not work here, so let's legalise it all and hope that the health programs work; or we take the programs seriously. If we are honest we will realise a middle course is no longer available.

I am clear that the way I would go is that way. But frankly, if all we do is continue to do what we are doing, we might as well be honest, stop paying lip-service, and accept the status quo or give up. Drugs will continue to flood into the country. They will become as frequently used as alcohol, and being highly addictive we will write off thousands of clever young people. As America's Prohibition period showed, once drugs are legal there is no going back.

I will finish on this note. Some people ask: what is the difference between alcohol and heroin? Prohibition of alcohol was dropped, so should we not drop prohibition of heroin? The difference is that unlike the situation under Prohibition in America, we are not attempting to prohibit something that was legal and we are not attempting to prohibit something that, once taken, becomes highly addictive.

I note that the honourable members for Knox, Glen Waverley, Hawthorn, Frankston, Bellarine and Dromana wished to contribute to the debate but as a consequence of the time available were unable to do so. I feel privileged that I have had the opportunity to make these comments.

Ms DAVIES (Gippsland West) — I appreciate the opportunity to speak in support of the concept of a bipartisan approach to the drug problem. Noting some of the comments of the previous speaker, we still have a way to go on that one, but at least the attempt is being made.

I note also Dr Penington's comments during the forum today that there is no one simple and complete answer to this problem. Our adversarial system puts us at a

significant disadvantage when dealing with issues which by their very nature are not simple and are not black and white, matters that are much more complex than the simplicity of some people's wishes would have them be.

The main point I want to make during my brief contribution is that I am uncomfortable with the program approach to treating the drug problem and other related issues. That was very evident in the previous government — fancy programs, fancy names — and it has had a tendency to continue so far under this government.

The principal of Heatherhill Secondary School discussed the problem of the rapid appearance and disappearance of pilot programs that may have taken up much time and energy and been very positive but then disappeared from the horizon without other schools or other communities having the opportunity to experience them. Other speakers discussed the related need for long-term funding of programs, or ideas that had been demonstrably successful, so we need to measure what we do, repeat what is successful, and leave out what is not.

I feel that any focus on prevention being effected through so-called drug education programs in schools is artificial and unreal. As an ex-teacher and as a mother I know that my kids and the students I have taught have always been sceptical of such programs, so I too am sceptical of some of their uses.

The focus of government and community should always be on the whole life, the whole child. We need to look at each child at risk, or each individual in trouble. Our system must have the capacity to allocate resources, treatment or contacts to meet the needs of each individual.

Neil Comrie made a distressing comment today when he said that for some children family or church had little or no influence on their lives and that for some people school is the most stable force in their lives. I genuinely believe that that is our tragedy.

Our target should not be the number of programs for dealing with the drug issue, but that every child and every person in our society needs to be attached. 'Attached' means loved, nurtured, watched over. It means having boundaries set when those boundaries are needed and a person feeling that they are a significant and important human being. 'Attached' means where there are deep hurts that somebody will spend a lot of time and effort helping to heal those hurts. If successful, 'attached' means that we build strengths in our

children, and we build on those protective factors so that they will avoid getting themselves into trouble in the first place.

If we are successful, 'attached' means helping those who, either by way of experiment or even further, get involved in self-harming behaviour such as drug abuse to find another way and ensuring there is somebody to hold their hands and help them do that. It is hard to expect a person in trouble to get themselves out of that sort of trouble on their own.

The best way that we can ensure that every child and every person is attached is to properly support families. The breakdown of our extended families and our villages is the greatest stress point in our society which can leave kids unattached. At the same time, schools are a necessary secondary line of defence to catch those whose families are not managing or cannot manage.

We still have a long way to go. In my area there have been some improvements in the facilities that are available to catch and attach our kids and our young people. However, as regards supported accommodation and supported long-term rehabilitation for adolescents at risk and for people who have gone through detoxification programs, there is a great need for more resources.

Debate interrupted pursuant to sessional orders.

The ACTING SPEAKER (Ms Barker) — Order! The time for debate on the motion has concluded.

Motion agreed to.

ADJOURNMENT

The ACTING SPEAKER (Ms Barker) — Order! Under sessional orders the time for the adjournment of the house has arrived.

North Ringwood Primary School

Mr HONEYWOOD (Warrantdyte) — I request that the Minister for Education take action to provide North Ringwood Primary School with funding for its master plan and that it therefore be included in the Department of Education's list for capital works upgrades.

Under the leadership of principal Barry Archibald, North Ringwood Primary School's teachers, parents and students have done their utmost to raise funds over recent years to improve the school's buildings and surrounds. However, only so much can be done to improve its 1960s-style architecture and the archaic

mod 2 portable classrooms before a proper upgrade is deservedly called for.

In 1995 the school community spent \$5000 of its own hard-raised funds to pay for a draft master plan. Unfortunately, back then the Department of Education stuck by its official projection that school enrolments would not exceed 282. Notwithstanding the official projection, school enrolments have risen to 392 students this year. With new subdivisions coming on stream and with its great reputation for first-class education programs, enrolments will definitely surpass the 400 figure next year.

Without going into too much detail, I point out that the school needs to immediately replace four old mod 2 classrooms with three mod 5 units. The third mod 5 unit will permit the school's small library to be brought up to entitlement size for the much higher enrolments. The new relocatable units would need to be linked to the main buildings with covered walkways, and as North Ringwood primary has exceeded the official 335-student benchmark for a large-sized school, it is also entitled to a proper music room.

I know the minister is aware of the school's genuine and urgent needs, as I have raised them with her prior to this evening, so I request that she do her utmost to support the hardworking school community.

Copperfield College

Mr SEITZ (Keilor) — I raise for the attention of the Minister for Education the \$3 million fire at the Copperfield College junior campus last weekend. That college, which is in a growth area, has a large number of students. It is of concern to me and the community that it has been closed since the weekend.

I know the department is doing whatever it can to make the college safe so the children can return. However, there will always be a need for extra portable classrooms to accommodate the school's curriculum and programs as the damaged buildings are being repaired. I know that may take some time, particularly if a contractor moves on to a site that is not fenced off.

Copperfield College had to build another campus at Sydenham because, as I said, it is in a growth area. There are no empty classrooms in the surrounding districts in which the students could be accommodated for the time being. In these circumstances it is sometimes possible to lease empty buildings and relocate a whole school community or different parts of it, but there do not seem to be any available buildings.

I am concerned, as are many of the parents, that this tragedy is affecting the students' schooling. I ask the minister to ensure that her department does everything humanly possible to speed things up, and if need be to erect portables while the main building is being repaired and made safe for the students' return. I would not want these students to miss out on their education.

I do not know the answer to this problem. As I said, it appears there are no spare classrooms in the surrounding area, even allowing for the possibility of the children being bussed to another location. It is therefore important that we collectively do what we can and that the minister is made aware of the need for the department to take immediate action to make the re-establishment of the college a priority so the students do not miss out.

Land tax: Victrack

Mr MAUGHAN (Rodney) — The matter I raise for the attention of the Treasurer concerns land tax assessments for Victrack lessees. By way of background I point out that Victrack is a wholly owned Victorian government business enterprise that owns and manages Victoria's vast public transport infrastructure as well as property valued at \$2.6 billion.

Victrack leases approximately 2100 of these properties, which return \$21 million per annum to the state of Victoria. The leasing of previously vacant Crown land has enabled new businesses to be established throughout the length and breadth of Victoria. The difficulty, however, is that many of these businesses negotiated leases on the understanding that it was Crown land and therefore not subject to either rates or land tax.

I understand that there are in excess of 1000 properties in this particular category. Typical of some of the larger properties is the one I bring to the attention of the Treasurer. It involves a company by the name of King Pin Bowling (Echuca) Pty Ltd, which leases a Victrack property in Annesley Street, Echuca. The lease commenced on 1 January 1999, and my constituent has spent in excess of \$1.5 million on the site and is currently employing 60 people in two businesses.

On 1 March my constituent received from Victrack two invoices for land tax for 1999 and 2000. It was the first time he was aware that land tax was even payable. He was therefore greatly surprised to receive an account for \$51 000, with a further \$25 000 payable in another month or so. This sort of expenditure, as members can imagine, makes that business unviable. The problem is aggregation. The State Revenue Office has

consolidated all of Victrack's properties and levied land tax at a maximum rate of 5 per cent, which is about five times more than it would have been if the property had been assessed on its own merits.

I ask the Treasurer to investigate urgently the aggregation of Victrack's properties with a view to assessing these businesses as if they were single landholdings instead of taxing them at the 5 per cent rate. That is the rate that is applicable to Victrack's aggregated holdings, which run to billions of dollars.

Trucks: West Footscray

Mr MILDENHALL (Footscray) — I raise a matter for the attention of the ubiquitous Minister for Transport, whose involvement in a range of projects in my electorate is impressive and constructive. I invite his participation in another project in my electorate.

I ask the minister to introduce traffic control measures to deal with the problems caused by trucks in the residential areas of West Footscray. It has been a problem for more than 10 years. As a result of commitments made in opposition to overcome the absolute neglect of the previous government, I have been working with the minister's office, Vicroads, the Department of Infrastructure, the Environment Protection Authority, the cities of Maribyrnong and Hobsons Bay, the Premier's office and my colleagues in the upper house on a range of initiatives to address the increased negative impact that heavy trucks, particularly those going to and coming from the docks, are having on residential streets.

The range of strategies includes marketing strategies to encourage trucks to go onto the freeways and the ring-road; an analysis of the location of container parks around the metropolitan area; strategies to set up common-user container parks in locations close to the freeways and the ring-road; enhanced statutory planning powers for councils to prevent the ad hoc and unconstrained appearance of container parks and depots across residential areas; and looking at the feasibility of constructing alternative links to those that currently exist between the docks and container parks.

One immediate move would be the placing of a night curfew on trucks using Somerville Road in West Footscray between Geelong Road and High and Whitehall streets in particular, where residents have been complaining for many years about their impact. A night curfew would send an important message that the community is being supported and that there are some constraints on traffic causing this difficult problem.

The ACTING SPEAKER (Ms Barker) — Order!
The honourable member's time has expired.

Western Port: development

Mr COOPER (Mornington) — I was going to refer a matter to the attention of the Premier, but as I understand the Minister for Transport is the minister representing the Minister for Ports in this house, he may be able to provide the response I seek. I will not describe him as ubiquitous, because that has already been done.

I ask the minister to provide an assurance that there is no validity in media reports that his government will not develop Western Port as a major port. The 8 March edition of the *Mornington Mail* reported that:

The chances of Western Port being developed as a major container shipping terminal lessened last week with the state government's release of plans to spend \$7.3 million on the ports of Melbourne and Geelong.

The news appears to dash hopes that new investment in the port of Hastings would boost Western Port's economy.

Although the advantages of developing the 'natural deepwater port' of Hastings were detailed in the Victorian Ports Strategic Study ... last year, Western Port seems now to have been sidelined.

The Minister for Ports, Ms Candy Broad, said results of the six-month port review, headed by Professor Bill Russell, would be released in December.

Ms Broad told the Ports Agenda 2001 industry seminar that expressions of interest would be called to develop the West Gate container terminal.

The VPSS specifically ruled out any need for a terminal at Hastings until at least 2013 if the government decided to invest in the West Gate project and deepen shipping channels.

This media report has caused grave concern in the Hastings district because it will mean that economic growth in the area will stagnate for at least another decade.

As the minister would or should know, the Hastings and Western Port areas are in great need of an economic boost. Investment and development will assist in a significant reduction in unemployment, and the port is seen by most as the key to local economic growth.

If the government intends to kill off port development in Western Port, the news will not be received kindly by the great majority of Hastings and district residents. They will view such a decision as a virtual backhander by the government to their chances of improving the local economy.

I ask the minister for his assurance that Western Port will not be written off by his government and that development of Western Port as a major port facility will proceed in the near future.

Panel beaters: insurance

Mr NARDELLA (Melton) — I ask the Minister for Transport to ask the Minister for Consumer Affairs in the other house to take action to bring together the various parties in the panel beating and insurance industries to mediate the problems that small business panel beaters are experiencing with insurance companies.

Over many years practices by insurance companies in the panel repair industry have caused businesses to go to the wall. A number of insurance companies, especially the RACV, have discriminated against their clients to the detriment of the independent panel beaters when damaged cars are taken to independent panel beaters. Those practices go against competition policy and in many cases are unconscionable conduct under the Trade Practices Act.

When clients take their cars to independent panel beaters an inordinate amount of time is taken for them to be assessed. Further, after the vehicles are assessed and repaired the clients are required to pay for the repairs themselves and then wait over 30 days to be reimbursed. When the repairs cost thousands of dollars, many people cannot afford to pay for them.

Insurance companies do not like damaged cars being taken to independent panel beaters and try by various means to keep them from going there. Insurance companies try to take the damaged vehicles to their own badged panel beaters, sometimes against the wishes of their clients.

The Australian Competition and Consumer Commission has recognised those practices as anticompetitive and unconscionable conduct, but has decided not to take any action. That is wrong. The ACCC should take the issue seriously and take appropriate action against insurance companies that forcefully prevent their clients from using independent panel repair shops.

I have met with panel beaters over a long period, as have a number of my colleagues, including the honourable member for Mitcham. These panel beaters have been driven to the wall and are struggling to keep their heads above water. They work extremely hard, they have great skills, they want to perform professional work for their clients, and more importantly, they want to look after their clients. In

many cases they are not allowed to do that and have to fight for every job they get. The insurance companies have a lot of power, especially when they assess cars before and after they are repaired. The margins are extremely tight and getting tighter.

It is important for the minister to attempt to mediate between the insurance companies and the independent panel beaters.

The ACTING SPEAKER (Ms Barker) — Order! The honourable member's time has expired.

Drugs: driver testing

Mr WELLS (Wantirna) — I refer the Minister for Police and Emergency Services to the current Victorian police procedures, or lack thereof, in relation to the drug testing of drivers, and ask him to take immediate action to fix the situation. This is another example of the incompetent minister not being able to achieve a result that this Parliament directed should be achieved almost a year ago.

Road carnage in Victoria continues to climb. Victoria had 406 deaths on its roads at the end of last year, which was an increase of 23 on the previous year. As of last night Victoria had 93 fatalities, which is 7 more than for the same period last year. The situation is on the up, not on the down.

Following recommendations made by the Road Safety Committee in its November 1996 report on the effects of drugs other than alcohol on road safety in Victoria, the Road Safety (Amendment) Act of 2000 was enacted to provide Victorian police with the authority to perform drug testing of drivers. That road safety committee was chaired by the honourable member for Forest Hill, who is one member who, when he finally decides to leave this place, can hold his head high in the knowledge that he has made enormous advancements in road safety.

The amendment that was passed in this Parliament on 5 April 2000 provided for new offences relating to driving while impaired by a drug and gave police the power to carry out assessments of drug impairment. That was over one year ago.

I have recently been informed by Victoria Police that it is yet to implement drug testing for drivers and currently does not have any operational procedures in place for testing drivers for drugs.

When a backbencher made inquiries to senior police he was subsequently advised that drug testing for drivers was a sensitive issue. I do not blame the police for one

moment, but I do blame Minister Haermeyer's administration. While his administration is procrastinating, the Victorian road toll is spiralling.

If they look at the figures, honourable members will see that one in four people killed on Victorian roads has illegal drugs in his or her body at the time of death — and one in four has a significant impact on Victorian roads!

I call on the minister to take immediate action to investigate why drug testing has not been started. I also ask for an assurance that it will be implemented within the next month or so, to ensure that the Victorian road toll will be on the way down again.

Housing: Doveton estate

Mr LENDERS (Dandenong North) — I raise an issue with the Minister for Housing. Like the Minister for Transport, she is ubiquitous. She is a very good minister and has been doing a lot of good work around the south-eastern suburbs.

I direct the minister's attention to the fact that I have been disturbed to note how the private rental housing market in the Dandenong area has become increasingly unaffordable for the majority of — —

Mr Leigh interjected.

The ACTING SPEAKER (Ms Barker) — Order! The honourable member for Mordialloc should cease interjecting.

Mr LENDERS — I was interested to note that the Office of Housing's recently released rental report for the September 2000 quarter indicates that median rents in the private rental market in the City of Greater Dandenong rose by 7.4 per cent during the preceding year. While that is consistent with the 7.4 per cent increase in median private rents across Victoria, it is an issue of concern to me and an issue about which I seek the attention of the minister.

Metropolitan and regional Victoria appear to be experiencing a crisis in the provision of affordable housing. Accordingly, I have been pleased to note how active the Minister for Housing has been in announcing public housing redevelopments throughout the state. This week we heard her great news for the electorate of Burwood and its wonderful member.

The minister would be aware that the public housing estate in Peace Court, Doveton, has had a lot of media coverage over the years regarding the so-called substandard accommodation provided there, and that

many announcements have been made that the estate would be redeveloped or upgraded. As one can imagine, the expectations of the community in the south-east, in Doveton in particular, have been raised over the years due to those announcements.

A couple of weeks ago I was disturbed to see an article in the *Sunday Age* stating that Doveton was one of Melbourne's at-risk localities, due in part to low property values and unemployment. While it may be fashionable to knock the south-east and our region, people in Dandenong North, Doveton and the surrounding areas have enormous pride in their areas.

I ask the minister to advise the house of action that will be taken to address the issue of the redevelopment and renewal of the Peace Court estate at Doveton and to provide affordable housing to support that battling community, and the battling communities of the south-east generally.

Robinsons Road, Frankston: traffic lights

Ms McCALL (Frankston) — The issue I raise is with the iniquitous Minister for Transport. We may as well add another word to the vocabulary. I ask the minister whether he proposes to take action in relation to a longstanding problem in the Frankston electorate — that is, the Robinsons Road traffic lights.

It is an issue I will declare up front because I happen to be vice-president of the Mount Erin Secondary College school council. I propose to read into the record a letter to me from the school principal about the traffic lights.

An honourable member interjected.

Ms McCALL — Yes, and the shadow Minister for Transport has stood on a dangerous spot. That is very good. The letter states:

I am becoming increasingly dismayed about the lack of information and action in relation to the installation of traffic lights at the Robinsons Road–Frankston–Flinders Road intersection. The risk of death and injury to students and local users increases daily.

My request for better signage in the short term (requested last July) has gone unheeded. There has been no response (even in writing) to the college's request for urgent action under the black spot and other programs.

I have a duty of care to the safety of the 1100 students who attend the college daily, an increasing number of whom have to cross the four lanes of Frankston–Flinders Road in the vicinity of Robinsons Road. As a local resident I witness, almost daily, near misses at this intersection. There continues to be confusion in relation to the give way sign for left turning vehicles into Robinsons Road (right turning vehicles are unaware of the sign). Further, the continued allowance of

U turns across two lanes of traffic travelling at or in excess of 80 kph increases the risk of accidents.

I want the minister to respond to the school principal and to broker some arrangement between Vicroads, the Frankston City Council and his department to ensure there is a level of urgency in the matter. The minister may recall that the Robinsons Road traffic lights and the widening of the Maroondah Highway were a priority under the previous Kennett government.

Bendigo Easter Fair

Ms ALLAN (Bendigo East) — I direct to the attention of the Minister for Major Projects and Tourism the action he and his department are taking to promote an important event in Bendigo, the Bendigo Easter Fair. This year marks the 131st Bendigo Easter Fair, and it will be bigger and better than ever.

The fair includes events such as the inaugural Bendigo Easter Fair Chinese lion dancing Australian championships. To mark the celebration of the 150th anniversary of the discovery of gold, the Robe to Bendigo walk will conclude in Bendigo on Easter Saturday. I note that the Treasurer will undertake the Cavendish to Dunkeld leg of this 16-day walk. He will join me and other members of the Bendigo community in the final leg into Bendigo. It is a challenge for other members of Parliament, particularly country members of Parliament whose electorates the walk will pass through, to join in this historic and important event.

Other events occurring in the Easter fair will be the Asian food fair, the unveiling of a memorial board in the Elders room at the Golden Dragon Museum; the awakening of the dragons and the naming of two new dragons; the torchlight procession and the gala parade, which will be better than ever because it will feature all six Chinese dragons that are housed in Bendigo, a phoenix and the Chinese lions. These dragons are part of the centenary of Federation celebrations. It will be a culturally important event to have all six Chinese dragons for the first time parading through Bendigo streets on Easter Monday.

Honourable members will note how important this event is for Bendigo and why it is an opportunity for the Bendigo community to promote itself within Victoria, throughout Australia and even overseas. I am personally a big fan of the Bendigo Easter Fair and am proud to be a supporter of the Bendigo Easter Fair Society. The Bendigo Easter Fair committee has done an excellent job in organising an outstanding program for the 2001 annual fair. I welcome all members of Parliament to Bendigo over the four-day event because a lot will be happening in Bendigo, in particular to

celebrate the 150th anniversary of the discovery of gold and the centenary of Federation, both of which have their birthplace in Bendigo. Bendigo is important because of the discovery of gold there and as the birthplace of democracy in this state, which led to the formation of Australia's federation.

Heytesbury Pony Club

Mr VOGELS (Warrnambool) — I call on the Minister for Environment and Conservation to take immediate action to stop her department selling off for \$19 327 Crown land at present being utilised by the Heytesbury Pony Club. The club has occupied this site as its home base for many years. In fact, it turned a bit of wasteland into one of south-west Victoria's premier pony clubs.

On 5 and 6 May this year the club will host the Pony Club of Victoria state horse trial championships. This event is taking place because of the many hours of volunteerism undertaken mainly by parents of people taking part in the event. I call on the minister to immediately make a statement that this land will not be declared surplus to requirements and, better still, to hand it back free of charge to the pony club for its continued use. The other option would be for the government to donate the cost of this land — \$19 327 — to the club, which could then hand the money back to the Department of Treasury and Finance for purchase of the land.

I asked the parliamentary library to find me some speeches the honourable member for Bundoora made when she was shadow minister for environment and conservation involving the sale of Crown land. I refer to the *Hansard* report of the honourable member for Bundoora. She said:

There is more of the sell-off mania. The Norris Bank Primary School has a pine plantation. It is a community asset; it has been regarded by the community and by the primary school as a community asset, but it is being sold from under people. There was no consultation; it was simply a matter of 'Sell it off!'. People have protested and have written letters —

but no-one is listening! I could go on forever.

Honourable members interjecting.

The ACTING SPEAKER (Ms Barker) — Order! I am sure the honourable member does not need any encouragement — and his time has expired.

Responses

Ms PIKE (Minister for Housing) — I thank the honourable member for Dandenong North for his

question about housing in his community broadly and affordable housing for low-income Victorians in his community in particular. As he would be aware, the Peace Court estate in Doveton, which is actually in the electorate of the honourable member for Dandenong, was constructed in 1995 and consisted of 132 older-person walk-up units that were vacant for some time and have now been demolished. Eighty-four new older-person units have been constructed in other places in the community so that people can progressively be rehoused. Nevertheless there remains the issue about the future of the site. I know that the honourable members for Dandenong North and Dandenong are both working closely with the community to identify future uses for the site.

In March last year I announced that its future would be determined in consultation with the community. I am very pleased to advise the honourable member that the Office of Housing and the local council have formed a working group to review options for Peace Court and the former Doveton West Primary School site, which honourable members know was closed by the previous government in 1993 with absolutely no plans for its future. It was left and remained vacant.

The group is chaired by Cr Brian Oates from the City of Casey. As with all redevelopment groups, it consists of a number of representatives from the local community, the Office of Housing and the Department of Infrastructure. They will consider how that site, along with the former Doveton West Primary School site, can contribute broadly to the rejuvenation of the Doveton community. We are looking at a new social housing mix with a public and private partnership so that we can get a more appropriate mix of affordable housing in the community. I am looking forward to a report from that committee for future options.

Mr PANDAZOPOULOS (Minister for Major Projects and Tourism) — The honourable member for Bendigo East is certainly very vocal about the events in her electorate. I recall her raising last year the need for support for the Bendigo Easter Fair, which is one of the pre-eminent events around Easter in Victoria and is positioning itself extremely well.

That event continues to grow and continues to be valued by different government agencies. The organisers applied to various government agencies for funding, and this year's event is a particularly special one because it is centred on the celebration of the centenary of Federation. As the honourable member said, there are many parts to this event including a children's fiesta, a fireworks display, a tram and transport parade, a street carnival, an arts fringe

exhibition, Australian Chinese lion dancing, the Bendigo East motorfest and many other associated activities. There is a comprehensive range of activities for the locals and visitors. They see the value of this event, which meets the variety of experiences people want.

The fair will be held from 13 to 16 April. It is the 131st continuous festival, so it has a long and growing tradition. The fair has very interesting figures. It provides a \$4 million economic benefit to the local economy. It attracts 200 000 visitors, of which 30 per cent come from outside the region and 10 per cent from interstate. This is an event that many other community events around the state can learn from when it comes to maximising economic impact and benefit.

I am pleased to announce that the Bendigo Easter Fair has benefited from two areas of funding for which I am responsible as Minister for Major Projects and Tourism and Minister assisting the Premier on Multicultural Affairs. The Bendigo Easter Fair applied for \$5000 as part of the country Victoria events program and I am pleased to advise the honourable member for Bendigo East that it will receive all of that \$5000. The organisers also applied for funding from the Victorian Multicultural Commission. The government has given the commission extra funding to encourage it to support community events, not only ethnic community events but also broader community events that promote themes of diversity and multiculturalism. The Bendigo Easter Fair does exactly that and it has received \$2000 worth of sponsorship from the multicultural commission.

That is on top of the \$25 000 from Vichealth, the \$5600 from Arts Victoria and the \$30 000 grant as part of the Centenary of Federation Victoria program, which my colleague the Minister for the Arts has supported. That is a total of \$67 600 worth of state funding from different government agencies because of the diversity of these events. The Bendigo Easter Fair is doing it well and it has received a special boost because of the centenary of Federation celebrations this year. However, it also receives funding because of the diversity of its events and the fact that it is very well organised.

Another event is the Robe to Bendigo walk which is attached to the Bendigo Easter Fair. I know the Treasurer will be attending part of that. I look forward to being at the start of the walk in Robe in South Australia on 31 March. I hope to be in Bendigo — if I am invited to by the Bendigo Easter Fair committee — to join the walkers at the end of their 15-day walk, which has been organised to remind us of the

importance of Chinese migration to this state and how difficult previous governments made it for Chinese miners. Previous Victorian governments disadvantaged Chinese miners by charging ship captains a penalty for bringing them into Victorian ports, so the Chinese were dropped off in South Australia. On its own that event will receive \$14 400 of funding from the 150th anniversary of gold discovery program and \$2000 sponsorship from the Victorian Multicultural Commission.

If that is not good enough, I have approved funding for another event in Bendigo, the celebration of song and gospel music festival, which is receiving \$4000. Congratulations to the Bendigo members and the tourism industry in Bendigo for garnering great support for its local events.

Ms DELAHUNTY (Minister for Education) — The honourable member for Warrandyte raised the matter of the master plan prepared in 1996 for the Ringwood North Primary School. The honourable member is quite right; the school provided for that master plan to be funded at its own expense by the school council and school supporters. However, two years later the school was advised that the master plan was out of date and would need to be reviewed in accordance with the current schedule of entitlement and approved long-term enrolments. The honourable member stated that the enrolment has grown from 364 to 390 students at the beginning of this year, but I am advised that the revised master plan has not yet been received by the region.

The department certainly moved a relocatable onto the school site over the last Christmas vacation to assist, but according to the department it has still not received the new master plan. The government acknowledges the hard work of school communities in raising those funds and I will ensure that the application for an upgrade is given serious consideration.

The honourable member for Keilor raised the fairly dramatic consequences of a serious fire last Saturday afternoon at the junior campus of Copperfield College which effectively destroyed all of the essential services at the school. The gymnasium, the change rooms, the canteen, two science rooms, the student welfare office, the nurse's office, the entrance foyer and, most importantly, the power plant were all destroyed by the fire. It was a big fire. The campus is now without power, gas or telecommunications.

Mr Baillieu — It sounds like heaven!

Ms DELAHUNTY — Sounds like heaven? Because of the occupational health and safety risks the

department has decided not to have any children, staff or teachers on the site until it can be assured that gas, power and telecommunications are all restored. The honourable member will be interested to know that the campus will now reopen on Monday, 26 March, when it is understood that the essential services will be back on line. In the interim an alternative program has been set up for students of the college and the principal reported this morning that 28 students were using it. A telephone tree was conducted yesterday by college staff to let all parents know what the arrangements are for the rest of this week.

I am sure the honourable member for Keilor will join with me in thanking the parents, and in particular the staff and principal, for their efforts at the junior campus of Copperfield College. They have been absolutely outstanding. I assure them that planning for the rebuilding is already in progress. The government wants to ensure that the disruption is minimised, if that is at all possible considering the circumstances, and have the school re-established as soon as possible.

Mr BRUMBY (Treasurer) — The honourable member for Rodney raised a matter with me regarding his representations made on behalf of a constituent, Mr Mike Fill, who is the principal of King Pin Bowling (Echuca) Pty Ltd. In the last few days the honourable member has also written to me about the matter.

The issue concerns the assessment of land tax by the State Revenue Office on Victrack and then the on-passing of that land tax to the lessees of Victrack property. The issue is the existing land tax system and the aggregation provisions contained within it. The matter raised by the honourable member is a most interesting one.

I will refer it to the State Revenue Office. Obviously issues of taxation administration are matters for that office, and I will pass this matter on to it for advice. I will also obtain advice from the Department of Treasury and Finance.

This raises the general issue of the aggregation of land tax payments. It is an issue that is referred to in the independent report submitted to the government by John Harvey. The aggregation, with a top rate of 5 per cent, is a matter which the committee referred to in its report and which is at the heart of the matter raised by the honourable member for Rodney. I will examine it, refer it for advice and respond directly to the honourable member.

Mr BATCHELOR (Minister for Transport) — The honourable member for Footscray raised with me an

issue that he has been tenaciously pursuing in his electorate.

Mr Honeywood interjected.

Mr BATCHELOR — The honourable member for Warrandyte may not be aware of the meaning of ‘tenaciously’, but some honourable members pursue matters doggedly and determinedly; the honourable member for Footscray is one of those members. I recommend to the honourable member for Warrandyte that he follow the example of and the work ethic displayed by the honourable member for Footscray over a long period.

Mr Honeywood interjected.

Mr BATCHELOR — The honourable member for Warrandyte says the honourable member for Footscray should be a minister. He is a hardworking member, unlike the honourable member for Warrandyte, who was dumped as minister by the last electorate test applied in Victoria.

The ACTING SPEAKER (Ms Barker) — Order! The minister should ignore interjections.

Mr Leigh interjected.

Mr BATCHELOR — I have never had and I never will have the privilege of being dumped as a minister.

The honourable member for Footscray raised with me an important issue in his area about truck traffic on Somerville Road, Yarraville. That issue is not really in isolation from the surrounding area but is important for people living on or near Somerville Road, which is an important industrial area. Consequently, a number of trucks choose to use Somerville Road in going about their business. Somerville Road is also in an area where many people choose to raise families.

A number of roads in Yarraville provide an important movement of freight within and through the region. If you look at the road network in the general area you have to acknowledge that Somerville Road east of Geelong Road is not one of those roads that is crucial or central to the movement of freight, while other roads in the area are so classified. Main and arterial roads provide that function. It is important that trucks continue to have access to those roads, but Somerville Road east of Geelong Road is not one to which it is absolutely vital that trucks have access 24 hours a day.

The honourable member for Footscray has been working on the issue for some time and has seen it in the broader context — that is, beyond just the impact on

residential areas of traffic on Somerville Road. He has taken a region-wide approach to the issue and, at the same time, is looking at the particularities of that individual street.

Mr Leigh — What are you going to do?

The ACTING SPEAKER (Ms Barker) — Order! The honourable member for Mordialloc should cease interjecting across the table and allow the matter raised by the honourable member for Footscray to be answered.

Mr BATCHELOR — The honourable member for Mordialloc has been interjecting all night, wanting to know what the government is going to do, and I will come to that.

It is interesting to reflect on the fact that the previous Liberal government did nothing — absolutely nothing! The honourable member for Mordialloc, the shadow Minister for Transport, was part of that government, and he continues its attitude of doing nothing to address problems and issues that are relevant to people in the western and northern suburbs. It is well known that the Liberal Party does not care about suburbs such as Yarraville, and that is why the honourable member for Footscray has pursued this issue for a long time. The Liberal Party hates people who live in suburbs like Yarraville, and if it had not been for the honourable member for Footscray nothing would have happened to alleviate some of the difficulties experienced by the people living on Somerville Road, east of Geelong Road.

At the urging of the honourable member for Footscray the government will do a number of things. It will inform the City of Yarraville that it is not appropriate for that road to be used by trucks at night or at weekends. There are alternate routes for trucks at those times.

Mr Leigh interjected.

Mr BATCHELOR — The Liberal Party spokesperson on transport is interjecting. It is interesting to note that although the Liberal Party implemented these sorts of restrictions on roads in the bayside suburbs, such as Brighton, it was never prepared to look at the issues affecting roads like Somerville Road, east of Geelong Road, in Yarraville. If it had not been for the honourable member for Footscray the issue would not have been developed to the stage it is at now.

As Minister for Transport, I pay tribute to the honourable member for Footscray for raising this

matter. The government will advise the City of Maribyrnong, through Vicroads, of the announcement I make in Parliament tonight. Vicroads will be giving formal approval to the City of Maribyrnong to install signs on Somerville Road, east of Geelong Road, restricting the times at which trucks can travel along the road to between 8.00 p.m. and 6.00 a.m., Monday to Friday, and between 1.00 p.m. Saturday and 6.00 a.m. Monday. That will provide protection for the people who live along that section of Somerville Road against their road being used by trucks during those important, sensitive and crucial times of the day.

I pay great tribute to the honourable member for Footscray for raising this issue in relation to Somerville Road, east of Geelong Road, and for attempting to resolve the wider issues involving container parks, common-user terminals, alternative routes, education for truck drivers and transport companies, and to bring some harmony to the area. His approach is in stark contrast to that of the previous Kennett government.

The honourable member for Mornington raised with me a matter for the attention of the Minister for Ports in another place concerning Western Port. It arose from a scurrilous report that appeared in the *Mornington Mail*. I can assure the honourable member for Mornington that the Labor Minister for Ports has a long-term strategy for developing ports in Victoria.

The previous government did not care about the port of Hastings or the port of Melbourne. The Minister for Ports has developed a strategy to develop our ports and to ensure that the port of Melbourne maintains its pre-eminent role in delivering port services not only for Melbourne and Victoria but for Australia. The strategy is important for the economic development of the port of Melbourne and also for the supporting role that other ports play in the economic growth of Victoria.

The honourable member for Melton raised with the Minister for Consumer Affairs the difficulties that some panel beaters have been experiencing with insurance companies. It is an important matter, one that has been brought to the attention of the Australian Competition and Consumer Commission. I will direct the matter that has been carefully and thoughtfully raised by the honourable member for Melton to the attention of the minister.

The honourable member for Wantirna asked the Minister for Police and Emergency Services about the testing of people who are suspected of being under the influence of drugs other than alcohol. As all informed members of this chamber would know — perhaps the honourable member for Wantirna does not, but others

would — in 1996, during the regime of the previous Liberal government, the Road Safety Committee tabled a report entitled *The Effects on Drugs (Other than Alcohol) on Road Safety in Victoria*. It made 41 recommendations aimed at reducing harm associated with using drugs while driving and the impact of impaired driving on our roads as a result of using drugs. The Victorian Institute of Forensic Medicine has reported that the proportion of fatalities and injured Victorian drivers in whom drugs other than alcohol were detected has risen from 22 per cent over the four years from 1990 to 1993 to 32 per cent over the two years 1997 and 1998.

There has been a parliamentary inquiry and a period under the former previous Liberal government with no action despite a horrific increase in the number of road accidents. As one of its earliest initiatives on road safety the incoming Labor government put in place a set of arrangements to deal with the impact, assessment, detection and penalties for motorists driving while under the influence of drugs other than alcohol. The government has taken decisive action in this area. Parliament has passed new laws on this matter. The honourable member for Wantirna voted for them. I do not understand why he now seeks to undermine these matters after having voted to implement these Labor Party initiatives.

He related the important role played by the honourable member for Forest Hill in developing those initiatives. Over the years the parliamentary Road Safety Committee has played an important role in developing road safety initiatives, and it continues to do so. I pay tribute to the members of that committee.

Unlike the former government, the Bracks government accepts the bipartisan nature of the committee. The former government got rid of the honourable member for Forest Hill from the Road Safety Committee. He was attacked because of the important role he played in the examination of a sensitive issue.

The honourable member for Frankston raised a matter concerning the traffic lights at Robinsons Road and the impact —

Mr Leigh — It is a dangerous crossing.

Mr BATCHELOR — He referred to the impact this dangerous crossing, as the honourable member for Mordialloc says, has on road safety. I advise the honourable member for Frankston that the honourable member for Frankston East, who is a hardworking local member, has already nominated that intersection for treatment under the Blackspot program.

I thank him for bringing the matter to the attention of the government and Vicroads. The Blackspot program is the appropriate way of dealing with these issues. The government implores honourable members from both sides of the house to lodge nominations through formal channels if, through local knowledge, they know of problem areas to which black spot treatment funding could be applied. Vicroads and the local council can then consider the issue and make recommendations to the —

Mr Leigh — On a point of order, Acting Speaker, with the greatest respect to the minister, I have nominated the intersection of the Princes Highway and Springvale Road, but they have not come back to me!

The ACTING SPEAKER (Ms Barker) — Order! There is no point of order.

Mr BATCHELOR — The honourable member for Mordialloc again displays his ignorance of road safety issues.

I congratulate the honourable member for Frankston East on taking the initiative in nominating the traffic lights on Robinsons Road as a matter for treatment under the Blackspot program. The matter will be evaluated, and I will advise the honourable members for Frankston East and Frankston of the outcome.

The honourable member for Warrnambool raised for the attention of the Minister for Environment and Conservation a matter relating to the Heytesbury Pony Club and the charge allegedly levied against it for the use of land in that area. I will bring that matter to the attention of the minister and ask her to get back to the honourable member for Warrnambool.

The ACTING SPEAKER (Ms Barker) — Order! The house stands adjourned until next day.

House adjourned 11.03 p.m.

Wednesday, 21 March 2001

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 3.07 p.m.

JOINT SITTING OF PARLIAMENT

Drugs: education and prevention strategies

The SPEAKER — Order! The time has arrived for members of the Legislative Assembly and members of the Legislative Council to sit together to hear addresses by Dr David Penington, Mr Neil Comrie and other expert advisers on drug issues.

Members of the Legislative Council entered chamber.

The SPEAKER — It gives me great pleasure to welcome Mr President, the Honourable Bruce Chamberlain, and members of the Legislative Council to the Legislative Assembly.

Serjeant-at-Arms escorted advisers into chamber.

The SPEAKER — It gives me great pleasure to welcome to this joint sitting of the Legislative Assembly and the Legislative Council our esteemed and expert guests, who will speak on drug education and prevention.

I welcome Dr David Penington, the chair of the Drug Policy Expert Committee; Mr Neil Comrie, the former Chief Commissioner of Police; Dr Rob Moodie, the chief executive officer of Vichealth; Major David Brunt, from the Salvation Army; His Grace Archbishop George Pell, from the Catholic archdiocese of Melbourne; Professor Margaret Hamilton, the director of Turning Point; Mr Andy Hamilton, the principal of Heatherhill Secondary College; and Mr Peter Wearne, a youth worker from the Youth Substance Abuse Service.

Honourable members applauded.

The SPEAKER — The procedure set down for this debate is that I will now invite Dr David Penington, and then Mr Neil Comrie, to address us for 20 minutes, and all other guests to address us for 5 minutes. At the conclusion of that an opportunity will be given to all honourable members to ask questions of the expert witnesses for 30 minutes. Without further ado I now invite Dr David Penington to address this gathering.

Dr PENINGTON — Mr Speaker, Mr President, Premier, Leader of the Opposition and members: thank you very much for the privilege of addressing you on a very important issue.

The seriousness of the illicit drug problem and its consequences for the Australian community are not in dispute. After repeated inquiries in this state most of the facts are well established, but still the issue arouses strong feelings, and these get in the way of rational decision making. Some people have firm views and are reluctant to examine the facts.

Until now we have not had consensus across Parliament as to the direction we should take. If common ground can be found, there is a real opportunity to give leadership and to make an impact on the distress being experienced by our community.

Use of substances which alter the mind has been part of human society for thousands of years. I speak of alcohol, opium, cannabis, cocoa or tobacco leaves or, for that matter, the many prescription drugs that are currently widely used to combat anxiety or to relieve tension. Many societies have adjusted by taking steps to deal with the consequence of excessive or harmful use of drugs. Some fundamentalist Islamic societies still prohibit alcohol, as did the United States in 1919 after many years of lobbying by the anti-saloon movement. By 1933 prohibition of alcohol was judged by America to have been a failure but ended only after a highly contentious public debate in which such phrases as ‘sending the wrong message’ were often used.

International agreement to curb trade in opium dates from the Shanghai conference of 1909 led by President Teddy Roosevelt, with further elaboration and extension many times over the years. Prohibition has been at the core of these treaties led by the United States throughout. It is repeatedly acknowledged by the United Nations drug control program that world production of illicit drugs has mounted inexorably despite the treaties and is currently at an all-time high. It is estimated that international trade in illicit drugs in 1996 was greater than US\$400 billion.

South and South-East Asia are the principal world sources of opium and, hence, heroin. Australia is the nearest wealthy country, with a GDP greater than that of the entire South-East Asian community. We are inevitably at risk.

We would all wish to live in a society free from the effect of drugs. Some cling to the view that there must be a simple answer to achieve this. However, I can assure you that there is no country in the world with a simple, effective answer. In no country does law enforcement prevent entry or use of drugs. In those with a death penalty for trafficking the problem continues. Some countries suppress evidence of use but

have increasing deaths from drug overdose. The key issue is how to reduce the demand for drugs.

In 1985 all Australian states endorsed a federal policy framework. This is still current and has three arms: efforts to reduce the entry or availability of the drugs; strategies to reduce demand through education; and policies to minimise the harm caused to users and to society by the drugs.

The greatest proportion of government expenditure throughout has been on law enforcement, but deaths from heroin overdoses continue to mount. With persons aged between 15 and 44 years there were 1.38 deaths per million in 1964 and 63.5 per million by 1996, and those deaths continue to mount. There are an estimated 75 000 dependent users of heroin in Australia and probably three times that number of intermittent users.

A 1998 commonwealth survey reported 2.7 million Australians — mostly young people — as having used cannabis in the previous 12 months. Brief periods of shortages of heroin and other drugs occur from time to time, but those drugs are generally available in every major city and throughout regional Australia.

Five years ago I warned this house that unless we took a new approach to cannabis, including a realistic and strong health-based campaign against excessive and harmful use, we would see more and more young people move from cannabis to heroin because heroin was becoming cheaper.

Sadly, this is exactly what has happened in the past five years. We are one of the few communities in the world in which the age of initiation into heroin is falling rapidly, now starting with young people in their mid-teens.

In 1996 concern over sending the wrong message led to no change in the approach to cannabis. No effective health-based campaign against abuse was mounted. However, the Victoria Police, led by Neil Comrie, subsequently instituted the cannabis cautioning trial. From this has developed the important national diversion program for all drugs. It has largely taken the offence of possession and use of cannabis away from the courts into the realm of counselling — an important part of what we were seeking.

The excessive and regular use of cannabis undoubtedly causes problems, including the potentiation of latent psychiatric disease. However, when considering the attitudes of young people it must be remembered that the commonwealth's figures on drugs in Australia for 1997 show that there was a total of more than 22 700 deaths. Of these, 18 200 were ascribed to

tobacco use and 3700 to the hazardous and harmful use of alcohol. The remaining 800 or so were attributed to illicit drug use, of which only 1 was ascribed to cannabis.

If we want to influence young people we must talk about cannabis as a health issue, not as a moral crusade. A very important schools drug education program was mounted following the 1996 report called *Turning the Tide*. It developed progressively over three years. It now involves every state and Catholic secondary school in the state and over 85 per cent of the independent schools. Much outstanding work is under way, and it is still developing. The work of the Drug Policy Expert Committee in 1999–2000 covered the full gamut of issues — prevention, law enforcement, treatment, rehabilitation and reintegration of former users into the community. It looked at primary prevention by seeking to reduce drug use, and at secondary prevention by working with some of those 2.7 million young people who have already used drugs despite their legal status, and it also tackled tertiary prevention by working with dependent users with the aim of getting them into whatever type of treatments or rehabilitation that may in time rescue them from drug dependency.

Media interest was confined almost entirely to the proposed trial of supervised injecting facilities — a strategy to deal with an urgent situation in five metropolitan areas. This matter has now been resolved in Parliament and I do not wish to reopen it.

Many other aspects of the drug problem remain critical. Deaths and drug-related crime continue to increase. Early in 1999, the Ross Trust approached me and offered assistance. I saw prevention as the highest priority and support was given to review evidence from around the world of factors contributing to drug use and drug dependency. The project involved behavioural science at the University of Melbourne and the Australian Institute of Family Studies, and later La Trobe University and the Centre for Adolescent Health. It culminated in a workshop held over two days in July 2000 jointly with the Drug Policy Expert Committee, with participants from around Australia and a leading international figure from Sweden, Dr Robin Room, who has had extensive experience in North America and Scandinavia.

Much is known about the causes of drug dependency, including cultural, social, behavioural and even genetic factors. There are stages of transition in life that carry particular risk. There are recognised protective factors. Young people must be monitored and supported. Understanding all of these issues is fundamental to prevention. 'Just say no' campaigns consistently fail. It

is clear that school programs on their own achieve little. Parents and local communities must be mobilised to influence behaviour and to influence peer pressure. Early signs of risk and behaviour disturbance must be tackled and families must be part of any such endeavour.

At the end of August a discussion paper was sent to every school in the state, to every local council, to every parent organisation we could find, to every church and religious group identified, and to youth organisations. It was seen as an important source of information for local government drug action plans across the state. The media took absolutely no interest as it was not controversial, and many are unaware of its existence.

Given the success of the cannabis cautioning program and diversion, legislation on cannabis need not be changed in the near future. Vichealth is currently assisting in the preparation of a strong campaign against the harmful use of cannabis. The use of cannabis for medical purposes by people suffering painful terminal cancer, late-stage AIDS or some neurological conditions with troublesome muscle spasm has been supported by the House of Lords in the United Kingdom and the American Academy of Medicine and has been approved following referenda in a number of states in the United States of America. It need not entail legislation here. As we recommended in our final report last year, police and courts can exercise discretion.

Legalisation of drugs is not a current option while demand is out of control. A trial of prescription heroin for those for whom other forms of treatment have proved ineffective, which had bipartisan support in 1996, is not currently an option. It should be reconsidered after a further review of new treatment approaches.

Our committee was of the view that its work needs to be followed by the establishment of an independent review body to monitor progress. That is in recommendation 5.3. Such a body might be termed a Premier's drug advisory council or even a Victorian drug prevention council. It should have access to information from relevant sources, such as the departments covering health and community services, education, youth affairs, and justice, and also from the police and the Coroner's office. Each of these agencies will need to continue to mount programs within government services.

The new council should maintain close liaison with local government throughout the state and support the preventive initiatives being undertaken in schools and

local communities. It should monitor potential developments for treatment and rehabilitation that are expected to become available in the next few years with the growing knowledge of the reward pathway of the brain and of drugs that can influence addictive behaviour.

Such a council would need to have a chief executive officer and support staff. It would have, desirably, an independent chairperson who had a knowledge and understanding of the issues. It could have legislative status comparable to Vichealth and, like that body, include members of Parliament from both sides of the house in addition to people with appropriate expertise. Like Vichealth, it should report to the Premier and annually to the Parliament.

Mr Speaker, I commend these matters for your consideration.

Honourable members applauded.

The SPEAKER — I now invite Mr Neil Comrie, the former Chief Commissioner of Police, to address the chamber.

Mr COMRIE — Mr Speaker, Mr President, Premier, Leader of the Opposition and members of Parliament: I am honoured to be provided with this unique opportunity to address a joint sitting of Parliament. I certainly understand the significance of such an event and I thank the leaders of the parties for providing this opportunity.

The abuse of illicit drugs has become the most significant social issue confronting our community. There has been a lot of commitment and investment in addressing the problem to date and there are many dedicated people involved doing their best to reduce the impact of drug abuse. Despite this dedication and investment the problem is getting worse.

In 1991, 49 heroin-related deaths occurred in Victoria. In 1999, 359 heroin-related deaths occurred in Victoria — a sevenfold increase in eight years. If we extrapolate these figures it can be seen that we could be facing 2500 deaths by 2007. I am certain everyone here today would agree that that is too horrible a situation to contemplate.

In 1996 the average age of first-time users of heroin was 26.1 years. By 1998 that age had fallen to 17½ years. Non-fatal overdoses attended by the Metropolitan Ambulance Service in 1998 averaged 5 per day; by 2000 they were averaging 11 per day.

There is now a strong body of research that says about 70 per cent of all major crime is drug related. Our community is increasingly becoming victims of the drug problem in one of three ways: they have lost a family member or a friend to drug abuse; they have been the victims of crime committed to support an addiction; or they pay inflated insurance premiums to cover the cost of drug-related crime.

Our community is also confronted with drug trafficking and associated problems and is greatly concerned about the health risk of discarded syringes. As a consequence the community is frightened, angry, frustrated and confused.

It wants strong leadership in dealing with the problem. There has been a great deal of debate about the most effective approach to the drug problem for several years, but little progress has been made in real terms. Clearly the problem continues to worsen. The debate to date has largely focused on symptoms of drug abuse and treatment options. Ongoing debate on supervised injecting facilities, heroin trials and the legalisation or decriminalisation of illicit drugs have been emotive and have resulted in polarised views. Sadly, real progress has been stifled because of these conflicting views. This debate on controversial issues has consumed much time and energy, but the reality is that once addiction occurs it is extremely difficult to overcome. Breaking an addiction will only occur when the individual makes a conscious decision to give drugs away. While addicted the probability is the addict will overdose and may die. He or she may also commit crime to acquire cash to support the addiction which in some cases is as much as \$400 a day. We must acknowledge that at this time we do not have the answers to beat addiction on a substantial scale.

Unless we take some different approach the number of addicts will continue to grow. In simple terms the drug problem is a consequence of the supply and demand cycle. This means that while we have demand we will always have supply to meet that demand. Despite the best endeavours of law enforcement over many years, we simply must concede that we cannot totally prevent the entry of drugs into Australia. This reality is best demonstrated here in Victoria where, despite the fact that Victoria Police last year was responsible for half of the arrests in Australia for heroin trafficking, the problem continues to grow.

International trade would grind to a halt if we thoroughly searched every shipping container entering our ports. At the other end of the scale we have people called mules who swallow heroin-filled condoms overseas, fly to Australia and pass the condoms here.

These desperate measures and massive logistical problems cannot be overcome to reduce supply.

We now have an attractive marketplace for international drug traffickers because our addicts demand supply to feed their addiction. The only means of breaking the cycle of supply and demand is to reduce demand and make Australia an unattractive marketplace for traffickers. Demand will only reduce when people are able to decline the temptation to engage in drug abuse or we can break the cycle of drug abuse in the early stages before addiction takes hold.

The three key strategies in achieving this situation are education, early intervention and diversion. These strategies must support our current commitment to strong law enforcement and treatment programs. They are not alternatives but critical components of a holistic approach to the drug problem.

There is strong anecdotal evidence that children likely to be at risk from drug abuse can be identified during their schooling. It is critical that at-risk children be identified and provided with support and treatment if necessary. Some argue that this is a parental responsibility, which may be valid in some cases, but this argument assumes all parents are responsible and capable and ignores the fact that some children these days have parents who themselves are addicts. Some children have little or no influence in their lives from family or the church. Therefore the school environment is often the only stable environment where at-risk behaviour can be assessed.

To this end we must provide a resource, not necessarily a teacher, in each school who can recognise at-risk behaviour. This person must have access to other support mechanisms to which they can refer the child. Those support mechanisms must be capable of immediate response and be able to provide ongoing support.

Victoria Police has clearly established that early intervention works for those not yet addicted. We introduced cautioning programs supported by assessment and treatment in 1997. The results to date of this program have been most encouraging. An external evaluation of the cautioning program indicated a 73.3 per cent success rate in that in these cases the offenders did not come under police notice again for drug offences during the evaluation period. By diverting about 8000 people per year early in the cycle of drug abuse it is now firmly believed that the majority of these people will break that cycle and not become addicts requiring long-term treatment and rehabilitation.

The benefits to the community of this achievement are substantial: reduced drug-related crime, reduced drug-related deaths, reduced serious health problems, with an associated significant reduction in the costs of residential treatment and rehabilitation.

One case study in Victoria clearly demonstrates the potential for early intervention and diversion programs. A 15-year-old girl was found by police in the early hours of the morning with a heroin-loaded syringe ready to inject. It was discovered that this child was an incest victim, had been the victim of rape on four occasions, had been reported missing on 23 occasions and had attempted suicide four times. She was diverted from the criminal justice system into a system of support and treatment. Her previous bleak outlook has, at last report, improved considerably.

However, getting full value from the diversion program is limited by inadequate access to assessment and treatment services. The value of early intervention and diversion is now recognised nationally, and other jurisdictions have followed Victoria's lead. The federal government has now funded diversion programs, but despite the recognition of the enormous value and potential of early intervention and diversion strategies we simply do not have these services available for all who need them. There are extensive waiting lists at many counselling and treatment services. This is a serious problem, as many cases require an urgent response and effective intervention is more likely where the response is immediate. This immediate response will invariably require follow-up and in some cases long-term support.

Likewise, many children in our schools still do not have access to adequate or appropriate drug education programs. Some of the programs currently presented are of questionable value, and some are based on religious and moral philosophy rather than on real learning value. Victoria Police currently has about 65 school resource officers in the police schools involvement program who attend some 200 schools across the state. We need a broader and more comprehensive program that reaches every child in every school in Victoria.

There is an urgent need to identify an existing education program or develop a new program that effectively educates our children about the dangers of drug abuse. This program must provide our children with the knowledge to enable them to make informed decisions about whether they wish to experiment with drugs. Once they are better informed about the physiological dangers of such abuse they are less likely to go down this path.

We need to look no further than the outstandingly successful road safety education program in Victoria for evidence of what can be achieved. A bipartisan, well-resourced and high-profile education program has provided a much more responsible generation of young drivers insofar as drink-driving and general road safety are concerned. Our community has benefited from the saving of thousands of lives and the prevention of countless serious injuries, as well as a financial saving of billions of dollars in our health system. In 1970 there were 1061 road deaths in Victoria; 30 years later that is down to 400.

Education has played a major role in this life-saving strategy. There is no reason why such an education program for our whole community, but especially for our younger generation, would not have a similar impact. It must be a concerted, coordinated, consistent, high-quality and long-term program that can be progressively evaluated, not a set of ad hoc, uncoordinated and short-term arrangements such as we currently have in place.

In my view a failure to commit ourselves to this program of education, early intervention and diversion would be serious neglect and would result in a heavy price being paid by future generations. We cannot procrastinate about this critical matter any longer, nor can we allow political, moral, religious or other differences to continue to polarise our views and stifle real and meaningful action. Put simply, the wellbeing of our future generations is in our hands today.

While I am prepared to readily concede that the political process in our democratic society has traditionally served us well, the political process is, in my view, no longer appropriate for dealing with the critical issue of drug abuse. The impact of drug abuse now demands a response that rises above political considerations and takes account of community needs and expectations.

I doubt very much whether honourable members of this Parliament would individually have great difficulty in accepting the real opportunities offered to us in combating drug use through education, early intervention and diversion. However, the political process has effectively stifled progress down this path. Instead, we have been using a great deal of our time and energy arguing about treatment models such as supervised injecting facilities, heroin trials and legalisation and decriminalisation.

We have certainly identified the issues we cannot agree on, and we have experienced highly polarised views and emotive debates on these issues. But these debates

are largely about dealing with the symptoms of the problem — how we deal with people after they become addicted. It is now time to direct our attention to the causes of the problem. How do we stop these young people from becoming addicted in the first instance? This is such a basic, non-controversial and non-confrontational question that we have to ask ourselves why we have so far failed to come to grips with it. If we accept this position we must now use this unique and important opportunity we have today to face the challenge.

I firmly believe there is a way forward — a way that can embrace the whole community and provide Parliament with an opportunity to take a leadership role in challenging the drug problem. However, to overcome the restrictive barriers imposed by the political process a new model of managing our response to the drug problem is required. This model must also eliminate existing bureaucratic complexity and substantial coordination problems.

The political process creates a number of problems in managing an effective response to drugs. Party politics sometimes requires members of Parliament to vote against something they personally believe in. The delivery of policy commitments is often restricted to the time frame established for a term of government. Therefore, long-term strategies are difficult to implement and sustain, and there is an expectation that there will be short-term dividends on major policy commitments.

Government priorities often fluctuate as a consequence of political imperatives. What is required now is a long-term strategy whereby both an ongoing commitment and the allocation of vital resources are guaranteed. Given that it has taken 30 years for our drug problem to become entrenched, I consider that we must commit to a 10-year strategy to turn the problem around. For these reasons I believe Parliament is the appropriate body to make this commitment and to oversee the implementation and maintenance of this strategy.

The new strategy must also address the problems created by the present bureaucratic arrangements for addressing the drug problem. In short, these problems are as follows. Several government departments and agencies independently submit annual bids to the expenditure review committee (ERC) for drug-related initiatives. These bids are not effectively coordinated with the broad strategy. Changes to ERC and departmental priorities militate against guaranteed continuity of funding.

Most services provided in early intervention diversion programs are provided by non-government organisations (NGOs), and they depend on certainty of funding to guarantee ongoing service delivery. They do not have that certainty. Annual funding grants by departments to NGOs cause a considerable waste of valuable resources in the preparation and assessment of bids. Therefore, a new approach to managing valuable and scarce resources must have the feature of operating outside the political and standard bureaucratic processes to achieve the major goals established by a 10-year strategy. In my view this requirement could best be met by the creation of a new independent authority that would report directly to Parliament.

There are a number of existing precedents within Australia that could be examined as models for this accountability process. One overseas model provides an excellent basis for consideration — that implemented by the Blair government in the United Kingdom in 1998. That model addresses many of the concerns and barriers to progress that I have spoken about today. A workable model that would offer the best opportunity for success would have the following features.

Firstly, it would undertake research into what information and education programs are effective for different target audiences, such as children, parents, grandparents, teachers and carers. This will ensure young people are empowered through knowledge to make informed life decisions when confronted with the opportunity to be involved with drugs. It will also ensure that those who can influence their decision making and provide them with appropriate information are given the tools, information, confidence and skills to do so.

Secondly, it would undertake research into effective means of identifying young people at risk and establishing effective countermeasures to negate that risk. This body should also undertake research into establishing effective early intervention strategies when young people unfortunately make poorly informed life choices involving the use of drugs. The body should also establish strategic plans for the most effective delivery of education and information programs, the identification of young people at risk, the implementation of risk-reduction programs and the provision of early intervention programs. It should provide those programs either directly or through third-party private or public agencies.

This body should also accredit programs, register third-party agencies and provide a quality assurance and audit function for the use of funds in research and the delivery of programs. There is a need for that

authority to have legislative powers to undertake the functions that are both facilitative and regulatory. There is a need for that authority to be able to acquit public, community and private sector funds to support the programs. This must be done in a way that ensures community and private sector contributions are protected from political and undue bureaucratic interference so that the ongoing confidence of those who are investing in the program is maintained. However, it must also allow government to satisfy the required stewardship accountabilities demanded by Parliament of public expenditure.

There is a need for the authority to be seen as independent of party politics if it is to draw on non-government support and it is to fiercely and objectively provide the most appropriate education, at-risk identification, risk reduction and early intervention programs.

There is a need for all public expenditure on those areas to be acquitted through the authority to ensure a whole-of-government approach for research, planning and delivery functions, and that their implementation is integrated and fully coordinated across the public, community and private sectors.

The model that I propose to best meet the requirements is a statutory authority to be established to report directly to the Premier, but with a similar independent status to that of the Auditor-General or the Ombudsman and with a similar charter of responsibility to the Parliament rather than the office of a particular minister of the Crown. The moneys currently expended through departmental budgets on research, planning and the delivery of awareness and training programs, young people at risk, identification and risk-reduction and early intervention programs should be redirected to the authority as its establishment budget.

The funds should be quarantined from the normal budget process and maintained as a minimum base for a reasonable period — say, 10 years — to enable the authority to realistically address its charter. The authority should be charged with seeking to supplement these base seeding public funds with community support and private sector funds and additional government funding through the normal budgetary process.

I also propose that Parliament establish and nominate appropriate members to a board of directors of the authority to provide the governance, policy and strategic direction and to act as the employer of appropriate staff to ensure the authority meets its charter. The authority should be charged with

undertaking all those functions and be accountable to Parliament through the Premier for performance. Registered providers of awareness and training programs, young people at risk, identification and risk-reduction and early intervention programs should be funded by the authority to deliver accredited programs in accordance with the authority's delivery plans.

The authority would validate and evaluate the performance and utilisation of provided funds. The authority would be subject to the normal rigours faced by a statutory authority, including the Auditor-General, the Financial Management Act, the Public Sector Management and Employment Act and scrutiny by the Ombudsman.

In conclusion, I again express my gratitude for the opportunity to address Parliament on this critical issue. The views and strategies expressed by me today are not recent inventions but are based on my 20 years of direct involvement in dealing with young people who are at risk of serious damage. I have discussed my views and strategies widely with a broad cross-section of the community. I believe there is a very strong body of community support for a new way forward in the fight against drugs.

I know that these proposals will have made some people feel uncomfortable. However, political and personal agendas must be put aside in the best interests of our community, especially for our younger generation, whose future we hold in our hands.

We face one of the biggest and most important challenges of recent times. We must get this right. If we fail to seize upon this unique opportunity to move forward with a fresh approach to the destructive drug problem I believe we will be rightly criticised by future generations for that failure.

If we do take full advantage of this opportunity, while there can be no absolute guarantees of success, we will be able to say that we placed the best interests of our current and future younger generations ahead of any other consideration. I would encourage Parliament to view these proposals as a long-term investment in the wellbeing of young Victorians.

Thank you, Mr Speaker and Mr President, for allowing me to address Parliament on this critical issue. I commend these proposals to Parliament.

Honourable members applauded.

The SPEAKER — I now invite Dr Rob Moodie, the chief executive officer of Vichealth, to address the Parliament.

Dr MOODIE — Mr Speaker, Mr President, Premier, Leader of the Opposition and members of Parliament: as our concern about the deaths and injuries resulting from illicit drugs increases, we do need to remember the lessons we have learnt from some of the major public health successes we have been involved in.

In the early 1950s, 75 per cent of Victorian men smoked cigarettes. That figure is now down to somewhere about 22 per cent. As Mr Comrie said, in 1971 more than 1000 people died on our roads from road trauma; now 600 fewer people die each year, and there are 6000 fewer serious injuries.

How did we do it? We did it by agreeing on a long-term strategy that aligned our collective skills and capacities from a range of different sections and sectors throughout our community. It worked because we put a number of things together. We put together legislative and policy reform; we put together excellent research and surveillance; we mobilised communities; we put it together with front-line service provision and widespread community education.

What should we be doing now with illicit drug use? As explained in the Drug Policy Expert Committee's report, one very effective way of looking at this and trying to understand it is to examine the protective factors and the risk factors that determine whether or not we will be using drugs or whether we will use them harmfully.

Let us look first at the protective factors. They include a culture of cooperation and tolerance in our community, a sense of belonging to family, to school, to your community and your workplace. Good relations within one's family and outside the family are positive achievements for stability and security. On the other hand, risk factors include the availability of drugs; poverty; low attachment to family, to one's community, and to one's school or workplace; poor parenting; family conflict; parental alcohol and drug use; marital instability, and friends engaging in problem behaviours.

Our challenge is to work together to enhance the protective factors and to diminish the risk factors. I guess one of the bright lights when you look at it in this particular scenario is that many of those same protective and risk factors also determine a whole range of other harmful behaviours and health problems in our community such as depression, suicide, road trauma,

alcohol abuse, tobacco addiction, early drop-out from school, crime, homelessness and so on.

Any investment in the prevention of drug use by increasing protective factors also has major benefits in a number of other areas and vice versa. This joint sitting is as much about preventing a whole range of other problem behaviours as it is about the prevention of drug use.

What should we now continue? What should we expand? What should we begin now? Who should be involved? I guess the question is, 'Can any part of the Victorian community afford not to be involved?'. Let us start with schools: primary schools, secondary schools, institutes of technical and further education and universities. They must ensure students are in physically safe and tolerant environments, ones that support students' connectedness, support them staying at school and strengthen the student-teacher relationships.

We now have better and better evidence about how good school programs can work in this regard so that in the long run there is much less need for children and young adults to use drugs inappropriately.

The maternal child health and welfare services support parents of children and young people to prevent problematic drug use. They have a huge role in promoting effective parenting, communication with children and recognising behaviour problems.

Similarly, we must assist our sports, recreation and arts organisations to increase their capacity to allow people to participate, to belong and to have valued social roles. We have to expand the opportunities that business and industry provide for young people to participate in the economy.

Youth, faith and service organisations must provide services to those at risk and provide opportunities for people to contribute and to belong. They also have to be supported by communication strategies as we have done before to actively discourage illicit drug use by informing young people currently not using drugs of the risks and effects. Similarly, we need communication strategies for the families of drug users, residents and traders in high drug use areas, specialists in generalist work and peer education programs to assist users of illicit drugs to reduce overdoses and avoid HIV and hepatitis, and to help them to access social and treatment services.

There was one point where there was an enormous synergy between prevention and treatment. We have to remember what we have learnt about tobacco use and

what we might draw from the experience in Holland, Switzerland and Sweden — that is, that the more people we have who quit and the more people we have under treatment the more effective are our overall prevention efforts.

There are no short-term magic cures available. As Mr Comrie said, we must commit ourselves to the long haul. Successful dope use prevention requires a comprehensive 10 to 30-year investment, which includes all of us, not one that focuses only on our young people. To do this, we must have the right structures to ensure a connected response. We need to consider again what we have learnt from tobacco and road safety, and also from our experience from Vichealth.

We need an independent authority that focuses on prevention, one that provides a forum for real differences to be resolved, and for collective multipartisan strategies to be developed and adhered to. It has to be a structure that has teeth and authority, one that reports to the Premier and Parliament on behalf of the people of Victoria.

The Victoria of the future where drug problems are considerably reduced is an emotionally healthy creative tolerant and economically productive Victoria, but we must give much more to develop this Victoria of the future. Not only must we invest in dollar terms but also as importantly our collective goodwill, our intellect, our capacity to organise and to come together because together we do better.

Honourable members applauded.

The SPEAKER — I now invite David Brunt from the Salvation Army to address the Parliament.

Major BRUNT — Mr Speaker, Mr President, Premier, Leader of the Opposition and members of Parliament, permit me to say at the outset that I am not an academic but rather a person who has worked in this field now for 30 years, in Brisbane, Kings Cross and, for the past five years, in Melbourne. While working as the head of the Salvation Army's drug and alcohol services I still see addicted people on a daily basis.

I recently conducted the funeral of a young man of 22 years of age. He was contacted on the streets of St Kilda by our outreach worker and found his way to our counselling service. He was admitted to a residential rehabilitation program and for the next three months life was rosy. His parents were rejoicing, his health improved and everything seemed forthright and good.

Within a week of leaving the program after receiving all the accolades of his peers this young man was dead. The reason? The drug education services and everything else that we could offer somehow had failed. Because he started his heroin use again at the same level he left several months before, his body would not tolerate it. This young man's death made me rethink everything that we were doing in our services.

There are a number of aspects of the drug problem that we need to look at clearly. Often the opportunity to explore a person's needs and know that help is available is the extent of intervention that is required. Across Victoria many people are able to provide referral options and advice to the numerous community members in their location who choose to seek assistance through telephone or personal contact, such as Lifeline or Direct Line. Only yesterday I was privileged to be here to attend the launch of the family drug help line, which I believe will be a valuable asset to families in crisis.

We also need to offer programs that disseminate information and provide community education to minimise the harm to individuals who continue to follow a lifestyle which puts them at risk. These programs may include HIV/AIDS information, needle exchange programs, sexuality groups, nutritional information and so forth. They need to ensure that more healthy lifestyle choices are available to young people, together with viable future options for anyone who chooses to access them, and that the harm experienced by these individuals is minimised. These programs must operate in a non-judgmental atmosphere which supports young people's rights to make individual choices based on the fullest and most accurate information available. We do not see total abstinence and harm minimisation as opposing forces, but rather a continuum that allows choices to be made. The harm minimisation approach should inform all aspects of treatment.

There is a need for community-based programs that will offer both group and individual approaches to skills development. These programs may cover relapse prevention techniques, social skills, lifestyle changes and support, and recreational options. They can operate from shopfronts and church and community centres right across the state. The drive of local councils to respond with their own drug action plan needs to be commended and supported.

Home withdrawal programs and non-residential counselling programs are increasingly becoming part of community-based programs. The Salvation Army experience embraces these programs alongside

residential programs. The trial of the mobile overdose response service is one innovative approach just beginning in many regions of Victoria.

There is a need for longer term programs that will continue to exist for some people. Residential services must be there to provide those with complex needs some time-out facilities with good staff and role models who can effectively demonstrate interactions, new skills and lifestyle options which are being learnt. This intensive approach, whether offered in a therapeutic community or a residential rehabilitation program, is one which provides models. It is the modelling behaviour that many young people lack which I see today.

Residential rehabilitation programs need to be offered to people who have undergone drug withdrawal programs or other alcohol and drug treatment programs and have not been successful in reducing or overcoming their drug use problems. But that is not enough. There has to be a continuity of care. The residential portion of the program must be followed by this continuation of care within the community and the living environment of the participant, with daily interchanges with others significant to them lending the motivational material to continue with the difficulty of mastering new skills. These programs require highly skilled staff to act as negotiators in advocacy situations and to facilitate growth across the wide range of skill areas involved as young people and others may have additional disabilities and exhibit quite challenging behaviour.

Many studies have been made about matching clients with their needs. I refer to one entitled 'Project Match' in drug treatment. Obviously it is important that any service matches the person and their needs. Many treatment facilities offer a limited range of services appropriate for a limited number of clients. In reality, at the time there may be only a few choices available to the person. Nonetheless, the referral process needs to be handled carefully as many people see it as simply buck-passing.

The young people who I see with substance abuse problems have associated lifestyle problems. They frequently need the help of a number of different services over a period of time. For instance, a person who has serious alcohol and other drug problems and who is sick, homeless and unemployed will often start treatment in a detoxification centre and may then move into a therapeutic community. Movement back into the general community will happen, but it will require financial aid; help in obtaining accommodation; skills in communication, assertiveness and sometimes

parenting; alternative leisure skills; help with establishing a new social network; vocational training; ongoing medical care; and, I believe, spiritual support and direction. A variety of services are available at each of those stages. People will benefit from the support of each one.

Let me conclude by saying that I believe that addiction is best described as a chronic relapsing condition. Many of the people we will see need a number of entry points in detoxification and rehabilitation facilities. That does not mean that programs have failed but rather that the service must be maintained and that easier access for re-entry must be provided.

Honourable members applauded.

The SPEAKER — I now invite His Grace Archbishop George Pell from the Catholic archdiocese of Melbourne to address the joint sitting.

Archbishop PELL — Mr Speaker, Mr President, Premier, Leader of the Opposition and members of Parliament: heroin deaths are only the tip of an iceberg of misery and depression, much but not all of which is caused by other drugs such as alcohol and marijuana. The Australian youth suicide rate, one the highest in the world, is a related but overlapping problem.

This joint sitting of the Victorian houses of Parliament, which it is my privilege to address, is a worthy attempt to spell out a long-term coordinated strategy to reduce demand, especially among young people, by creating significant areas of agreement and consensus among Parliament and the people, leaving to one side contentious issues especially over forms of treatment.

Mr Neil Comrie is to be congratulated on this initiative, and all the major political parties and especially the government are to be commended too for their ready cooperation. I recognise and applaud the willingness of Premier Bracks and the Minister for Health to embrace and develop this initiative. I wish to acknowledge again my gratitude to them for their strong and effective commitment to grapple with this massive problem. For the main game, they are heading in the right direction.

This is not just a problem for the government and the police. Community money as well as government money will be needed. Nor can it be dealt with effectively by handing over the whole load to the schools and the churches; the problem is too big. All community organisations, especially the media and the leaders among our young people at school and work and at university, will need to combine effectively if we are to change youth attitudes to drug usage, just as we

have made drinking and driving unacceptable and as we have improved road safety.

Traditional leaders such as parents, schools and churches have lost authority among the young over the past 40 or 50 years. Magazines, newspapers, television, videos and the Internet are formidable agents of influence that too often imply that greed is good, self-indulgence is natural and high risk-taking is to be glorified. While this escapism and entertainment will not be eliminated and probably not much reduced, it can be partially balanced by explicit advertising. A Victoria-wide consensus would be an invaluable contribution towards a fully resourced national media campaign reinforced by community initiatives to change the culture in Australia towards illicit drugs by cutting down demand.

I will say a word on schools. We often expect too much from schools as the most readily available agencies to combat social ills. But all schools could and should make a contribution to reducing the demand for drugs. Such programs need to be prepared carefully, because some incautious instruction has simply heightened student curiosity.

Knowledge by itself rarely changes behaviour. A spiritual framework in the broadest terms, a vision, a system of meaning, perhaps around the golden rule of treating others as we wish to be treated ourselves, is needed as the context for information and argumentation appropriate to the youngster's level of development. This is easily fitted at a variety of levels into the ongoing health education units and units of moral education and religious education where they exist.

The causes of experimentation and the persistent usage of illicit drugs are complex and care must be taken not to oversimplify so that educators can avoid being seen as simply old fashioned or irrelevant. The building blocks for such a comprehensive education program are already in place to be developed and refined.

Last year the Catholic Church in Melbourne opened the Mary of the Cross Centre to help combat the drug problem. A primary focus is to help the families of users. If family breakdown worsens, it will cancel out the gains of even the best social programs.

This joint sitting is a sign of hope to young people generally and for drug users. It is a particular expression of a widespread popular ambition to curtail the suffering, to improve the situation of the young and the vulnerable. None of us, as we have heard, has a magic wand. There will be no sudden and spectacular

breakthrough. It will be a long haul, but it is always worthwhile to broaden community understanding and to deepen the involvement of more and more people.

I am confident that there are large areas of agreement, that we can build on these, and devise a long-term coordinated strategy to curtail and then reduce demand for drugs.

Honourable members applauded.

The SPEAKER — I now invite Professor Margaret Hamilton, the director of Turning Point, to address the joint sitting.

Professor HAMILTON — Mr Speaker, Mr President, Premier, Leader of the Opposition, members of Parliament and colleagues: one always needs to ask the source of the title 'expert' when a group such as this is introduced to you as experts. For that reason I always try to make a point of explaining my background. I spent 31 years working full time in drugs as a clinician, researcher, teacher, policy thinker and adviser and, from time to time, user of a range of substances — mostly legal, I should add. But I have also spent 20 years as a parent, and that would be the other claim I would put to you for my expertise.

The title 'prevention' could include almost everything we ever do in response to drugs. I do not always find it helpful to say that prevention can be divided into primary, secondary and tertiary, thereby incorporating everything. I think the purpose of today is to try to retain some focus on prevention.

The usual expectation is demand reduction, or what we call primary prevention — that is, preventing the use of illicit drugs in this case or preventing the uptake of those drugs by young people and by adults. This is an attractive and appealing arena; it tugs at the heart strings; it sings to all of our tunes; it is something we can all agree on and over which there is little conflict. I would urge you of the need to look beyond this for obvious reasons.

There remains limited evidence of our sometimes tired approaches to primary prevention. Drug education in schools on its own needs to be very carefully looked at. It is only when it is fully integrated with a whole-of-school approach and linked closely with other community initiatives that it can be found to be in any way protective or preventive in relation to young people's uptake of drugs.

Media campaigns on their own have very limited value in my now extensive experience and, if these are not

paralleled with a platform of other activities, are a great waste of community resources.

We must also remember that many structural changes have been going on in our community over the past 30 years, which include great disparity between wealth and poverty. That was certainly not the case when I was born, or if it was, I was unaware of it. People are now aware of it. We must look to see how in this environment we can enhance community competence and cooperation, not contribute to communities feeling incompetent, unable to respond to things and unable to work together.

I want to mention secondary prevention, because many people believe one hit a junkie makes. Most people who try illicit drugs do not proceed to continued, regular and repeated use of those drugs. Our response to that first, second, third or maybe tenth attempt is important. It is not just a case of early intervention — parents need information about how to constructively respond in a way that will not produce an effect that is likely to lead to ongoing use.

Early responses need to be sheeted home in places where people first present for help. The generic health and welfare services, together with education in our community, is where people with early trouble go and early trouble appears, usually not asking for drug help but in trouble nevertheless. If we continue to look to specialist drug treatment services, which can at best respond only to long-term dependent users, we miss those opportunities for early responses.

So, where should we start? My first claim would be that we have to prevent the community from becoming lost, disempowered, disappointed and disillusioned. We have to stop people feeling left behind. Those of us who are so-called experts have to be much better at taking the community with us, sharing our information, encouraging dialogue, doing our research and ensuring that the community understands it and participates in debate. We must engage in long-term strategic planning that is proactive not reactive to the crisis that appears on the front of the newspaper every morning.

We have to prevent division. We need a cooperative, collaborative, respectful approach to one another's ideas. We must listen to them. We must not compete and just condemn them. We must also be willing to seek evidence, to support specific ideas and not merely go with something because someone has had a good idea. We have to be willing to test and trial new initiatives and to assess and evaluate the responses, including initiatives that hold promise from other places.

We have to stop inefficient spending in our responses. There is not much point constantly saying that we have to increase or improve something if we do not have the work force to ensure that this can be done effectively. When we leave behind education and training, research and information gathering, we do the future generation of services no good.

We have to be willing to tap the community's concern as energy, for these people wish to engage in doing something, anything about drugs, and help to constructively form partnerships to ensure that they are functional responses and not divisive and dysfunctional.

I want to say four more things about prevention. Firstly, when we look at prevention in relation to special groups, I believe the crude gateway theory has been clearly debunked. However, we must recognise the very strong associations between smoking cigarettes and the subsequent uptake of illicit drugs. In the Australian study done last year by the National Drug and Alcohol Research Centre, or NDARC, and the Centre for Adolescent Health in Melbourne, the researchers concluded that cigarette smoking was an important predictor of both initiation and persistence of cannabis use. Further, research by Associate Professor David Hill at the Centre for the Study of Cancer-Related Behaviours showed strong associations between the smoking of cigarettes among parents and the increased likelihood of the children of those smoking parents using cannabis.

Although historically we might have thought there is a big leap between smoking cannabis and injecting heroin, it is not true today. What we now see is the practice of smoking or sometimes the chasing of heroin, so that the transition from that route of administration — that is, smoking — to the smoking of another substance is a small move for a young person to make. They are already smoking cigarettes; cannabis and then smoking of heroin is not so different.

We have found from research done in Sydney that people who persist with the smoking of heroin will move in transition to injecting heroin within 6 to 10 weeks. It should be clear that when we talk about the drug heroin we should also talk about tobacco and alcohol.

Secondly, treatment is a part of prevention. Treatment works. No Australian research compares the dollar return on our investment for, say, certain forms of interdiction or law enforcement with treatment or drug education. The only research of this kind is available in the USA, and it suggests that of all of the expenditures that were studied, which did not include drug

education — that is, treatment, interdiction and policing — treatment gave the best dollar return for that investment.

Why is treatment an important part of prevention? I will not repeat what Dr Moodie has already said, but if you take out the current dependent troubled users you take out the major opposition to your prevention messages. This has been found in a number of European countries.

Further, treatment ensures continuity between primary prevention and working to prevent the next generation of drug users expanding. The children of current drug users are the next generation of drug users if we do not intervene, and their children will be the subsequent generation. Services such as child protection report that 45 per cent of the clients in their care had primary substance abuse problems and a further 13 per cent had secondary problems with substance abuse. What do we do about substance abuse in those systems of care? The situation is similar in mental health, homeless services and juvenile and adult justice systems where the proportion is much higher.

If we offer treatment we know it can work. Treatments have been found to work overseas. A substantial study in Britain — the National Treatment Outcome Research Study, which is ongoing and which we are now copying or repeating in Australia but it is too early to call — found that: statistics on continued illegal drug use after treatment were favourable; there was a clear improvement in the use of heroin, cocaine and other drugs; abstinence rates for illicit opiate use more than doubled; major gains in reduced health risk behaviour such as the sharing of injecting equipment was seen; high rates of criminal behaviour were found prior to treatment among this group; and after treatment there was a marked reduction in the activity of criminals. They estimate that the savings to society in the United Kingdom with a reduced level of criminal behaviour and demand upon the criminal justice system alone was worth more than £5 million a year. I suggest that we should therefore see treatment as an important and fundamental component of prevention.

I have two more quick messages. There are many preventive interventions that we can engage in with drug users. Major Brunt has already alluded to some of them, and I will not repeat them. They are well known, and they are very important. It is not all or nothing with a drug user. There is a hierarchy of harms and a hierarchy of costs. There are many things we can do, even with someone who persists in using, that will reduce the harm and prevent further trouble and cost to the community.

The last thing we need to prevent is imports taking over our local market, and in that regard I refer to the need to retain an Australian approach to drugs. In my treatment service, which also engages in research and policy development, I talk about the need among our clinicians and researchers for patience and persistence in this field. One treatment does not a cure make! Perhaps the message of patience and persistence also applies to policy and program development. I hope we can take two significant characteristics that I regard as fundamental to our history and our character, and then build on those in Australia. They are a humane concern for our fellow citizens, including drug users, and a pragmatic capacity to get together and solve problems.

Thank you for the opportunity to address you all today.

Honourable members applauded.

The SPEAKER — I now invite Mr Andy Hamilton, the principal of Heatherhill Secondary College, to address us.

Mr HAMILTON — Mr Speaker, Mr President, Premier, Leader of the Opposition and members of Parliament: schools can do much to prepare students to face the world of drugs and develop the skills they need to reject them. Many schools like mine have implemented a number of their own programs and have also been involved in government-funded pilot programs, all of which were extensively evaluated and judged to be extremely successful. Nevertheless, funding for all of them has been discontinued. It is this stop-start approach that prevents progress being made.

Let me briefly outline some of these programs. First, the Open Your Mind program was the focus of the Community Relations and Education project initiated by the education department in 1995 to address racism and related issues. A former student recently wrote to me saying:

Do you realise that the Open Your Mind program in 1995 really allowed me to become the person that I am today? Honestly, it was such a great way to get involved in the school community.

This project was terminated in early 1996 when funds were diverted to youth suicide prevention.

Second, the Turning the Tide anti-drug strategy funded the Connect project from 1997 to 1999. One of the highlights of this project was the involvement of students from four local secondary colleges with director Bryan Derrick in the Theatre of the Oppressed, a strand of theatre aimed at influencing and promoting better relationships between students, teachers, families, peers and the wider community.

The performances, each of which was followed by extensive discussion with the audience, were held in schools and other community settings. Issues and experiences presented ranged from teenage pregnancy, drug use, family conflict and racism through to bullying and exploitation of junior employees. 'Brilliant! Should be adopted by all schools as a method of promoting resilience and student participation' was one comment made after a performance in October 1999. As with its predecessor, funding ceased soon after.

Third, our school participated as one of 100 pilot schools in the Health Promoting Schools project, a partnership between the Department of Education, Vichealth and Deakin University. Visitors to Heatherhill Secondary College from Asia-Pacific countries for Vichealth's Summer School for Health promotion over the past two years were very impressed with us as an example of a health-promoting school. This project no longer exists.

Finally, Heatherhill was one of 20 pilot schools in the Student Action Teams project, a joint initiative by the departments of justice and education to work with the Safer Cities and Shires program and to encourage student leadership. Our students were most positive about their participation in this project, and their efforts were recognised when they won the education category of the Fire Awareness Community Service Awards in October 2000.

Many teachers believed that Student Action Teams was a better concept than the traditional student representative councils in schools. Funding, however, for the Student Action Teams initiatives stopped after two years.

Teachers and organisations involved in these exciting initiatives spend many hours in planning, preparing and developing resources and ideas. They then implement the programs, only to have them removed within a short space of time. It makes you wonder why they bother.

Each of the four programs described was evaluated by consultants, and on each occasion it was acknowledged that the program had benefited the students and that they were most positive about their participation in them. Such programs helped develop the protective factors against drug abuse. The strength of them all was the fact that they took a holistic approach to the health and wellbeing of each individual student. The problem appears to be that the positives from such programs are not continued and that other schools have not had the opportunity to benefit from them.

I believe I have clearly demonstrated the ad hoc approach that has been taken in relation to the issues of health promotion and drug prevention over the past five or six years. This approach must cease. We need long-term creative and supportive approaches in the future.

I would urge that the following action be taken by this joint session of Parliament:

- (1) Agreement and commitment to a long-term bipartisan vision for the health and wellbeing of young people as part of the drug prevention strategy.

The current government has developed long-term goals for literacy, numeracy and retention rates, so why not health and wellbeing?

- (2) A commitment to implementing best practice health programs for all schools.

- (3) Long-term funding for successful programs.

Thank you for the opportunity to share my thoughts on the critical issue of drug prevention. Our young people really do matter. We all have a responsibility to make a difference. Thank you.

Honourable members applauded.

The SPEAKER — I now invite Mr Peter Wearne, a youth worker from the Youth Substance Abuse Service, to address us.

Mr WEARNE — I have to get this sort of right — Mr Speaker, Mr President, Premier and Leader of the Opposition: when I look out today I see a lot of familiar faces, both within the gallery and among members of both houses. There have been people who have shared the experience of being on the streets of St Kilda with me late at night — and Louise is having a smile there — talking to young men and women who are prostituting themselves.

The issue that I want to speak about today is really about, firstly, establishing the difference between prevention for young people who will experiment with drugs and young people who will develop problematic use.

Clearly society has changed in the last 20 years. I stand before you — I will reveal my age to you now: I am 43. I got this way naturally; no chemical assistance was required whatsoever, which will probably shock some

of you. I am only a long-suffering St Kilda supporter; this is what it has done to me.

I think about my own life and the enormous privilege that I have had being raised in Victoria, being loved by two parents, being supported by family and being able to gain significant opportunity for employment. Really, I have got nothing I could want for in my life. With many of the young people I work with, that is completely the opposite.

Over the past two days we have had a young man in our residential unit at Youth Substance Abuse Service, known as YSAS, at Gertrude Street regressing through the trauma of sexual abuse. I can only describe what was seen by many of our staff as he relived that abuse in a corner of a room and acted out the effects on him of that abuse which occurred when he was under five years of age — and being shown cigarette burns by a person of 20 years of age that occurred to them when they were under a year old, and having explained to you by over 70 per cent of the young women who come through our service how significant adults in their life used them sexually and abused them physically.

When we talk about prevention for young people who have significant dependency on drugs we are not talking about a drug problem but about a lifestyle and a life problem that has not been addressed by this community.

Many of our jails, many of our homes and many of our welfare organisations are populated by young people who can tell you horror stories. There would not be a person in this room who would not have heard a story like that. You are representatives of this community — you know how the community aches; you know how the community hurts.

So where have we arrived at? We have arrived at a system that is punishing and invalidating many young people who live amongst us. I thought Margaret's words were particularly pertinent. We have to work together as a community to find ways of identifying early these people who are at risk. This is not brain surgery, this is not rocket science — we know who they are. We understand that many of our young people are suffering from mental illnesses, we understand that many of our young people are suffering from depression and we understand that many of our young people are suffering from traumatic events in their lives.

The role of trauma as a significant correlate and causation factor in drug misuse and abuse is well documented. In many cases the young people we withdraw off drugs only re-experience their trauma

once the effect of the drugs they have been taking has gone. The drugs are an adaptive device for them, a self-medicating device.

We have to provide more and more options for these young people. We have to provide housing; we have to provide significant support; we have to provide employment — creative ways of engaging these young people so they feel a part of this community and not separate from this community.

I must say to the members of the media who are here today: you have a significant role in shaping this debate and community attitude. We need to have stories that do not vilify these people but explain why they have become the way they are. These things do not happen by accident; they happen through well-documented events in their lives.

Our former executive officer at YSAS was fond of saying, 'When young people walk through our door, they walk through in two ways: either they walk through with 17 workers attached to them or they walk through with no-one attached to them'.

The issue of consistency in service provision to young people is significant. You can go to case planning meetings and have 20 professionals sitting around a table and ask the question, 'Where is the consistency in response here?'. We need to streamline our responses; we need to act on the social issues that are the causation of these factors in these young people's lives; and we need to support families because they are the principal building block in giving hope to young people. Young people are raised in families but supported by the community, so the community needs to take a hand. We need to provide opportunities. Young people should be going through our education system with a sense of hope and optimism in terms of where they come out the other end.

Youth unemployment in a society like ours is totally unacceptable. There is no reason on God's earth why young people leaving our schools should face unemployment. We need to create wealth, and to create wealth we need to create opportunities for young people to participate in the many institutions and social structures that this society values.

Because you have heard a lot today — and I commend you for sitting through it — I would like to finish on this note. This is a problem that has a solution. Prevention is not about worrying about drugs; it is about creating the social environment within which young people can flourish. It is about enabling families to do for their children what we are doing for our

children. It is about making sure that we do not have a society that favours a few and lets the rest look after themselves. Our social justice principles and our principles of humanity absolutely demand of all of us that we pay attention to this.

I am personally grateful to Neil Comrie for putting my name forward. I will tell you a story. I met Neil over 20 years ago when he was working in an anti-paedophile, anti-sexual abuse squad that worked in the inner south and around Melbourne. I remember standing across the grave from Neil at funerals of 15-year-old children who had died from drug overdoses. I remember seeing the tears in his and everybody else's eyes as we buried children that should never have died. These deaths are preventable if we as a society — and we as people who have compassion and hearts to reach out — are fair dinkum about doing something significant.

Young people will always experiment with drugs. Young people will always take risks. Let's minimise the harm that can come from that. However, in terms of problematic abuse and dependency, there are serious questions being asked of us. We need to support education systems. We need to support employers to employ. We need to support all the structures that are there as safety nets to allow these young people to participate. The last thing we need to do is to validate young people. We do not need to blame them; we need to validate them.

These are the questions I will leave you with. How do you mend a broken heart? How do you fix a trashed life? And how serious are we about making sure that this problem is seen to now and not put off to the future?

Honourable members applauded.

The SPEAKER — I now invite questions from honourable members to our expert panel.

Dr NAPTHINE (Leader of the Opposition) — My question is to Mr Neil Comrie. I welcome your contribution, including your outline of a model for an independent authority reporting to the Parliament that targets education and early intervention and diversion initiatives. Do you have any thoughts on when this model or authority could be set up?

Mr COMRIE — My only response to that would be: as soon as is really possible, but not before appropriate planning and discussion takes place as to how that model might work most effectively. There obviously needs to be time to consider the structure, accountability, mechanisms, performance indicators

and those sorts of things. I really would not like to see us rush in and put in place another ad hoc arrangement. This is too important and it must work. I would like it to come in perhaps after a few months of reflecting on how we do it best.

Mr NARDELLA (Melton) — Dr Moodie, are there different levels of prevention that you can expand upon that, for instance, would assist in preventing some people getting themselves into trouble in the future?

Dr MOODIE — I think it was alluded to by our last speaker — that a lot of the issues we are talking about in drug use are the same preventive and risk factors that determine a whole lot of other health problems and other problem behaviours. That is why there is a sense that we are not talking about just drug use; we are talking about a whole range of problem behaviours for young people and for us as adults as well. The more we start to address those bigger, more upstream issues which relate to how people connect in their community, in schools, families and workplaces and how they were brought up — as Peter was talking about — in supporting families that do fit in with and complement specific education and drug use, the better. If we are doing only the bit at the end about drug education, that is simply not enough.

We are not dealing with the upstream causes of harmful drug use, suicide, depression, tobacco addiction, early drop-out from school, crime, homelessness, and a whole range of other issues. That is why we can expand all the effort being put on drug use to looking at a whole range of social problems we need to deal with.

Mr RYAN (Leader of the National Party) — My question is to Mr Comrie. Although in a sense understandably the focus of today's discussion has been of a metropolitan nature, from a police perspective and based on your former role can I ask you to give the house information on the extent of the drug issues in country Victoria and how you feel they might best be approached?

Mr COMRIE — Sadly, I think it is fair to say that drug abuse is not confined to the metropolitan area and now in all of our regional centres in Victoria there is very strong evidence of drug abuse, sometimes at the level of that occurring in suburban Melbourne. I believe — and I think it was Dr Penington who made the point today — that to a large extent these problems have to be identified and addressed at the local level. But they must be supported by an overarching strategy which has a number of key components, one of which is the ability to provide the services where they are required. There is little point in providing a lot of

assessment and treatment services in Melbourne if the people requiring them live in other parts of the state.

Hon. KAYE DARVENIZA (Melbourne West) — Major Brunt, prior to being involved in politics, for many years I worked as a nurse in Victoria's health system, including on programs for substance abuse. I am interested in hearing your views on how the treatment system is coping with the drug problem and also what suggestions you have in the next steps for drug treatment.

Major BRUNT — There is no doubt that waiting lists are a nightmare for everyone. We need facilities that can respond immediately a person requires help, particularly the need for detoxification or rehabilitation facilities. Having said that, in the past few months the government has brought online additional rehabilitation and detoxification beds. Alongside that we need trials of other pharmaceuticals to see whether they alleviate the situation. Having brought on extra beds and having introduced a number of trials of different chemicals, in 6 to 12 months we may be in a position to monitor those trials and give an answer on their success. However, at this time we are in an awkward situation. We have just opened a 16-bed detoxification unit. In the first three weeks we had more than 100 referrals, so that is the level at which we are working.

The SPEAKER — With the indulgence of the house, Professor Hamilton wishes to add to that answer.

Professor HAMILTON — It is true that the treatment opportunities have been greatly enhanced recently. As Major Brunt said, it is a little too early to say whether that is sufficient, appropriate or the right spread. I have been examining the heroin drought, which we are researching to see what is happening. Last year between 1 January and 20 March 211 calls were taken by Direct Line, a statewide contact point for people in relation to an initial request to get on to the methadone program. During the equivalent time this year we have received 354 requests. We have certainly not yet satiated the demand for treatment, and until we do some of the expenditure in other areas will need to continue — in jails, in child protection in mental health institutions and so on. It is very difficult to have enough, but it is an issue that the house needs to be aware of.

Hon. M. A. BIRRELL (East Yarra) — My question is to Mr Comrie. This bipartisan forum and debate ends at about 10.00 p.m. today. We have heard your constructive suggestion for an independent body that reports to Parliament. We all want to make sure that there are some practical results. If you put yourself

ahead three or four months and look back, what practical extra programs would you like to see begun during that three, four or five-month period so that we can get a sense of what action you would like taken?

Mr COMRIE — I do not know I can say with any great authority or expectation that I want to see any programs commenced — that is part of the problem. To a large extent the way the issue has been dealt with is through projectitis — that is, every time we get an issue we put another project in place.

What I am asking for and seeking support for today is a commitment to a bipartisan, long-term strategy for about 10 years, which I believe is the minimum period. To undertake that, the first thing that needs to be done is to come to an agreement on a structure that effectively puts in place the necessary measures to go down that path. I would consider it a remarkable achievement if such a structure were put in place in the next three months.

Mr TREZISE (Geelong) — My question is to Professor Hamilton. I note your background in early intervention programs. A number of organisations in Geelong have regularly emphasised to me the role of harm minimisation in dealing with the issue. I am interested in hearing your views on harm minimisation as a strategy.

Professor HAMILTON — I am a strong advocate and supporter of Australian-style harm minimisation. There has been a lot of unnecessary disagreement and debate in this country because some people have a misunderstanding of what that means.

Harm minimisation continues to be the fundamental principle that underlies the national drug policy framework to which the Prime Minister and the ministers for health, justice and education federally and in the states and territories have all signed up. It is the fundamental policy principle that we all work toward.

The definition in Australia of harm minimisation can include no drugs or in the treatment world, abstinence from drugs. It is not, as it is sometimes thought of in the United States of America, the equivalent of legalising all drugs. The first thing that is needed in our dialogue is to clarify terms.

The community should humanely do all that it can to reduce the harm not just to individual drug users and their families who feel ashamed, guilty, troubled and in severe strife, but also to the community. We should also try to reduce the harm to those of us who want to use public space or want to feel safe when we go to an event. We should reduce the harm to businesses and

professional organisations who have to operate in a street environment that sometimes includes drug users who are trading.

Harm minimisation provides a constructive framework. How it is implemented and understood at the local level is something that bears great analysis and much dialogue. In my experience I find harm analysis and looking to see whether an intervention is net harm reducing or harm enhancing enormously valuable in responding to knee-jerk reactions. Sometimes our knee-jerk responses seem okay, but when they are looked at from a harm minimisation perspective they can be harm enhancing.

Mr DOYLE (Malvern) — My question is directed to Mr Comrie and I ask: what do you believe the appropriate indicators for the evaluation of your proposed independent statutory authority should be and what agency or mechanism would you believe should be responsible for collecting, analysing and evaluating that data? In the most simple words: how do we judge its success or failure and who should do that?

Mr COMRIE — There are many mechanical aspects about the proposal that need to be worked through. I have put forward a broad structure that should be constituted through an independent authority reporting through the Premier to Parliament. The normal process of accountability for public funding with the Auditor-General and various other pieces of legislation will need to be complied with.

At the end of the day Parliament itself will need to be satisfied through some reporting mechanism, whether it be an annual report or progressive reports, as to the efficacy of the solution I am putting forward. Those details can be developed once agreement is reached to go down the path of such an authority. Any authority must be held highly accountable for the expenditure of public funds. There is great attraction in such an independent authority drawing on some of the private funds that are currently committed to a whole range of different programs, the real value of which must somehow be questioned. If we can join public and private funds in this approach, the resources available to tackle the problem we are talking about today can be greatly enhanced.

Mr HOLDING (Springvale) — My question is to Andy Hamilton. One of the themes that has permeated all the presentations today is the importance the family can play in protecting children who are at risk, as well as the pervasive influence of family breakdown.

In the Springvale area the families that come from non-English-speaking backgrounds face a particular challenge because of the clash of cultures between what happens where they have come from and their experience in Australia. Will you comment on the experience of Heatherhill Secondary College, and other schools if you can, in the use of peer support as a mechanism for overcoming those areas where families are perhaps not providing the level of support they should?

Mr HAMILTON — Mr Holding is quite correct in relation to the question of family support. It is a serious problem. There are families which, if they have a concern about their child doing something wrong such as running away from home, will toss that child out of the home and create a problem. If there is any sort of serious misbehaviour the family often wants to wipe the child off the family book, so to speak. There is a great need for family support. It is a problem across all ethnic groups in Springvale. Getting family support on issues such as school councils is an issue. We have people from Anglo Saxon backgrounds on the councils and getting people from different cultures on them is a major problem. It is very serious.

There is a great willingness among young people to work together. In the couple of programs I mentioned there is a tremendous bonding between students from different backgrounds, and they work together to provide that support. We have had a number of crises over the years and students have got together. There is willingness to do that. That sort of program is really worth while.

We have been able to get cooperation between schools. Springvale is an area where the networks between young people are incredible. They all know each other and what everyone is doing, so it is a good way of getting things done. I hope that answers your question.

Hon. BILL FORWOOD (Templestowe) — My question is to Mr Comrie, and it deals with the issue of funding. I understand there is widespread support for the use of private funding in your proposed independent statutory authority, but in your contribution you suggested that there be hypothecation of existing funds from existing departments and long-term funding. Will you explore for members the funding models you have in mind to ensure that such an independent statutory authority is properly resourced?

Mr COMRIE — As I said during my address, many good things are already occurring in addressing the drug problem. There are very many committed people and quite considerable sums of money have

already been committed to various programs across the state. The real difficulty for us is to be able to say with any authority whether these programs are having any effect, whether they are properly coordinated and whether they work together to have us all headed in one direction. I think the simple and basic answer to that is we cannot say that with any authority at all.

What I am saying is that as a starting point we should quarantine that funding, consider where it is being directed and ensure it is being directed to the areas of highest priority, where we are most likely to get the most significant return. We can then consider other options that might be available for funding. Here I am talking about the private sector. I have spoken to many people in the private sector and they are very keen to make a contribution to some meaningful, long-term strategy. There may also be a third option. Although it is not for me to say, I cannot think of a better source of funding than the Community Support Fund for something as significant as this.

If put together, all of those things could provide a strong base of funding for such an authority to operate for the foreseeable future until we could clarify exactly what we needed to commit down the track. Again, that needs to be done on a long-term basis rather than on a year-to-year ad hoc basis, which unfortunately is very much the situation at the present time.

Ms DAVIES (Gippsland West) — My question is to Mr Peter Wearne. Given that so many people who have drug abuse problems are so obviously not in control of their own behaviour and lives, in your experience would compulsory detoxification and compulsory residential rehabilitation in a hopefully supportive environment be useful?

Mr WEARNE — I did not think I was going to get a question. Thank you for that, I am really pleased. When we use the term compulsory, we are going down a path that is not in sync with what some people have been through. A young woman went through our residential program about two weeks ago to withdraw from heroin. Through the withdrawal a whole lot of other issues in her life came up — memories, flashbacks and things like that. Her behaviour became so difficult that we had to ask her to leave. One of the myths about detoxification is that it is the end of the problem, but for many people it is just the beginning. All the things that have been dealt with by the drug flood back into the person's mind and life. We have to be careful about having compulsory treatment. Some people will disagree with me, but I think we have to have a range of options for people who want to deal with their drug issue.

We have talked about the harm reduction continuum of maintaining people as safely as possible while they are using right through to the abstinence program option. It is about providing many options. I am not a supporter of compulsory anything. I think we have to provide many interventions and many pathways out. The biggest issue is where does a young person go when they withdraw from a drug. Where do they go? They go straight back to the mess they were in. This is the challenge for the community. What is the six-month, 12-month, two-year, five-year strategy? David spoke about that quite eloquently when he talked about the young man who died. That is not an uncommon event. Young people withdraw, they go back, they use, and they die. Are they any better off than they were when they were on the drug? We have to have a continuum of care that incorporates life skills, family support, reuniting families when possible and other options.

Mr DELAHUNTY (Wimmera) — Following on from the Leader of the National Party I address my question to Dr Penington. Many young country people are moving to Melbourne or other large centres for education, work or life experiences, but there is not a lot of family or social support for these people. Are there any figures that identify that country youth is suffering from drug overdosing or death, and does he have a strategy to address these concerns?

Dr PENINGTON — Mr Delahunty, I agree with you that there are real problems for country youth. When young people come to the city they do not have the family support that is potentially available to metropolitan young people, and that places them at far greater risk.

There is no simple answer to that. Young people will move around; they have every right to move around. As has been said by others, we have to recognise that any attempt to change the behaviour of a person who has already started using drugs has to take into account the whole situation of that person, including their family. It has to take into account how to get them back into a reasonable social existence and to get them to see the possibility of getting employment and having a useful role in society. That is not an easy task that can be done by any simple quick fix; it has to involve all local communities in our state. That is why I have emphasised again and again that I think any body which is set up must work with local communities.

It is within the local communities where local industry is likely to be willing to make some contribution to strategies to get young people back on track and into employment. That is where we can mobilise an understanding of the issue and deal with it at the local

community level. It will not happen centrally, and I have reservations about having all the money put into a body that is in Melbourne. Services must be provided through government in many areas. They must include health services, community services, the education department and our schools, policing, justice and youth affairs. All these things continue to play a role. Those functions of government must continue.

My view is that we need to have a body that will review whether or not the programs are being successful, and that body should be accountable to Parliament and report to the Premier as required. We need to recognise that the whole set of programs across the whole range of government services is accountable in a way that is producing the outcomes we need. Those outcomes have to be in local communities right across the state.

Ms OVERINGTON (Ballarat West) — I am keen to know the views of Archbishop Pell on the strengths of family and community as a means of helping young people turn from drug usage. All speakers today have commented on the value of strengthening families in our community to provide strong support so that our young people have a fall-back position as they move through life. Would you like to comment, Archbishop?

Archbishop PELL — My views on this topic may be contentious. I believe, for a start, we should maintain the legal protections for marriage to the extent that that is possible. I find it strange that marriage is one of the few contracts that you can break with impunity, and there is no bad consequence for you if you renounce your responsibilities not just to your partner but to your children. What can be done in the area of the law is limited, and it is a massive problem.

Years ago a President of the United States of America, Lyndon Johnson, introduced a program to bring the black community forward under a program that I loosely call the Great Society plan. Senator Moynihan of New York said he was frightened at the deteriorating situation of black families destroying what President Johnson was attempting to achieve. Now, 30 or 40 years later, the white communities in the United States are deteriorating at the same rate as the black communities had been deteriorating prior to the President's introduction of that program's measures.

I would like to list four or five steps that would immediately and truly help, but perhaps a first step is for everybody to realise how grave the situation is and to appreciate the long-term potential for damage unless we can control and change it in some way. I am sorry that I cannot be more helpful.

Mr SMITH (Glen Waverley) — My question is directed to Archbishop Pell. We have heard much today about early intervention and treatment phases to help people at risk. The rehabilitation phase, particularly live-in accommodation, is perhaps the most expensive phase. How do you think that important phase can be expanded and funded?

Archbishop PELL — There appear to be two stages of rehabilitation. One is the primary and initial detoxification. The Catholic agencies looked at whether we could be involved, but the recurrent costs seem to be clearly beyond our capacity. However, the second stage that has been mentioned involves trying to provide communities for people who have gone through detoxification — that is, halfway houses — to go back into the community. Many such Christian communities are working in that way in parts of Europe — for example, in Italy. We will be looking at that within the Catholic community to try to provide halfway houses.

As has been pointed out by Peter Wearne and David Brunt, the incidence of relapse is significant and often there is nowhere for people to go after they have completed detoxification. A real need exists in that regard. Community groups such as churches can play a role in that area.

The SPEAKER — The time set down for asking questions has expired. I call upon the Premier to move a vote of thanks to our guests.

Mr BRACKS (Premier) — Thank you, Mr Speaker. I have pleasure in congratulating the speakers. The session today has been stimulating and I believe we have all learnt something new by listening to the different speakers.

A longstanding and abiding interest of this Parliament is to ensure that it has the right ingredients, the right support and the right mechanisms to make a difference to Victoria's drug crisis. Acknowledging the problem is one thing, but to take steps to remedy it is another. What we have heard today has assisted and supported us enormously and will help in the debates that each of us have in our respective houses.

On behalf of the people of Victoria, the Victorian government and all honourable members, I thank Dr Penington, Mr Neil Comrie, Dr Rob Moodie, Major David Brunt, His Grace Archbishop George Pell, Professor Margaret Hamilton, Mr Andy Hamilton and Mr Peter Wearne. You have all acquitted yourselves extraordinarily well. You deservedly hold the title of experts in your own fields. It may not be directly in all

cases, but in the sum total of experience you have added significantly to the debate in Victoria.

I also congratulate the Speaker on his conduct of this afternoon's proceedings. I notice that he afforded His Grace Archbishop George Pell a greater parliamentary privilege than we have as parliamentarians: when his time expired he was allowed to continue speaking. I have noted his preference in that matter for the future!

On behalf of the Parliament I congratulate the speakers. The experience has been rewarding. Thank you very much.

Dr NAPTHINE (Leader of the Opposition) — I second the Premier's vote of thanks to the speakers, Dr Penington, Mr Neil Comrie, Dr Rob Moodie, Major David Brunt, Archbishop George Pell, Professor Margaret Hamilton, Mr Andy Hamilton and Mr Peter Wearne, for their excellent contributions today. Their words were informative, very thought provoking, constructive and full of ideas, which is important. It is one thing to be a commentator on issues, but it is a step forward to also make constructive suggestions and introduce thoughts that can be built upon.

The speakers have all challenged us as elected members of Parliament in both houses to build on the work that has been done today and to take some significant steps. While initially they may be baby steps, let us turn them into giant strides to make a real difference to the issue of drugs in our society. We have been given a great challenge in dealing with the issues of prevention, early intervention and diversion for the next generation in our society so that in 10 years time we may look back and say that today made a real difference in ensuring that young people did not succumb to a life of drugs and crime which, unfortunately, has already happened to so many.

Mr RYAN (Leader of the National Party) — I join with the Premier and the Leader of the Opposition in commending each of the speakers who have addressed us today. One of the great virtues of the range of speakers is that each has contributed something from their own life's experience in a practical and pragmatic way.

I am grateful to them for giving their time to make those contributions. Each speaker left a message for us. With due respect to them all, the final message delivered by Peter Wearne, who spoke about the faith and hope which we owe our young people, was the thread that linked all, and is the one that is most

compelling for us to act upon as parliamentarians. I thank each of the speakers.

Ms DAVIES (Gippsland West) — I briefly thank the speakers who came into the house today. I was not in the house during the first of these momentous summits. I hope that party-political sniping may be left behind so that we may do something useful to stop so many of our young people disappearing into the black hole that is a wasted life caused by drug abuse.

The SPEAKER — I ask honourable members to agree to the vote of thanks by showing their appreciation.

Honourable members applauded.

The SPEAKER — I declare it agreed to unanimously!

I thank our guests and ask them to do us the honour of taking their seats in the Speaker's gallery and following the remainder of the debate.

I thank Mr President and members of the Legislative Council for accepting the invitation of the Legislative Assembly to participate in these proceedings.

Proceedings terminated 5.17 p.m.

Thursday, 22 March 2001

The DEPUTY SPEAKER (Mrs Maddigan) took the chair at 9.35 a.m. and read the prayer.

ABSENCE OF SPEAKER

The DEPUTY SPEAKER — Order! I advise the house that the Speaker is unwell and will not be in the chamber today.

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Victorian universities: superannuation

Mr LONEY (Geelong North) presented report, together with appendix and minutes of evidence.

Laid on table.

Ordered that report and appendix be printed.

PAPERS

Laid on table by Clerk:

Financial Management Act 1994 — Reports from the Treasurer that he had received the annual reports for the years ended 30 September 1999 and 30 September 2000 of the:

Faraday Arch Pty Ltd

Florida Banner Pty Ltd

Statutory Rules under the following Acts:

Accident Compensation Act 1985 — SR No. 21

Accident Compensation (WorkCover Insurance) Act 1993 — SR No. 21

Fisheries Act 1995 — SR No. 20

Subordinate Legislation Act 1994 — Minister's exception certificate in relation to Statutory Rule No. 20.

BUSINESS OF THE HOUSE

Adjournment

Mr BATCHELOR (Minister for Transport) — I move:

That the house, at its rising, adjourn until Tuesday, 3 April.

Motion agreed to.

MEMBERS STATEMENTS

Australian International Airshow

Mr LONEY (Geelong North) — About a month ago the Australian International Airshow was held at Avalon, in my electorate, and was again a great success. It was a wonderful airshow. I extend my congratulations to the chief executive officer, Ian Honnery, and the board of the airshow, the staff and the hundreds of volunteers from the Geelong region, who made this an absolutely fabulous event over the week that it was held.

Both the trade show and the public airshow held over the weekend attracted some 200 000 people into other areas. It was of great benefit to our local region, resulting in local accommodation houses being booked out, restaurants getting great use and other facilities in the Geelong area also being heavily used throughout that period. The event has also been of great benefit to Victoria generally, with hundreds of millions of dollars worth of trade being transacted during the trade portion of the show.

I might say that this year there was the additional difficulty of competing with road construction. I thank the Minister for Transport and his staff for the work they did in ensuring that the disruption to the airshow from road construction was kept to a minimum.

Seniors: Wangaratta concert

Mr JASPER (Murray Valley) — I bring to the attention of the house the successful launch of Senior Citizens Week for country Victorians last Sunday by the Minister for Aged Care, the Honourable Bronwyn Pike. This was an excellent function attended by more than 500 senior citizens prior to the concert provided by the Victorian Concert Orchestra.

The minister also acknowledged the difficulties experienced last year by country senior citizens accessing public transport to Melbourne from north-eastern Victoria and confirmed that additional seating had been made available on passenger rail services backed up by coach services where required. I applaud the action by the Minister for Aged Care and the Minister for Transport so that country senior citizens are not disadvantaged and are able to utilise free travel arrangements during Senior Citizens Week.

Senior citizens at the Wangaratta town hall were entertained during the afternoon by the Victorian Concert Orchestra, which was established in 1926, supported by three highly acclaimed soloists. It was a feast of entertainment for more than 500 senior citizens.

It was sponsored by the Rural City of Wangaratta and supported by the Wangaratta Lions Club. Last year some \$35 000 was provided for the orchestra through the Minister for the Arts. Continuing funding will be required from the Victorian government to ensure this high standard of musical entertainment will continue to be provided by the Victorian Concert Orchestra to country Victorians at a minimal charge.

Terry Wilkinson

Mr MAXFIELD (Narracan) — I pay tribute to Terry Wilkinson, the officer in charge of the Warragul police station, who died in February. I extend my condolences to his wife Judy and his family.

Terry was the officer in charge of the police station in his home town of Warragul. He was also the officer in charge of the Moe police station. However, Terry was not only a great police officer but was also immensely involved in the community. Even though he could have gone on to greater things within the police force, he chose to stay in the country. He was a mentor to all he worked with. He gave tremendous talks on drugs to a wide range of community groups in the region and was a great source of inspiration for people involved in the area. He also had a strong involvement in the police search and rescue unit and was an expert in that field in the Gippsland area. His expertise was constantly called on. Terry's involvement in the community was also shown through his hobbies of shooting and fishing. He was involved with the Warragul Lions, the football club and the Blue Rock Motorcycle Club.

We will all miss Terry — not just his family and friends but the entire community that he loved and served so well.

Wyndham: Domestic violence

Ms BURKE (Pahran) — Disturbing figures on domestic violence in the Wyndham area have been passed on to me as shadow Minister for Women's Affairs. There were 258 cases of domestic violence reported in the area between February and November 2000. In the period September to November 2000 the percentage of females who were victims of domestic violence in the area increased to 77 per cent of all such victims. Of those female victims, 61 per cent were in Werribee, 6 per cent in Wyndham Vale, 29 per cent in Hoppers Crossing and 4 per cent spread throughout the area.

The Bracks government made funds available for two houses to be bought to be used as women's refugees. Houses were purchased in the Maribyrnong and

Footscray areas, but no funds were available for houses in the Wyndham area. The area also needs hostel accommodation for homeless youth.

The Bracks government would be soundly advised not to overlook the women and youth in Wyndham or the need for infrastructure and services in the area. It is a growth corridor and a place where prevention strategies would have a significant outcome for victims in the community. Any help would be greatly appreciated by that community.

Amsleigh Park Primary School

Ms BARKER (Oakleigh) — As I stand in the house this morning a great event is occurring in the electorate of Oakleigh at the Amsleigh Park Primary School. The school is officially launching a fundraising community project that has been under way for some time called 'Aussie flags by Aussie kids'. One of the parents at the school, Catherine Dennis, last year attended the Anzac Day parade and noticed that the flags used were made in Hong Kong. This year she undertook to get the school involved in making Aussie flags for Anzac Day. The school is now the only accredited flag seller for the Anzac Day parade. The War Widows Association, the local Returned and Services League, local Vietnam War veterans and members of the community have been at the school every day with parents and children making flags with material that was donated by local businesses. It is a great program and I am sure it will be successful.

Amsleigh Park Primary School is a great school. It has a fantastic principal in Pauline Cripps and should be congratulated for initiating the program, which, as I said, I am sure will be very successful. It involves both the school community and the broader community. I believe they will all have a great day on Anzac Day when they sell the flags they have made themselves.

Greek war of independence anniversary

Mr KOTSIRAS (Bulleen) — This weekend Victorians will celebrate the 180th anniversary of the Greek war of independence. Victorians from across the state, including the Leader of the Opposition and other political leaders, will attend the Shrine of Remembrance to pay tribute to the heroes of 1821. After 400 years of slavery the Greeks decided to take up arms and fight for their freedom — 25 March 1821 marked the beginning of the Greek revolution, and eight years later the modern Greek state was created.

Victorians will pay tribute to heroes such as Kolokotronis, Papaflesas and Makriyannis, who

sacrificed their lives so Greece could be free today. The concept of freedom and a fair go for all is part of the Australian culture. Victoria is the most multicultural state and is where people, regardless of their racial or religious backgrounds, are able to live peacefully as one. That is one of the state's greatest strengths and assets.

Member for East Yarra Province: conference attendance

Mr HOLDING (Springvale) — Honourable members will be interested to learn that recently public accounts committees from across Australia conducted a highly successful conference in Canberra. New Zealand, South Africa and Hong Kong were also represented. Unfortunately, as often happens with committees that have a heavy workload, not all members of the Victorian Public Accounts and Estimates Committee were able to attend. However, one member of the committee who was listed to attend the conference and on whose behalf flights, accommodation and registration were paid did not attend. It was none other than the chairman of the opposition's waste watch committee, the Honourable David Davis, a member for East Yarra Province in the other place.

Ms Asher — On a point of order, Deputy Speaker — —

The DEPUTY SPEAKER — Order! I remind the honourable member for Brighton that the Speaker has ruled that points of order should be taken at the end of members statements because of the time limit imposed.

Ms Asher — My point of order relates to the proceedings of parliamentary committees, which I understand are not the province of the — —

The DEPUTY SPEAKER — Order! There is no point of order. The matter does not relate to the proceedings of a parliamentary committee.

Mr HOLDING — My inquiries of Rydges Hotel in Canberra, where most delegates stayed, revealed that the government rate per night is \$147 and the cost of a return airfare to Canberra, departing from Melbourne, is \$537 with either Qantas or Ansett. An added expense was the \$150 registration fee for delegates to the conference. Given that the proceedings required delegates to spend two nights in Canberra my estimate is that close to \$1000 of taxpayers' money has been wasted due to the discourtesy of the opposition's so-called waste watch committee spokesperson.

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

Mirabel Foundation

Mrs ELLIOTT (Mooroolbark) — On 6 February this year, Jane Rowe, the chief executive officer of the Mirabel Foundation, wrote to the Minister for Health formally requesting access to approximately \$172 600 in core funding from the Victorian government's \$77 million drugs strategy. The Minister for Community Services had previously indicated she was unable to provide such funding.

What is the Mirabel Foundation? It attends to the needs of children who have been adversely affected by parental illicit drug use, many of whom have lost both parents to fatal overdoses. Many children are referred by the state government through child protection services and the Coroners Court. They are the most vulnerable of children, who are in danger of losing their childhood and repeating the cycle of addiction to drugs or of committing suicide.

I have visited the Mirabel Foundation as has the shadow Minister for Health. Jane Rowe has received no response from the Minister for Health. In light of yesterday's joint parliamentary sitting on drugs, I ask that he give the Mirabel Foundation's request his immediate attention. After yesterday's sitting the community will be demanding action and not just words and more words.

Dandenong Benevolent Society

Mr LENDERS (Dandenong North) — I place on the record the fantastic efforts of the Dandenong Benevolent Society, which operates in my electorate. The society has been in operation for a long time and is one of those community groups through which a lot of absolute human treasures put a lot of effort into making life better for their neighbours and compatriots.

In this Year of the Volunteer I wish to pay particular tribute to four local people on the executive, Janet McPartlane, Marg Langdon, Pat Dillon and Gael Munroe. Those four women, along with many other people, run an opportunity shop and distribute benefits on behalf of the City of Greater Dandenong and other charities. They put in a lot of time and recently cleaned out the opportunity shop, as well as cleaning and marking all the clothing. They operate a food bank in the area. They are wonderful human beings and their efforts are appreciated in a community that is suffering from the ravages of the goods and services tax. They improve people's lives and their efforts should be

appreciated. This house should note their wonderful achievements.

Upper Yarra: health services

Mrs FYFFE (Evelyn) — It is very important that the Minister for Health and members of this house are alerted to the situation facing the people of the Upper Yarra Valley. The Warburton Hospital has closed. We now do not have syringe exchange facilities; we do not have access to physiotherapy or to home and community care; but, more importantly, we do not have any emergency services in the Upper Yarra region.

Maroondah Hospital is 55 minutes away. In an emergency that is far too long. It is urgent that the Minister for Health react to the council's request and arrange for meetings to happen immediately. We cannot wait. There is an industry in the region that has quite a high accident rate, and the area has the highest road casualty rates for any shire in the state, yet it is now left without any emergency care. The lack of a needle exchange program in this part of the Shire of Yarra Ranges is highlighted especially after yesterday's drug summit.

Drugs: Ballarat services

Ms OVERINGTON (Ballarat West) — Following the historic drugs debate in the house yesterday, it is timely to pay tribute to the many wonderful people in Ballarat from youth centre care workers to those in the other agencies who work passionately with people and families affected by drug abuse. They work collaboratively to provide much-needed support and advice. Although Ballarat's drug scene is perhaps not as visible as that of metropolitan Melbourne, it is indeed still there.

A number of leading agencies, including the Uniting Care Outreach Centre, the Ballarat Community Health Centre and Ballarat Child and Family Services and Centre Care work together to provide counselling and support to people who may be affected by drugs. It is interesting to note that within this professional work in Ballarat — and no doubt throughout the state — people affected by drug abuse are treated as humans. They have a human face, and sometimes that is what is missed. We hear the terms 'clients' and 'patients' used to refer to these people, but they are human beings: they are people's sons, daughters, mothers and fathers. I think it is time we brought the debate back to recognising that we are dealing with individuals who have family histories and who need to be supported at all times.

The DEPUTY SPEAKER — Order! The time has expired for taking members statements.

Mrs Peulich — Madam Deputy Speaker, on a point of order, when the Deputy Leader of the Opposition attempted to take a point of order in relation to the deliberate flouting of standing order 108 by the honourable member for Springvale, you refused to take the point of order, which it is every member's right to raise, irrespective of what time of the day or during which part of the debate that point of order is taken on.

Despite the Speaker's statement that he would desire that points of order not be taken, his desire does not overrule the standing orders of this house. In addition, I believe the Chair has erred in allowing the honourable member for Springvale to continue flouting standing order 108 by reflecting on a member of the upper house, and I would like this most serious matter to be referred to the Speaker for his very serious and immediate consideration and report to this house, because should matters continue in this vein no honourable member will be afforded protection and no standing order will deserve the respect of this house that it has had for many decades.

Madam Deputy Speaker, I think this is a most serious breach of standing orders and that if we continue with your rulings, members statements and perhaps other debates will end up being a free-for-all. I do not believe that will serve this house or any honourable member on either side.

Mr Batchelor — On the point of order, Honourable Deputy Speaker, the honourable member for Bentleigh has raised a point of order that was adequately dealt with during the 90-second members statement period in the house. The honourable member for Brighton raised a point of order with you during that period. You advised the honourable member of the earlier statements by the Speaker in relation to this matter wherein the Speaker asked for points of order to be deferred until the end of the 90-second statement period because of the ability to consume, deliberately or otherwise, a member's entitlement.

Notwithstanding that, the honourable member for Brighton persevered with the point of order and it was adequately dealt with. It is inappropriate for the honourable member for Bentleigh to attempt to construct events differently after the event. You have ruled on it, Deputy Speaker, and I put to you that the matter is now closed.

Ms Asher — On the same point of order, Deputy Speaker, I raise the issue about the timing of my point

of order. I am well aware of the Speaker's view, and everyone in this house would know that I do not have a track record of raising frivolous points of order. I think it was appropriate at that time to raise the point of order.

My understanding of the Speaker's request was that obviously he did not want the time wasted. I place on record, particularly in response to the comments made by the Minister for Transport, who is responsible for government business, that my point of order was a genuine one relating to the standing orders of this house.

In her point of order, the honourable member for Bentleigh has made a very specific request — that this matter be investigated by the Speaker. I ask that you refer the matter to the Speaker. I believe it is a reasonable request and a reasonable way of resolving this issue.

The DEPUTY SPEAKER — Order! I do not uphold the point of order, but I am more than happy to refer it to the Speaker. In fact, the Leader of the House did reflect on what I did: I gave the warning, which was the Speaker's ruling in relation to members statements.

I then allowed the Deputy Leader of the Opposition to make her point of order in relation to whether or not it was a committee proceeding. I then ruled against that point of order and explained to the Deputy Leader of the Opposition when she asked me why I ruled that way.

However, I am more than happy to refer it to the Speaker. I understand the information that was being provided by the honourable member for Springvale was not an attack on a member but was factual information relating to a conference. If that is proved to be incorrect, I am sure we can refer that to the Speaker as well.

Mr McArthur — On a point of order, Deputy Speaker, I seek clarification on your advice that an issue raised by a member in relation to another member which is factual material does not breach standing order 108 or the Speaker's ruling of, I think, earlier this year that it is only by way of substantive motion that a member can bring information into this place that is critical of another member, even if it is critical of that member's performance prior to becoming a member of this place.

Given the Speaker's ruling on those things, it appears to me that that ruling and standing order 108 together clearly indicate that it is immaterial whether the matter that a member raises about another member is factual or fanciful. The issue is whether it is a reflection on the other member's performance, either as a member of

Parliament or prior to becoming a member of Parliament.

I seek your clarification of this matter. Does the Speaker's ruling earlier this year still stand, or are we operating under another set of rules?

Mr Batchelor — On the point of order, Deputy Speaker — —

Mrs Peulich interjected.

The DEPUTY SPEAKER — Order! Points of order should be heard in silence.

Mr Batchelor — The honourable member for Monbulk tried to suggest that under standing order 108 it was not appropriate for members of this house to talk about factual matters in relation to other members of this house and other chambers. If that proposition were to proceed members would not be able to ask questions, answer questions, or enter into the cut and thrust of political debate here.

Standing order 108 is specific and relates to members of the chamber using offensive or unbecoming words in referring to another member. It does not relate to issues of fact. The real issue here is the motive that lies behind this attack and this sudden flurry of interest in the standing orders.

We on this side of the house are aware that this is a diversionary tactic on the part of opposition members to take the heat away from their own failings and from their squabbling and fighting among themselves.

The DEPUTY SPEAKER — Order! I ask the Leader of the House to refrain from debating the issue.

Mr Batchelor — I make that factual statement, Deputy Speaker — and if you were to uphold the point of order raised by the honourable member for Monbulk I would be banned from saying it! You obviously cannot do that, Deputy Speaker, as the place would grind to a halt if you did. I suggest that you desist from further hearing the point of order raised by the honourable member for Monbulk and sit him down.

Mrs Peulich — On the point of order, Deputy Speaker, I refer to a ruling made by Deputy Speaker Maddigan on 24 November 1999 as outlined in *Rulings from the Chair* — 1920 to 2000:

Imputations against members. During a member's speech, in light of general comments he was making about an 'individual's' behaviour, the Deputy Speaker read to him SO 108, reminded him of the provision, and warned that if he made any personal reflections on members, she would no longer hear him. The member continued and, almost at the

conclusion of his speech, connected his remarks with a member of the house. The Deputy Speaker refused to hear him any longer.

In the interests of consistency and of the fairness of applying the rulings of this house, Madam Deputy Speaker, I suggest you have no option but to uphold the point of order and refer the matter to the Speaker in order to have the ruling reinforced to all members of the house.

The DEPUTY SPEAKER — Order! I do not uphold the point of order. The matter to which the honourable member for Bentleigh was referring involved a member of the house inferring criminal behaviour in relation to another member of the house. That is different from the situation here, where no imputation of that sort of behaviour was made in relation to the member.

BUSINESS OF THE HOUSE

Notices of motion

Mr BATCHELOR (Minister for Transport) — Deputy Speaker, I have a motion — —

Ms Asher — Do you know what you're doing?

Mr BATCHELOR — Yes, of course I do. Do you? I will remind you all day long of the squabble between you and the honourable member for Berwick last night. That's what I am doing. What are you doing?

The DEPUTY SPEAKER — Order! I ask the house to come to order.

Ms Asher interjected.

Mr BATCHELOR — Talk about it all you like. You wouldn't be the first, you won't be the last!

The DEPUTY SPEAKER — Order! I ask the house to come to order.

Mr BATCHELOR — I move:

That the consideration of government business, notices of motion nos 1 to 5, be postponed until later this day.

Motion agreed to.

PARLIAMENTARY PRECINCTS BILL

Second reading

Mr BRACKS (Premier) — I move:

That this bill be now read a second time.

Honourable members will be aware that in the Parliament the Presiding Officers of both houses of Parliament hold ultimate authority over, and responsibility for the security of the Parliament. This is one of the privileges of Parliament, namely, the ability of Parliament to secure itself against outside interference. In this way, Parliament is the only place of its kind in which the Presiding Officers have exclusive jurisdiction. The police are subject to the authority of the Presiding Officers and they cannot perform any duty within the Parliament without the Presiding Officers prior consent. This parliamentary privilege is a longstanding principle; however its nature and extent remain obscure.

When the Scrutiny of Acts and Regulations Committee reviewed the Unlawful Assemblies and Processions Act 1958, the committee received a submission from the Presiding Officers recommending that specific legislation which clarified the area of the parliamentary precincts and the authority of the Victorian Parliament to provide for the security of that area was needed. The committee accepted that submission and recommended the enactment of parliamentary precincts legislation.

This bill implements each of the objectives of the legislation recommended by the committee. The existing parliamentary privilege will be modified only to the extent that this bill gives additional powers to the police and protective services officers.

The area of the parliamentary precincts is specified with more precision, removing former doubts concerning the Spring Street boundary. The incorporation of the Surveyor-General's plan into this bill clarifies that the precincts commence at the first step adjoining the footpath at Spring Street. I am sure every honourable member will be pleased about that. The bill also provides for additional premises used by the Parliament to be added to the area of the parliamentary precincts by order of the Governor in Council.

The bill enhances the ability of the Presiding Officers to secure the Parliament by giving them clear responsibility for the control and management of the parliamentary precincts. The Presiding Officers can grant leases or give licences to enter parts of the precincts and make arrangements for entry into the precincts for works to be performed. These powers do not interfere with the role of the House Committee to

manage the refreshment rooms within the Parliament and supervise maintenance works.

The Presiding Officers and senior parliamentary officers, such as the Usher of the Black Rod, the Serjeant-at-Arms and the Clerks of both houses are granted specific powers to secure the Parliament. More importantly, these powers are also granted to police and protective services officers and are exercisable without the Presiding Officer's prior consent. The crucial power is the ability to direct persons to leave or not enter the parliamentary precincts. Persons who do not comply with these directions can be forcibly removed or arrested. Offences are prescribed for failing to comply with a direction from an authorised officer to leave or not enter the precincts.

In addition to the granting of specific powers to the police the bill also enables the Presiding Officers to enter a memorandum of understanding with the Chief Commissioner of Police. This memorandum can contain an agreement as to the manner of exercise of any powers granted to the police or protective services officers or give them additional powers by agreement. Any powers granted by this bill to the police or parliamentary officers remain subject to the overall supervision of the Presiding Officers.

The powers of the Presiding Officers to grant leases or licences or make arrangements for entry into the precincts for works to be performed cannot be delegated. Otherwise the powers of the Presiding Officers under this bill may be delegated to senior parliamentary officers, save for their overall supervision of the precincts.

Finally, the bill repeals the restrictions on assemblies around Parliament House imposed by the Unlawful Assemblies and Processions Act 1958. A prohibition on groups which assemble around the Parliament to protest or raise awareness of public issues is completely inconsistent with a democratic society.

I am sure that all members will support the clarification of the powers of police and parliamentary officers in this bill to secure the Parliament without impairing Parliament's inherent privileges to protect itself from outside interference. Additionally, I am sure that all members will agree that the repeal of outdated and undemocratic restrictions on the right to protest is long overdue.

I commend this bill to the house.

Debate adjourned on motion of Mrs ELLIOTT (Mooroolbark).

Debate adjourned until Thursday, 5 April.

STATE OWNED ENTERPRISES (AMENDMENT) BILL

Second reading

Mr BRUMBY (Treasurer) — I move:

That this bill be now read a second time.

The current Victorian state equivalent tax regime operates under section 88 of the State Owned Enterprises Act 1992 (SOE Act) and is administered by the Treasurer or delegate. The Treasurer has the power to direct entities to comply with this section and tax equivalent is payable to the Treasurer in a manner and at times determined by the Treasurer in accordance with the Treasurer's Instructions.

More recently, all Australian jurisdictions have undertaken to establish a national tax equivalent regime (NTER) under the Intergovernmental Agreement on the Reform of Commonwealth–State Financial Relations (IGA). The NTER will largely replace the current state and territory regimes, which are generally, based on commonwealth tax laws. Whilst the Bracks government is opposed to the commonwealth government's goods and services tax (GST) the Victorian government is committed to honouring its obligations under the Intergovernmental Agreement on the Reform of Commonwealth–State Financial Relations, agreed by the previous government.

Consistent with national competition policy principles, the NTER will introduce a more standard and uniform income tax framework for government business enterprises (GBEs) by more closely approximating commonwealth tax laws faced by the private sector. The NTER will over time remove tax law inconsistencies applying to entities within and between jurisdictions and assist in business decisions being made on a more consistent basis.

The major principles of the NTER may be described as follows:

Each jurisdiction will be responsible for determining which of their entities will be included in the NTER and, under the proposed coverage, there will be broad consistency across major contestable industries such as electricity, water, urban transport, ports and rail.

It is based on commonwealth income tax laws but remains an equivalent tax regime. GBEs in NTER will remain exempt from actual commonwealth income tax.

The Australian Taxation Office (ATO) will administer the NTER on a cost recovery basis.

All tax equivalent revenues of entities participating in the NTER will continue to be paid to their owner governments.

The NTER is scheduled to commence operation from 1 July 2001.

Legislative amendments are required for Victoria to fully meet its commitments under the NTER.

I now turn to the particulars of the bill.

Commonwealth sales tax

The bill repeals references to sales tax in the SOE Act, as from 1 July 2000 it no longer applies under commonwealth law.

Power of direction

The bill provides the Treasurer with the power to direct state owned enterprises to comply with and withdraw from the NTER.

Delegation

The bill allows the Treasurer to delegate certain powers, under section 88 of the SOE Act in relation to state owned enterprises that have entered the NTER, to persons employed in the administration of the NTER.

Review

The Treasurer's review mechanism under the SOE Act will not apply to state owned enterprises directed to enter the NTER as the NTER will contain its own review mechanism.

This bill is a consequence of national taxation changes and is necessary to complete one of Victoria's commitments under the IGA.

I commend the bill to the house.

Debate adjourned on motion of Mrs ELLIOTT (Mooroolbark).

Debate adjourned until Thursday, 5 April.

CITY OF MELBOURNE BILL

Second reading

Mr CAMERON (Minister for Local Government) — I move:

That this bill be now read a second time.

The purpose of this bill is to implement representational reform to the City of Melbourne and give the city a fresh start.

The bill will provide the best opportunity for a newly elected council to achieve internal stability, be more reflective of the diversity of interests within the city and work constructively with the state government to provide the vision, focus and leadership expected of Victoria's capital city.

The bill responds to the extensive consultations carried out by the ministerial working party earlier this year and built upon findings of the city's own facilitation panel which was engaged to advise it on means to improve governance within the council.

The council's facilitation panel provided a valuable insight into the problems within the council and made two recommendations which required state consideration — a legislated partnership between the state government and capital city, and reform to the representational structure to foster more effective representation.

The changes outlined in this bill address these issues and provide for a fresh start at the City of Melbourne.

A government working party, set up to advise on an appropriate representational structure for the City of Melbourne and on opportunities to strengthen the relationship between the state and the city, consulted with relevant stakeholders and undertook research into capital city models existing in other jurisdictions.

The government's consultation process proved invaluable and identified a number of recurrent themes. City stakeholders want stability, improved representation and good governance in their council. They want their councillors to be able to represent a diversity of views and to balance business interests and city revitalisation with residential needs.

In essence, stakeholders wanted a strengthened city council that could work with the state government to deliver an internationally competitive and livable city.

Overwhelmingly, stakeholders stressed the importance of encouraging quality candidates, able to effectively represent their constituency with a whole-of-city focus.

This bill provides a means to achieve the vision so candidly expressed by the city's constituent groups. The government firmly believes that this bill provides the best opportunity for a newly elected council to deliver stable governance, strong leadership and strategic focus.

The nature of the relationship between the city and the state government is of critical importance to the economic development of the whole of the state.

Groups representing Melbourne retail, business, property and government sectors all emphasised a need for the state government and city council to work in partnership on policies and projects of significance.

The way that Victoria is projected nationally and internationally relies in part on the level of cooperation and shared strategic vision between the state's capital city council and the state government.

To this end the bill provides for the City of Melbourne to have certain objectives above and beyond those applying to Victoria's other local governments. The bill sets out specific objectives aimed to align the strategic directions and policies of the city with those of the state. Provision is made for the city and state to meet, on a flexible basis, on relevant issues. I envisage that as the cooperative relationship beds down, the city may establish stronger links with its constituents and convene, as needs might arise, consultative meetings with its diverse community.

In order to ensure that the vision for the City of Melbourne can be effected as promptly and effectively as possible, the bill entails legislative mechanisms which will: bring about an early election, abolish the current district-wide ward and replace the dual system with one, simple unsubdivided municipality. There will be no alteration to the current number of councillors (nine), but they are to be elected with a leadership team consisting of a lord mayor and deputy lord mayor and seven other councillors.

The bill provides for the filling of any absences or vacancies in the offices of both the lord mayor and his or her deputy, and also provides for the grouping of candidates.

There remains the right of candidates to nominate as individuals and to elect the direction that their preferences, in the proposed Senate-style proportional representation system, be allocated to other candidates.

The bill provides that the mayoral leadership team is elected on a separate ballot paper on the basis of exhaustive preferential voting.

As in the Australian Senate there will be the simple option of above and below the line voting. The government recognises that simplicity is an important aspect of any electoral process which aims to maximise the validity of votes — all the more important in city

elections which will be held, as at present, by postal ballot.

Once an order in council sets the polling day, nominations for candidacy must follow promptly and the community is advised to familiarise itself with the nomination process, with the candidates and their groups if applicable and to gear up to vote early.

The government looks forward to working with the newly elected Melbourne City Council once the voters have made their determinations at this most significant poll.

I commend the bill to the house.

Debate adjourned on motion of Ms BURKE (Pahran).

Debate adjourned until Thursday, 5 April.

CORPORATIONS (COMMONWEALTH POWERS) BILL

Second reading

Debate resumed from 20 March; motion of Mr BRACKS (Premier).

Dr DEAN (Berwick) — The Corporations (Commonwealth Powers) Bill is not one of the trivial measures that those opposite tend to get caught up in. The bill is one of those important and incredibly complex measures that have to be dealt with. Often when people say, 'Thank God there are only a few lawyers in Parliament' — although others suggest that perhaps there should be more — I wonder how Parliament can pass such complex measures when it is quite clear that a number of members in the house not only do not know but do not want to know what is in a bill. Therefore a heavy burden falls on the shoulders of those who have the expertise in the area and I certainly address the task very seriously, as I am sure other members do.

Mr Baillieu — What about the architects?

Dr DEAN — They are also the architects of their own downfall!

The bill arises as a consequence of thoughts and actions of 100 years ago. As we approach the centenary of Federation it is a good idea to note that so much legislation has to be introduced because we have a constitution that is not easy to change. As the world around us modernises and people, cultures and attitudes change, we find that our constitution makes it difficult for us adapt to those changes.

One feature of our country that must be adapted is the relationship between the states and commonwealth. It is a moving feast, so to speak. The relationship between the states and the commonwealth is in a constant state of change. The requirements, obligations, pressures and burdens on Australia change and so the need for the states and the commonwealth who share the jurisdiction of power must change as well.

In this particular case, given the interrelatedness of the states and the commonwealth, for some time it had been considered perfectly appropriate and necessary in a modern community to have a court that decides disputes based on federal law and courts deciding disputes based on state law to be able to hear each other's cases. It was considered necessary for the state to allow a federal court, which hears matters in the federal jurisdiction, in some cases to hear matters in the state jurisdiction, so through a cross-vesting power conferred to each other's courts this was allowed to happen.

Everyone considered that to be a happy compromise and a good result in a modern community. Then, as they are wont to do, lawyers fought hard in a particular case in their wish to find a way to protect their client. I notice that today there is someone sitting in the parliamentary gallery who is well aware of the capacity to protect clients by going to the very heart of constitutional jurisdiction.

Mr Baillieu — And he wants to be an architect!

Dr DEAN — And he is an architect who builds his own house on his own foundation!

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Berwick will cease referring to people in the gallery and get on with debating the bill. The New South Wales Parliament passed the bill in record time and I hope this Parliament can do something similar.

Dr DEAN — I certainly take your point, Mr Acting Speaker.

As a consequence of the work of the lawyers, one case went to the High Court, where it was argued that cross-vesting is unconstitutional. It was put that, unlike the plenary powers of the states, the power of the commonwealth is set out word for word in the Australian constitution and the document provides no power to the commonwealth to allow federal courts to exercise power in a state jurisdiction. Then, of course, all the cases that over the years had been decided by federal courts based on state jurisdiction suddenly were in turmoil.

All sorts of suggestions were made about how the problem could be overcome, and a few bandaid measures were introduced. It is amusing to find that even when the commonwealth and a state want something and they agree on that, they cannot have it because of a document that was created 100 years ago. It is a very interesting situation. It was not that they were fighting each other; everybody wanted a certain result but it was not possible to achieve it.

As I said, bandaid solutions were quickly found. They were known to be a bit shaky and in a very short time they were proved to be so. A way had to be found around the problem. The Robert Dean, shadow Attorney-General solution, which was the famous — or infamous — proposal of a merger of the state Supreme Court and the Federal Court of Australia into one superior Australian court body, has not yet hit the ground running, but it is definitely still in the race!

In the meantime lesser solutions have been contemplated, one of which is that the states give the necessary power to the commonwealth so that it can confer on its courts jurisdiction to hear cases based on what would then be commonwealth power. One might well ask: since when have states been happy to give power to the commonwealth? The answer is never, and they never will be!

The current solution has been arrived at because for the good of the country it is necessary that cases can be heard in federal courts, even though they are exercising state jurisdiction. However, there are some riders. The first is that the power can be taken back at any time. The next is that there is a sunset clause so unless the power is initiated again it will automatically come back to the state. There is no power in the commonwealth to change legislation unless the matter goes to the ministerial council of the commonwealth and the states.

The states have indicated that they will assist in finding a solution to the problem. They have agreed to give the commonwealth the power they have had all this time, but on the basis that there are checks and balances all the way down the line. However, they are not handing over the power so that the commonwealth has it and the states do not. It is a solution for a while but there are so many areas apart from Corporations Law where there is the same problem, and in the end it cannot possibly be solved entirely by this process. Obviously Corporations Law is important and must be fixed.

Mr Baillieu interjected.

Dr DEAN — It is funny that honourable members should be clamouring for the Dean solution!

Sooner or later it will be realised that it is not such a great problem and that if a court is exercising both state and federal jurisdictions within the one court, those matters can be heard and the proper results achieved. However, there must be the will of the courts to come together in that way.

It is important for history to note one rider, because it has been going on for a long time. I have been a great proponent of cooperative federalism as distinct from competitive federalism or federalism that is based on an adversary approach. It is one of the reasons why the states agreed all of a sudden to allow the corporations power to go across in this way.

I was once associate to Sir Reginald Smithers, who was a great man, and I remember him saying that he often wondered why it was that the federal government, which has corporations power, had not pressed to the full extent of that power to gain more power for itself. That government does have corporations power, and it is the view of many that if it pushed the issue it would have the power relating to the starting up and closing down of companies.

One of the things that got the states cracking was that clearly if they did not do so the commonwealth might decide to introduce the legislation itself, say it had the power, and see whether in the courts it actually did have the power. Apart from the desire to cooperate and get together to do the right thing there was also a bit of a twist in the tail for the states, because if they did not cooperate maybe the commonwealth, with the help of a High Court minded to expand power, would take more of the power than it already had or would prove it already had that power.

The game is not over yet, but I am pleased that the state government is proceeding in a cooperative manner, because it is the way of the future for this country. There is no way Victoria will be able to grab the future it is entitled to unless federalism becomes cooperative federalism and the Premiers and the Prime Minister operate together on national issues within the Council of Australian Governments on a regular basis and with a proper executive. COAG must become a body of great significance rather than an ad hoc body that tends to work with conflict rather than with cooperation. I have no doubt that sooner or later Australia will go down the line of cooperative federalism. It will be the dawning of a new age, and the Dean proposal will be — —

Mr Baillieu — The Deaning of a new age!

Dr DEAN — Yes, the Deaning of a new age. It is going to be an exciting time. I look forward to it.

Mr RYAN (Leader of the National Party) — The National Party supports the legislation. There is a sense of urgency about it for the reasons that appear in the second-reading speech. By way of a caveat, it is important to recognise that this is a cooperative effort by the government, the opposition, the National Party and the Independents to get the legislation through immediately, for the reasons that have been explained.

It is an evolution of laws and another step in a journey that is far from complete. It arises because of the basic notion of the respective states and territory jurisdictions wanting to have their own place in things while simultaneously recognising the benefits of being able to come together in other environments for the purpose of the national interest.

There is an apparent dichotomy that has been part of the history of this great nation since the Federation. The passage of the legislation and the case law that has been decided since the complications arose reflect the desire of each of the respective state and territory jurisdictions to be a law unto itself and yet be prepared to come together with the others for the purpose of the greater good of all.

The National Party supports the bill. It is prepared to cooperate in this instance in exempting it from having to comply with the usual time frames and mechanisms involved in passing a bill, because otherwise the process would have taken much longer. It is another example of the parties in this place coming together to enable the bill to pass quickly for the common good.

Mr WYNNE (Richmond) — I support the Corporations (Commonwealth Powers) Bill, and I thank the honourable member for Berwick and the Leader of the National Party for their contributions.

Mr Ryan — Brief contributions!

Mr WYNNE — Indeed, they were brief contributions. As has been previously indicated, the purpose of the bill is to give effect to the compromise proposal reached by the Prime Minister, our Premier and their respective Attorneys-General to facilitate the referral of powers by the state to the commonwealth Parliament in relation to corporations legislation.

Victoria has certain obligations under the corporations agreement to ensure the effective ongoing operation, administration enforcement and uniform application of the national Corporations Law scheme. However, recent legal challenges and decisions of the High Court

of Australia have cast doubt on the constitutional framework that supports the Corporations Law. The court cases in question are the *Wakim* case and *Queen v. Hughes*. The effect of these cases has been to introduce uncertainty and inefficiency into the operations of the Corporations Law, and in turn and most particularly, provide the potential for adverse impacts on investment in Australia. It is a significant piece of legislation.

Although under the previous scheme Corporations Law was a national system, it operated as a law of individual states or territories rather than as a law of the commonwealth. Essentially the court cases question the ability of the commonwealth to undertake or administer a function of what is, in effect, a state law. They also question the ability of the Federal Court of Australia to have jurisdiction in relation to a law which, in effect, is not a law of the commonwealth Parliament.

The response of the Victorian government has been twofold: there is general agreement by Attorneys-General that this long-term problem can be fixed only by a national referendum, but I am cognisant of the position put by the honourable member for Berwick that we will have to see how that pans out over time. In the meantime, a number of legislative options have been put forward, including the cross-vesting legislation the Bracks government passed very soon after coming to office.

Last year Victoria led the process in developing the latest solution, which is to refer powers to the commonwealth and, indeed, at the meetings of Attorneys-General from across Australia the Victorian Attorney-General was the leader of that discussion. This was done on the basis that the laws, including and most particularly those relating to industrial relations and the environment, would not be abused by the commonwealth. Last December a meeting occurred between the Premiers and Attorneys-General of Victoria and New South Wales and the Prime Minister, who agreed on the way forward.

The states are protected in a number of ways, including the provisions of clause 4. For those who are interested I turn briefly to clause 504A of the intergovernmental agreement between Victoria and the commonwealth, which particularly excludes from any consideration by the commonwealth industrial relations or environmental matters. Subclause (c) specifically refers to:

any other matter declared unanimously by the members of the Ministerial Council representing referring States be a matter to which this clause applies.

There are significant protections for the state in terms of the handover of powers. Most particularly, in their negotiations the Attorney-General and the Premier have insisted that industrial relations powers and environmental laws be specifically excluded.

Further safeguards include an objects clause in the legislation which protects against abuse, and I have already referred to clause 504A of the intergovernmental agreement. Of course, the states have the ability to terminate their involvement, although if a state seeks to do so it will obviously fall out of the scheme as a result and be the subject of the potential deleterious impacts that will ensue from that. Another safeguard is the ability of four or more states to terminate the whole scheme if it is their view that an issue is serious enough. Suitable checks and balances are included in the bill. It mirrors legislation that has already been passed by the New South Wales Parliament and brings into line that state and Victoria.

I commend the speedy passage of this bill to the Parliament. It is important that we show leadership on this matter and that we can bring certainty to this vexed area of commonwealth–state relations. I am sure the house sincerely wishes the Attorney-General a speedy recovery from his illness, and on his behalf I thank the honourable member for Berwick and the Leader of the National Party for their contributions. I commend the bill to the house and wish it a speedy passage.

Mr HAMILTON (Minister for Agriculture) — It was pleasing to note not only the accord among the speakers on this bill but also their commitment to its need for a speedy passage by making very short speeches. That is always a pleasing part of the operation of Parliament. No doubt it was due to the good advice given by the clerks and the staff of this Parliament.

I thank all the speakers for their contributions and the spirit with which they have adopted support for this very important piece of legislation.

The ACTING SPEAKER (Mr Lupton) — Order! I am of the opinion that the second reading of this bill requires to be passed by an absolute majority. As there is not an absolute majority of the members of the house present, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

Motion agreed to by absolute majority.

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

Third reading

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

FORESTRY RIGHTS (AMENDMENT) BILL*Second reading*

Debate resumed from 2 November; motion of Ms GARBUTT (Minister for Environment and Conservation).

Government amendments circulated by Ms GARBUTT (Minister for Environment and Conservation) pursuant to sessional orders.

Mr PLOWMAN (Benambra) — The opposition does not oppose the bill, which is clearly designed to encourage not only investment in the growing of trees but also the provision of a carbon sink. The bill also promotes the mitigation of greenhouse gas emissions and attempts to bring balance to the debate as brought about by the Kyoto agreement.

However, this is clearly a case of putting the cart before the horse. With the best of intentions the government has introduced legislation that has stirred up a deal of criticism, and on reading some of the responses that criticism appears to be justified.

Until programs exist to enable trading in carbon credits the bill will be totally ineffective. It will do nothing to overcome the problems of greenhouse gas emissions and what they purportedly do to Australia's atmosphere and climate. The whole argument is based on whether greenhouse gas emissions are effecting climate change and, as a consequence, will adversely impact on the environment in which we live.

It is too early to make a judgment on that issue. The bill is based on historical records of climate changes over a 50 to 100-year time frame, whereas if you look back in history you will see that climate changes and the resultant environmental changes have happened over millions of years. What we are looking at now may well bring about a degree of change, but that change has been overstated. The climate change we are experiencing is more likely to have been effected by normal occurrences that are not instigated by greenhouse gas emissions.

I do not in any way resile from the fact that if we are to be responsible about this issue we must look at greenhouse gas emissions and do our best to reduce them, because they impact on the environment and may cause climate change. Although the opposition supports the government's approach to the bill, some of the beliefs espoused about climate change are based on too little knowledge. As I said, given the climate changes that have occurred over millions of years, 100 years of records are not sufficient to make a clear judgment.

The scientific world is also divided on this issue. Although it is becoming evident that we are experiencing a degree of climate change, how much of that can be directly pinned on greenhouse gas emissions and how much of what we are proposing to do to mitigate the situation will have an impact on climate and therefore environmental change is unclear.

As I said, numerous concerns have been expressed about the bill. I will read some extracts from letters and emails that have been received. Richard Elkington from Loy Yang Power states:

It is not clear where plantings for Landcare or other environmental purposes fit within this framework.

That is a good point. Substantial Landcare plantings are occurring throughout Australia, but particularly in Victoria. Given that Victoria is a leader in Landcare and initiated the Landcare program, it is important to look at such plantings to see where they fit into the formula. The legislation does not contain a specific area for those sorts of plantations. Mr Elkington continues:

The bill talks of carbon sequestered in trees. What about the soil which can contain more carbon than the vegetation?

The bill should therefore more clearly address the issues of soil carbon and other commercial plantations.

I will make that point more clearly later because it is important that the legislation separates the property value of the land from the property value of the trees or the plantations. However, when one looks at the additional amendments to the bill, it can be seen that there is a further separation of the carbon credit or the carbon sequestered in the tree as a property value separate from the tree and from the land.

The third point in Mr Elkington's email is:

The bill obviously has the issue of carbon credits in mind. This is in itself a political and legal minefield littered with uncertainties such as:

no international or domestic rules established yet;

cannot yet 'bank' carbon credits;

still considerable conjecture on whether a tonne of carbon, from a commercial plantation, can be sequestered in under 100 years — i.e. from a number of planting/harvesting rotations.

It continues:

... creation of a commodities market in carbon — too early — will provide impetus for an early establishment of an emissions trading market which, in the absence of an international scheme would be extremely damaging to the national and state economy.

The bill also seems to cut across the consultation process established by the state government for preparation of a state greenhouse response strategy.

I refer back to the point I just made: it is putting the cart before the horse. It could bring in a market for carbon before the emissions trading market is established. In the absence of an international scheme it could be damaging to the national and state economy. Those remarks draw a lot of interest and should be considered by the house and by all those involved in the development of the legislation and of a carbon credit market.

I refer to a letter from Roger Holloway, who is an expert in this area. His letter states:

Creation of carbon sequestration rights must involve the landowner.

I hark back again to the fact that we are separating the rights and the tree and looking at the carbon sequestration right of the tree and not of the land. Mr Holloway makes it clear that it must involve the landowner. The letter continues:

Section 15 states that a forest property right granted under a forest property agreement in force immediately before the commencement of the act is deemed to include a carbon sequestration right.

For temporary sinks (any single rotation tree plantation) it will be noted that no such benefit will arise (and indeed there may even be a liability) for all normal cases under section 15. In other words, if the purpose of the act is to be fulfilled in a positive manner, the carbon sequestration agreement must refer to rights and obligations that extend beyond the term of a (normal) forest property agreement;

We are looking at forestry property agreements that could be as short as 20, 25 or 30 years. Mr Holloway continues:

... and involve more parties, both in relation to the forest property itself and to the soil.

We get back to that point again, that you cannot separate carbon sequestered in a tree because, as has been indicated in earlier correspondence, there is also carbon sequestered in the soil. In many cases it can be

shown that more carbon will be sequestered in the soil than in the tree.

I refer to a letter from John Sparkes from Harris-Daishowa and quote from part of that correspondence:

We are happy to earn carbon credits while we are growing the trees, however, we will lose them all when we cut the trees down at harvest time.

He is making the point made by Roger Holloway that you cannot rely on a single rotation; you have to have an agreement that binds in a continuation of rotations. The letter continues:

Carbon credits may be valuable for people who are prepared to grow trees and leave them in the ground permanently.

In looking at forestry plantations, which the bill is designed to look at, that is not the aim. The aim is to plant a tree, to grow it out, and then to harvest it, as you would any other crop. If the bill is designed only to look at those trees that are going into the ground and will stay there permanently, obviously the whole basis is headed in the wrong direction. The basic legislation is designed to encourage plantation forestry and to encourage investment in it.

I note further correspondence from Amanda Mackey that states:

In particular, there are some potential challenges surrounding the issues of insurance risk, i.e. how would a credit purchaser gain a replacement for credits traded on a forest that has burnt down?

Again, I cannot see any part of the agreement that recognises what happens if a forest or a plantation that is part of a carbon credit arrangement under the legislation burns. Obviously the carbon is emitted to the atmosphere. How do you accommodate that situation and should the legislation encompass those sorts of concerns?

Mr Mulder interjected.

Mr PLOWMAN — That is a concern. If a body, firm, business or individual wishes to join this carbon credit trading arrangement as envisaged under the legislation and they purchase carbon credits from a forest that burns down before the carbon credit arrangement time expires, what happens when an emitter, a business that is looking for a carbon credit because of the emission it has, actually causes or is party to a further emission by way of the carbon credits it has bought into?

The next response is from the Environment Liaison Office (ELO). It states:

The ELO group is concerned at the pre-emptive nature of the legislation. The recent conference of parties to the Kyoto protocol failed to achieve an agreement on carbon sink activities and significant definitional uncertainties remain (to be negotiated in May 2001).

Until the Kyoto protocol is ratified, nations will not have access to an international emissions trading market.

...

'We would not support the issuing and trading of carbon credits from sinks until a set of robust, widely agreed principles and criteria for assessing sink activities has been established' ... the restriction of forest sink activities to revegetation of native ecosystems, 'where revegetation is geared towards biodiversity enhancement and amelioration of land degradation'.

Honourable members can gather from that criticism that the Environment Liaison Office believes there should be a 'restriction of forest sink activities to revegetation' that is designed to ameliorate land degradation, but clearly that is not the intent of the bill. The office goes on to say:

... the groups insist on a limit of 10 per cent being placed on the amount of emissions that could be offset by investment in sinks.

I do not think the bill is designed in any way to determine how the company that has an emission of carbon dioxide should trade in carbon. Once again that identifies clearly that until we have trading rules on carbon credits the development of this bill will be seen by people across the spectrum, from the Environment Liaison Office to commercial traders, as pre-emptive and as having been designed to do something within a market that has not yet been established to handle it. The bill will create more uncertainty than clarity in the market.

A final point from the ELO is that this concept:

... might prompt clearing of native vegetation for conversion into 'carbon sink' projects.

Of course, the ELO group is opposed to that.

The other area I wish to cover is not only property owners' rights but the ability of trees to sequester carbon and the fact that they cannot do so if they do not gain sustenance from the soil. So in the case of the separation of a property between the landowner and the owner of the forest or the trees, if we look at a third party coming in and providing a windfall gain to the owner of the forest or the trees we must consider whether we are being fair to the other party. Given that the land is sequestering carbon in its own right and

supporting and sustaining the trees that are sequestering the carbon itself, shouldn't the landowner also benefit from the windfall gain coming from the carbon credit?

A number of people have commented on this matter. Ross Blair from McKean and Park, a consulting company, says:

Section 3 definition of 'carbon rights agreement'

It is strenuously contended that a carbon rights agreement should be capable of being entered into by landowners as well as by forest property owners. There will be many cases where trees are being grown by a landowner on the landowner's own property. There seems to be no reason why in these circumstances the landowner cannot either grant carbon rights directly or alternatively enter into a forest property agreement whereby the landowner is both landowner and forest property owner.

You have to doubt the wisdom of the bill if the owner of the land who has planted the trees cannot enter into a property rights agreement in respect of the carbon sequestered by those trees but in fact has to enter into an agreement with himself under the forest property agreement. This seems to be a totally unnecessary requirement of a property owner who will want to use the legislation to enjoy the opportunity of trading in carbon credits.

I shall quote from an email sent by Mr Peter Lowenstein to the shadow minister for conservation and environment:

From a reading of the bill there appear to be illogical inconsistencies between the rights of owners of land and forest property owners to deal with carbon sequestration rights. As presently drafted, the bill does not allow an owner of land to deal with carbon sequestration rights independently of a forest property agreement.

That again highlights the point I have just made: the property owner is left out of this equation. If the property owner is also the owner of the trees, the bill does not accommodate his taking out an agreement. The email also states:

... it would be best for the legislation to be referred to a parliamentary committee or for major industry players to be consulted about how the legislation might operate.

That in itself is a clear indication that some people in the industry believe the legislation is premature — and it is not just because it is putting the cart before the horse or because we do not have carbon trading rules or national and international agreements. Mr Lowenstein is saying that not enough work has been done on the way the legislation will work. Being in a position where they would seek to be major players in respect of any benefits coming from the legislation, Mr Lowenstein and his associates believe it should be referred to a

parliamentary committee or at least to major industry players to ensure that it is workable.

I turn now to advice from Roger Holloway, the director of Treebank Carbon Services. He says:

Soil carbon is a major pool (it might contain twice as much carbon as vegetation).

This is the point. If we are looking only at the value of the carbon in the tree, we overlook entirely the value of the carbon that is sequestered in the soil.

It is considered most likely that carbon accounting requirements under the land use change and forestry and agriculture sectors will require soil carbon stock changes to be measured, monitored and verified for project performance to be credited or debited against national emissions targets.

This is a very interesting view because it clearly shows that it is not just a matter of measuring the growth of a tree and determining from that the amount of carbon sequestered by the tree. In a situation like this the soil should also be measured to determine the change of the carbon that is stored in the soil as a result of the plantation activity on top of it. Mr Holloway says:

By focusing only on the trees pool and allowing separation of titles between trees and soil (land), and by not specifying carbon rights in relation to soil, I believe the legislation is flawed.

It is for all those reasons that I believe the bill is limited in its ability to look at the broader aspects of the way carbon sequestration will work. Although I had heard of the word 'sequestration' before I saw it in the bill, I thought I had better look up what it meant. The definition of 'sequester' is 'to confiscate, divert, or appropriate income or property to the satisfaction of claims against its owner'.

Mr Smith interjected.

Mr PLOWMAN — As my learned friend says, it is a court order. When I saw that definition I was immediately concerned, representing as I do those people who own the property on which the trees are being grown, that it suggests that the desire of the bill is to 'confiscate, divert or appropriate income of the property to the satisfaction of claims against its owner'. When reading the definition I was concerned that it gave the third party the power to give the benefit to the owner of the forest with no benefit accruing to the property owner.

I then wondered about the term 'carbon sink', a term we have heard being bandied around since the Kyoto agreement was made, so I thought I would look up the

definition of 'sink'. I could certainly not find a definition of a 'carbon sink'!

Mr Hamilton interjected.

Mr PLOWMAN — The Minister for Agriculture and I have something in common — we are both ruled by petticoat government. Yes, I know what that sink is! However, I thought I would see whether there were other definitions of the word. There is, of course, the definition that the minister referred to, but there are others, such as to 'fall slowly downwards' and 'disappear below horizon'. The dictionary even talks about a 'sinking feeling' and a 'sinking fund'. Some members of the opposition have quite a sinking feeling at the moment!

Other definitions of 'sink' include 'to bore or construct a shaft or a well' — I think we all recognise that one. Another I was not aware of is 'to invert (capital) so it is not readily realisable or is lost'. The warning bells again started to sound, representing as I do the owners of property, because in my view the investment of capital should reflect a benefit that should certainly not be tied up or lost.

I then reached the final definition, 'to conceal or ignore or neglect or treat as non-existent', which is obviously what the word 'sink' means in the context of the bill — that is, some non-defined body into which an amount of carbon can be placed and then traded.

While I was consulting the dictionary I noticed a reference to a 'sink of iniquity'. The meaning of that came home to me very clearly, as it would to the Minister for Agriculture, because a sink of iniquity is a place where rascals congregate. I wondered about this place when I read that definition.

Mr Hamilton interjected.

Mr PLOWMAN — There is no doubt about that, either. The purpose of the bill is to encourage investment in the establishment of carbon sink trading in Victoria and encourage the greenhouse gas mitigation programs. I am sure that initiative will, if handled properly, generate further investment in forestry. Each of us would see that as a good aim, not just for the sake of carbon credit trading but also, and more pertinently, for the environmental benefit of the state, the farms on which the trees are planted, and the surrounding area.

I firmly believe that an increase in private forestry is a means of overcoming the problems Victoria faces as a result of the environmental degradation caused by the loss of trees. I am also certain that we are winning the

battle in Victoria. We are planting more trees; and the amount of country that is reverting to vegetation coverage is greater than the amount that remains lost through clearing.

That is something all Victorians should take heed of and be proud of. Victoria, like every other Australian state, went through a necessary clearing phase that was promoted by government. That was in many respects brought about by the incredible amount of mining that took place, with its need for timber.

I do not look at that clearing phase with any concern at all, and I believe the phase Victoria is now going through will be beneficial. This bill will certainly assist that process and in that sense should be commended.

Although we in the opposition will try to support the proposed legislation, we believe a lot of work still needs to be done on it. As I said, until a carbon credit trading arrangement is made, until national agreements are struck, and until international agreements are fully understood, the legislation in itself will not achieve anything.

Mr STEGGALL (Swan Hill) — The National Party welcomes this bill. It is legislation that we considered when in government to see whether there was a way in which carbon trading could be introduced in Victoria and Australia. Time did not allow that to happen, just as time will not allow this legislation to have proper effect. As the honourable member for Benambra has mentioned, there are still many agreements to be reached before carbon trading is a commercial operation throughout the world.

However, the legislation is in place awaiting those times. It could almost be called legislation-in-waiting, because it is waiting for the rules to be written, for the acceptance of carbon trading, for an understanding to be reached on what it all means, and for the science of measurement to catch up. The honourable member for Benambra mentioned the impact carbon has on soil, but he left out its impact on oceans. The impact of carbon on both is not yet fully understood.

The purpose of the bill is to amend the Forestry Rights Act of 1996 and to create property rights for carbon sequestered by trees, which allows the ownership of carbon to be held or traded separately from both the timber and the land in both existing and new forest property agreements. The bill also says that before a forest property agreement can be entered into, consent must be obtained from an owner of a registered mortgage. The minister circulated an amendment that requires the holder of a registered mortgage to be

notified before a forest property agreement can be entered into. The government has introduced some subtle changes to the bill that will affect those who hold a mortgage interest over land or timber.

The bill aims to create a legislative environment in Victoria that will capture venture capital now available for carbon sink investment under the Kyoto protocol. The proposed legislation will facilitate agreement between investors and large state and commercial forest owners. However, farmers are unlikely to benefit as carbon trading has little relevance to them at the moment, given the high costs associated with legal ownership and the measuring and selling of carbon units, which will cancel out most of the income from carbon farming in small individual lots, and that is a pity. I hope we will overcome that as we go on.

The formal emissions trading system will eventually supersede what is provided for in this bill. However, Australia and Victoria will not pre-empt an international emissions trading system, and global agreement is a long way off.

The proposed legislation is based on a couple of assumptions. The first assumption is that global warming is human induced and is not a natural phenomenon. That debate has raged and is still raging around the world. At the moment we do not know the answer, but it is believed humans have a pretty big impact because of their actions.

The second assumption is that the international community can reach agreement on an action plan. The honourable member for Benambra has mentioned that there is no international agreement on carbon trading, which is a pity. If there were agreement it would seem that carbon trading would be the way governments would choose to go, in a system in which big carbon emitters would pay others to sequester or retain precisely measured amounts of carbon as a trade-off. So, there has to be a way of measuring not only carbon sequestration but also — and I believe it has been done in the major areas — the emission of carbon into the atmosphere.

At the 1996 Kyoto conference agreement was reached on the concept of carbon sinks and ways to measure emitters in relation to trade, but that agreement has yet to be ratified. Just before last Christmas discussions at The Hague again broke down and agreement was not reached by the international representatives. However, they have agreed to meet again in June. I understand that the British and the Australian delegations were very close to reaching agreement, but it failed on the last day. Although that agreement is not in place today,

when agreement is reached this legislation will be in place and will be able to operate.

There is nothing to stop people who wish to sell a carbon right to someone else from doing so, as New South Wales has been doing. Although there is nothing to stop carbon trading happening in Australia today, the commercial risk involved would be high.

I will go through some of the points that are thrown up for debate by the proposed legislation. It appears that global warming is really on us. A recently released report of the United Nations Intergovernmental Panel on Climate Change made the following suggestions. Over the next century global temperatures could rise by more than 10 degrees — a frightening thought — and human-caused climate change will persist for many centuries. We have started something that will not be turned around easily.

The 1990s was the warmest decade and 1998 the warmest year since instrument recording started in 1861. The thickness of the Arctic ice has declined by as much as 40 per cent, and the concentration of carbon dioxide has increased by 31 per cent over the past 250 years and is now at a level which has not been exceeded in the past 420 000 years and which it is likely has not been exceeded during the past 20 million years.

The scientific argument involves facts and figures and people who argue that global warming is a human-induced operation have a strong case. Australia will be especially vulnerable to a rise in sea levels and the impact on the urban coastal fringe is expected to be severe, particularly because 85 per cent of the population lives in major cities on the seaboard.

Global warming is also expected to have a heavy impact on scarce water resources, with a diminishing amount of water being available to an already arid continent, something of which the nation is very much aware. I suppose Australia will continue to wrestle with the problem of how to handle future water shortage issues. If the changes continue in the way scientists believe they might and those changes have a negative impact on rainfall, there will be a long way to go and we will leave our grandchildren with a very challenging situation.

This is a complex debate. Recently a senior official in the Clinton administration in the United States of America commented that providing an adequate greenhouse response is probably the most complicated scientific, economic and political challenge in history. I believe that is right. I am not as confident of the new

Bush administration entering into an agreement along the lines of that sought under the Clinton administration. I think the American attitude to these issues will be the clincher as to how they are dealt with. But for America and Australia to be able to implement scientific, economic, and particularly political changes will be extremely difficult. The opposition's experience after seven years in government is that when change is brought about some people do not react in a friendly manner. Any government around the world looking at introducing the changes that will be necessary to properly tackle this operation will face an enormous challenge in the reactions of its people.

From looking at the debates on the issue that are taking place in places such as Europe, America and Japan, it can be seen that politicians in democratic systems are not really equipped to handle the issue today. I believe that will change as education changes. If you want an interesting debate, you should have it in a few African or Pacific island countries, and along the way a solution may be achieved. I suggest that the Chinese attitude to the issue makes it difficult to see how a positive solution could be achieved.

It is a complex debate. Media hype suggests that carbon trading is just around the corner, but that is not so — the issues are too complex, and there are too many players and too large a stage. There is a long way to go. Before the Kyoto protocol can come into force it must be ratified by 55 countries. Australia has not yet ratified it, nor has any other developed country. Talks collapsed at the recent summit at The Hague. The carbon trading debate alone is bogged down in technical argument. The parties cannot even agree on a basic definition for what is a forest.

The European Union, Canada and the United States of America are not on target to meet their assigned emission reductions. On 1990 levels the EU will miss by about 16 per cent and the US and Canada by 30 per cent. The emissions in the US and Canada are huge. Australia has already increased its emissions by 16.9 per cent above the 1990 levels, and is way over its target. Honourable members might remember that Australia attracted some criticism from developed countries around the world when it successfully argued for 108 per cent of emissions, based on 1990 levels, to be delivered in the first commitment period of 2008–12.

Just listing the seven elements required to establish an effective national emissions trading system in Australia, which will not be begun until the international agreement is reached, gives some indication of the complexities of forming an approach to the matter. Firstly, we must comply with international

undertakings ratified by Australia. Secondly, the system must be implemented at least cost. Thirdly, the costs must be distributed equitably and across the community. It will be interesting to see Melbourne and Sydney apply that. When the political issues involved in the matter are dealt with, I do not believe the Australian cities, particularly Melbourne and Sydney, will be comfortable in taking an equitable approach. The politics of the matter is very difficult. Fourthly, it must capture all sources of emissions and all sinks — which is a problem science is wrestling with. Fifthly, it must be implemented at the most opportune time. Sixthly, it must help manage uncertainty with respect to international commitments. Seventhly, it must protect Australia's international competitiveness.

If you look at Australia, and particularly Victoria and its reliance on brown coal, which is a most inefficient burning fuel, you can see its vulnerability in the international debate. One of the issues that was debated strongly when the former government privatised the electricity industry was the ownership of the power-generating units in the Latrobe Valley, including the fact that if Australia was not careful other countries could gain an emission advantage by closing down those coal-burning generators.

New South Wales has seized the initiative on big joint venture forestry investments. It is a bit different from us; it is a bit more gung-ho. Premier Carr was looking for a few political advantages. He and his government were prepared to take the risk and people were prepared to go with it. Pacific Power and Delta Electricity have struck deals with State Forests of New South Wales to buy carbon rights to eucalypt and pine plantations. Pacific Power will buy the carbon rights of 1000 hectares of eucalypt plantations on the north-west coast and Delta Electricity will establish 41 hectares of new softwood plantation near Lithgow. The giant Tokyo Electric Power Company has signed a letter of intent with State Forests of New South Wales to plant 40 000 hectares over the next 10 years, and other big deals have also been done in New South Wales. So that has started.

As I said, there is nothing to stop carbon credit trading today. It is just one hell of a risk when there is no international agreement or market. The national emissions trading system will create that.

I refer to the issue of carbon credits and the farmer, in which the National Party has been most interested. It has been involved in the discussion right from the start of the debate back in the early 1990s. This carbon credit legislation, although necessary, will have little impact on agriculture in Victoria. It is unlikely to make farmers

more profitable or to have a major effect on agricultural land use. The beneficiaries of carbon credits are likely to be large plantation owners in high rainfall areas. The high cost of legal ownership and of measuring and selling carbon credits will probably cancel out most of the income from carbon farming in small lots. That is the science and information available today. It is a pity, and I hope that will change as the ability to measure and handle the issues surrounding carbon credits increases.

In the early 1990s, when the concept first came up and the arguments were being put for the Kyoto conference, the National Party hoped it could get a natural advantage for Australia through the process. Any honourable member who has been involved in any debate or discussion with scientists around the world will have found it is difficult to pin them down. As agreement on the matter comes closer the worlds of science, academia and law are able to put spanners in the works and put it further out of reach. I hope it will be possible to overcome that problem. Australian federal and state governments should be doing a lot of work towards achieving agreement. I will refer to that again later.

The 1999 *Greenhouse, Carbon Trading and Land Management* report of the Land and Water Resources Research and Development Corporation predicts that carbon trading in the wheat belt as a stand-alone activity will not be viable. In conjunction with other activities that are already profitable, the trading of carbon credits may prove to be a small additional benefit, but carbon farming will not compete with cropping and is unlikely to contribute to sustainable land management in lower rainfall areas because of slow growth, low timber values and high costs. For someone from the Mallee, that is a great pity. I am sure you, Mr Acting Speaker, will join with me in expressing the hope that methods will be found to turn that around. That will be watched with interest.

The government may be barking up the wrong tree, so to speak, in claiming that the proposed legislation will be significant in environmental enhancement or greenhouse abatement. Research suggests that the answers to the greenhouse issues are likely to be found in other areas. Some are quite frightening to people in farming areas.

The first is the removal of ruminants. The livestock sector is the biggest agricultural producer of greenhouse gases, being responsible for about 14 per cent of total emissions, which is something we do not like to talk about too much. When talking about how some of these things are going to be done, the matters I am referring

to will be the subject of political decisions. Fermentation by ruminants produces methane, which is significant because it has 21 times the greenhouse warming potential of carbon dioxide. Reducing cattle and sheep numbers could easily be verified and offers the best possibility for trading in carbon credits. Interestingly, the Australian Greenhouse Office does not list ruminant reduction as an area of interest. The reason for that is that politically we just could not do it in Australia. That is what I was talking about before — it is doubtful whether politicians using the available processes in democratic countries around the world could implement such a thing.

An alternative answer to greenhouse problems is that work by the Commonwealth Scientific and Industrial Research Organisation suggests that methane mitigation in livestock industries could have a big impact on mitigating global warming. It could also bolster farm profits and productivity by increasing the efficiency of an animal's digestion. Currently management changes, feed additives and a vaccine are under investigation. So the world of science in Australia is looking at and working on that.

Another answer is that judicious land use and proper soil management, such as encouragement of minimum tillage, development of native grass pastures and retention of native vegetation, would either store many tonnes of carbon or reduce net emissions. All honourable members, or at least those from the country, know about the huge issues associated with native vegetation.

In the past 10 years this Parliament and this state have come a long way in the understanding of native vegetation clearing, and in the measures being put in place in country Victoria and the trade-offs there. Anyone who considered the issues in Queensland and northern New South Wales would be horrified and ask why we in Victoria are worried. The Queensland government in particular has been unable to wrestle with the problem of the retention of native vegetation because of the politics of that state. While in the past 10 years power there has been shared by those on both sides of politics, neither side has been able or willing to address the issue.

In Victoria we have set the rules on our little bit of native vegetation, and there is new investment and development in the Murray Valley, and that all has trade-offs. Where any native vegetation is touched there is a major trade-off of planting new native vegetation in those areas. As I said, Victoria is doing very well on that, but in other states the situation is very difficult.

I welcome the proposed legislation, so far as it goes. If it brings large-scale forestry investment to Victoria, it will have succeeded in what it was intended to do. However, the government needs to recognise that the measure hardly scratches the surface of the global warming problem. Victoria must work much harder and look wider to help Australia meet its international commitments on greenhouse gases, especially in the area of bringing farmers on board.

A successful land use change has to be commercially beneficial to the managers of the land — and in Australia most of the land managers where benefit can be gained are farmers. If we are to change our environment and tackle the salinity and degradation problems, it must be commercially favourable to landowners. Neither Australia nor Victoria has ever been able to come to grips with that fact.

I have mentioned before the European multifunctionality policy, which provides subsidies, grants and financial incentives to farmers to carry out a range of things, including looking after the hedgerows, roadsides and the culture of the local area, paying their rural labour reasonable rates and enabling them to stay in and occupy the isolated areas that still exist in Europe. It is interesting to see how that is being done.

It was easy for the Europeans. At the end of the Second World War people were starving, so they understood the value of their farmers. When I was first in Europe in the 1960s I was amazed by how passionate the young city people were about farmers and how important they thought farmers were because they provided the food. Most of their parents remembered the starvation of Europe, something Australia has never experienced. We have never been short of a feed, and we have never valued our agriculture base as we should. The degradation in some areas is a result of that.

Although it will be difficult politically for Sydney and Melbourne, the legislation has the potential to turn that around. The National Party has some answers-in-waiting that go with the commercial benefit to agriculture. If the commercial benefit can be incorporated into forestry rights and carbon credits, Victoria will be on its way to a successful outcome. It can happen politically if we tap into international agreements.

Answers to environmental problems need to be provided. In most parts of Australia there is a strong understanding of the need for environmental sustainability and for improvements in our land, soil and waterways. If the legislation can be made to work,

with commercial benefits to agriculture, it will provide huge benefits to the environment.

We are waiting for the scientists to formulate the costs and develop the measurement accuracy that will benefit agriculture. Our governments should be doing the thinking, a concept that is part of the discussion paper on agriculture put out by the National Party. The legislation is good and should be passed; but as I said, it is legislation-in-waiting. If in the meantime it can be made to work for the benefit of agriculture and to get a commercially positive outcome, Australia will end up having a great role to play. At the moment only large forestry owners in high-rainfall areas will benefit from the legislation. Although that too is good because it will provide some benefits, the bill will not get to where we would like it to be. International communities would like to address the same issues.

Emission levels in many countries are blowing out way beyond their targets for 2008 through to 2012. Australia is already 8 per cent over its target, and it is not yet 2008. How many of our commitments mean anything? It rests on the ability of political structures in democratic societies to implement their commitments. The issues will have to be tackled by the countries who are signatories to international agreements. A start must be made. Many politicians will lose their seats — or in some parts of the world their heads — as we try to balance the global accumulation of carbon.

The National Party supports the legislation and wishes it well. There are many benefits in it for us all, and I hope that some of my comments will be picked up and challenge people throughout Australia.

Mr HOWARD (Ballarat East) — I am pleased to speak in support of the Forestry Rights (Amendment) Bill, which will work to alleviate problems caused by the increase in greenhouse gases. This is a global issue that should be of great concern to all around the world.

In terms of scientific analysis, it is clear that over the past century in particular there has been an increase in the production of carbon dioxide, methane and other gases, which is increasing the Earth's ability to absorb the sun's rays and therefore heat its atmosphere. It is predicted that if nothing significant is done, over the next 100 years the global temperature could increase by as much as 5.8 degrees Celsius. As a resident of Ballarat, while on some mornings, especially our winter mornings, I would quite welcome the effect of greenhouse gas warming, I can see that it would not be in the interests of the whole state and the rest of the world because of its effect on our coastal and more arid areas.

Like other members of the government, I support actions that aim to reduce the amount of CO₂ going into the atmosphere. As the honourable member for Swan Hill pointed out, the production of methane gas, which is produced by animals and humans, continues to add to the amount of greenhouse gases in the air and is a matter that will need to be looked at.

The increasing amount of CO₂ in the air is an issue that can be tackled. It works on a simple scientific principle. Honourable members have heard of the carbon sink whereby plants have the ability to photosynthesise to absorb carbon dioxide from the air. Over the last century as trees were being chopped down and as the amount of fossil fuels being burned around the world increased, the amount of carbon dioxide being pumped out increased enormously. In a balanced situation the natural cycle would apply whereby carbon dioxide would continue to be absorbed by plant material. However, that cycle is clearly out of balance at the moment.

This legislation helps to put in place a system to encourage the planting of more trees in our state. As honourable members have heard, the concern about greenhouse gases is a global one. Since the early part of the 1990s, groups within the United Nations had already started to talk about this issue and what could be done across the world to address the imbalance of greenhouse gases. That built from 1992 when the United Nations first developed its framework convention for climate change and was highlighted by the Kyoto protocol in 1997. At that time it was recognised that countries around the world, especially developed countries, needed to work to reduce the amount of CO₂ and other greenhouse gases going into the air.

As honourable members are aware, the Kyoto protocol did not solve the problem and many issues still need to be sorted out before the types of agreements outlined in Kyoto are finalised. Another round of discussions are scheduled for Bonn in July. I trust that on that occasion we can move further down the track of more countries around the world acknowledging that they need to work to reduce their greenhouse outputs and to find ways of committing themselves to doing so.

Australia is a signatory to the Kyoto protocol. However, many would be disappointed that the federal government did not go far enough in terms of recognising what Australia could and should do as a responsible country to respond to its greenhouse emissions. Rather than accepting the original Kyoto proposition, the federal government has agreed to set limits on the level of emissions but has not agreed to

reduce them from current levels. Many would have hoped that Australia would have gone further in accepting its responsibility in that regard to ensure we are working more seriously to control and reduce our greenhouse outputs.

Certainly the Victorian government under Premier Bracks recognises that it is vitally important that we play our role as a state to reduce greenhouse output. This legislation is a small but significant part of our overall strategy to work towards a living and environmentally sustainable system. That requires procedures to be put in place across all government departments and all aspects of our lives.

This legislation looks at what we can do to promote growth of forests in this state and follows on from the discussions in Kyoto and since then about carbon sequestration. It recognises that there are opportunities for people to invest in carbon rights. This legislation is being put in place to ensure that Victoria is a place where people can invest in carbon rights, thereby creating the opportunity of increasing the amount of forest being planted and also attracting investment to the state, especially overseas and venture capital investments. Such investments will increase the number of timber plantations in Victoria. The bill moves us further down the track to ensure we do not miss out on taking advantage of proposals for carbon sequestration.

Like other members of the government, I am pleased that members of the opposition support the legislation. As the honourable members for Benambra and Swan Hill said, issues about the way carbon rights trading will work globally are still unclear. There is a need to keep abreast of those issues as further agreements following on from Kyoto are established. The bill is interim legislation that recognises that carbon rights can be traded in Victoria. As further discussions concerning emissions trading are tied down internationally the results can be built into it.

As other speakers have said, the bill provides an opportunity for the planting of more trees, which will not only have the benefit of reducing greenhouse gas emissions or absorbing emitted gases but also provide potential opportunities to reduce salinity and provide greater habitat protection, as well as providing economic benefits for regional communities and so on.

I commend the bill to the house. It provides an essential legal basis for investment in carbon rights and is a further aspect of the way the Bracks government is acting in an environmentally responsible way.

Mr SPRY (Bellarine) — The Forestry Rights (Amendment) Bill addresses a fascinating subject for people who are interested in the health of the global environment, which should include everyone.

The bill is anticipatory in that it provides for the concept of global emissions trading — that is, the offsetting of so-called greenhouse gas atmospheric pollutants, particularly carbon dioxide, with pollutant reduction measures, some of which can be traded.

The bill is drafted in specific response to the as yet unratified 1997 Kyoto agreement between participating nations, which was referred to by other speakers. A core element in the design of the Kyoto draft agreement was the reduction of greenhouse gas emissions in recognition of the fact that they were creating an ever-increasing blanket of insulation over the planet, which it is claimed is already harmfully altering weather patterns and global temperatures.

There are several sources of greenhouse gases. Firstly, ruminant sheep and cattle produce vast quantities of methane in their gut and release it through their biological exhaust systems, which the honourable member for Ballarat referred to earlier, although he can speak for himself so far as the same exhaust emissions in humans are concerned! Secondly, and perhaps more importantly, fossil fuel burning by industry produces vast quantities of exhaust carbon dioxide.

It is hard to do much about animal exhaust, except to somehow grant emission credits through reduced stocking rates for farm animals, the effects of which would be difficult, if not impossible, to quantify, as was referred to earlier by the honourable member for Swan Hill. However, it is possible to be positive about assisting in the absorption of greenhouse gases by planting more trees! Trees need carbon dioxide to survive, and according to one learned expert who published a paper on the subject they convert it into carbon in the living form of cellulose and lignin. In effect, trees create a living carbon bank or so-called carbon sink.

The carbon involved is quantifiable, although at some considerable cost, which has been estimated by an economist to be in the vicinity of \$20 per hectare a year. Nevertheless the credits are tradeable, which is what the bill is about. It recognises a further property right in carbon credits as an add-on to existing forestry rights for owners of plantations or natural forest trees. As the owner of most of the latter, the state has a huge stake in this issue by virtue of its potential tradeable rights.

As I said, the bill is anticipatory. In explaining this, I refer to the remarks of the Minister for Environment and Conservation on emissions trading in her second-reading speech. The speech states:

An emissions trading system is not imminent ...

The speech further states:

However, in the event that international and national emissions trading practices are established in the future, this legislation would need to be replaced or augmented with nationally consistent legislation to support the trading scheme.

That is patently obvious to people who are taking an interest in this legislation.

The bill is not without its critics. However, as the honourable member for Benambra said, the opposition will not oppose the bill, because despite its flaws it is enabling legislation.

Among other concerns, the Environment Liaison Office, as the representative of the Australian Conservation Foundation, Friends of the Earth, Environment Victoria, the Victorian National Parks Association and the Wilderness Society, has described the bill as putting the cart before the horse. Its comments on the bill state:

The Victorian government has not yet finalised its greenhouse strategy which will take account of numerous public submissions.

One of those submissions, to which I will refer later, is a comprehensive submission from Alcoa Australia. The ELO further states:

The submission from the peak environment groups in Victoria states:

We would not support the issuing and trading of carbon credits from sinks until a set of robust, widely agreed principles and criteria for assessing sink activities has been established.

It is patently obvious from the remarks of earlier speakers that that detailed legislation is not in place here and is unlikely to be in place in other jurisdictions for some time to come.

On another aspect of the bill, at least one lawyer has major concerns about its effect on mortgagees who hold titles to plantation and forest land, in particular. Some of those issues may have been addressed to his satisfaction in the government's further amendments, which were tabled this morning, but I have been unable to contact him to ascertain whether or not that is so. Also, the windfall rights aspects of forest property ownership including landlords as landowners, which

was mentioned previously by the honourable member for Benambra, must be addressed.

I refer to the lawyer who addressed an email to the shadow minister. His remarks were:

... this is an admirable piece of legislation —

I presume he means in principle —

but the concepts it embodies and the manner in which it attempts to deal with them are ill defined, convoluted, and make for complexity and unnecessary expense. In my view, it would be best for the legislation to be referred to a parliamentary committee and for major industry players to be consulted about how the legislation might operate. Ultimately, this may mean the bill will require redrafting to achieve its intended aims with clarity and — so far as it is possible to do so — with simplicity.

He makes a very pertinent point.

Earlier I mentioned Alcoa, which has a huge stake in this issue. Because of its reliance on vast quantities of heat-producing energy in the smelting process, aluminium is sometimes described, in its molten form at least, as liquid electricity. It might surprise some people to learn that Alcoa uses about 15 per cent of Victoria's electricity output, which is mostly the product of brown coal generators in the Latrobe Valley, although it owns its own power generating facility at Anglesea. Directly or indirectly, therefore, Alcoa is rightly called to account for its atmospheric emissions. Yet the legislation is introduced before the government's so-called greenhouse strategy, to which Alcoa made a significant submission, has been finalised.

On the Bellarine Peninsula, and in the Geelong region generally, Alcoa has had a huge impact and made an enormous contribution to the prosperity of the whole of the state. It has adapted to global changes and met the challenges of global competition. It has provided secure and well paid jobs — in some cases very well paid jobs — for thousands of people in the region since it commenced its operations at Point Henry in the 1960s. Above all, in recognition of its corporate responsibilities, Alcoa has been a leader in corporate environmental accountability. Anyone who knows its history and has studied its record in the Geelong region would agree with that sentiment.

Alcoa knows the value of and recognises the effect of perceptions and has worked hard with the community to address environmental issues associated with a major metal producing smelting enterprise. At the same time Alcoa, and ultimately the future of its employees and their families, are subject to the vagaries of global metal

prices on the London Metal Exchange as its product is traded at London Metal Exchange prices.

Alcoa is in fact in competition with producers in countries — and this is important in terms of the debate — where exemptions under the Kyoto protocol have given their competitors a distinct potential advantage.

In concluding, therefore, and while acknowledging the potential of carbon credit legislation to generate significant new investment in Victoria's wealth-generating forest industry in the future, I ask the minister and the government to take particular account of the Alcoa-type factor when addressing industrial greenhouse emission issues while developing further associated legislation.

Mr HELPER (Ripon) — I am pleased to join the debate on the Forestry Rights (Amendment) Bill. I commend the considered contributions made by all honourable members so far. I particularly refer to the contribution made by the honourable member for Benambra. The honourable member dwelt on the fact that the bill is being presented in a vacuum in that the Kyoto protocol has not been signed off, as regrettable as that is, and as a consequence the bill is relatively inconsequential.

I found much of the information referred to by the honourable member for Benambra interesting, but I differ with him on this point. It is relevant to describe the bill as forward looking. It puts in place a regime of carbon trading, the rights and responsibilities of plantation growers and plantation developers and land-holders, which are necessary if and when — I hope the latter — an international regime of carbon trading comes about.

It is fair to draw an analogy between the bill and what may have happened in the 1850s and 1860s if our legislative forefathers had said that as there was no international worldwide trading regime for gold in place it would not establish miners' rights and responsibilities. Our gold-focused community of that era would have been very disappointed about that, and it would have left the community a weaker place. As it applies to carbon sequestration in plantation forestry or other forms of forestry as an international trading regime that may or may not come about, I see the bill as putting in place a framework similar to the introduction of miners' rights and responsibilities in the 1850s.

The purpose of the bill is to clarify the ownership rights and trading responsibilities in forestry. It provides for

Victorian forestry to be on the front foot in carbon trading when those regimes come about.

Many issues raised by honourable members from both sides of the house during the debate have been put forward in good faith, and I commend the Deputy Leader of the National Party for his appraisal of the incredibly difficult issues that rural and regional Victoria will face as greenhouse effects take their toll on climate frameworks and climate change.

In closing, I commend the minister and the government for putting forward something that puts Victoria on the front foot, rather than being, as often seems to be the case, a legislative response to something. Here we are taking one step ahead. I commend the bill to the house and look forward to listening to further contributions.

Mr THOMPSON (Sandringham) — The opposition does not oppose the Forestry Rights (Amendment) Bill. The main purpose of the bill is to amend the Forestry Rights Act of 1996 to provide for rights to the commercial exploitation of carbon sequestered by trees and to provide for consent of holders of registered mortgages or charges to be obtained in relation to certain forest property agreements.

The overriding purpose of the legislation is to encourage investment in carbon sink establishment in Victoria. It might also be noted that the development of greenhouse gas mitigation programs, specifically carbon sequestration, has been identified as offering the potential to generate significant additional investment in forestry and wood-based industries in the future.

Historically forestry has been an important industry in Victoria, and we have been fortunate to have had a forests commission that undertook excellent work in the management of Victoria's state forests. In particular this bill will create explicit and separate property rights for carbon sequestered in trees to enable ownership of carbon to be held or traded separately from the timber or the land.

The opposition has had widespread consultation with a number of stakeholders, ranging from the Victorian Farmers Federation to a number of power companies, the Australian Conservation Foundation, different community energy action organisations, the Victorian Chamber of Mines, local government, Timber Communities Australia, the Environment Liaison Office and, as I indicated, a number of other organisations.

Concerns have been expressed about the general construction of the bill and its pre-emptive nature; that

there is no national or international protocol for emissions trading; that it is not clear where plantings for Landcare and environmental purposes fit within the framework; and that the bill may discourage the use of the Forestry Rights Act 1996 and impose processes that may delay the implementation of contracts.

There are concerns about matters including the dispute settlement procedures and claims that they are slow and cumbersome; that carbon rights agreements should include the landowner as a party to the agreement; that there is insufficient emphasis on greenhouse outcomes in relation to carbon rights arising from land use; and that carbon sequestration rights should be defined more broadly to cover soil carbon, tree carbon and project management emissions.

My contribution to the debate today is in place of that of the shadow minister for conservation and environment, who unfortunately has not been able to make it to the chamber today. He may have a similar ailment to that afflicting the Speaker of this house. However, I would like to raise for the parliamentary record a number of remarks that have been directed to the attention of the opposition by a Melbourne lawyer who has had considerable experience in dealing with these issues in country Victoria. In my following remarks I will principally quote from his submission to the opposition's conservation and environment policy committee.

The gentleman concerned noted that Victoria is embarking on what he understands to be the world's first real carbon rights legislation that will have the effect of legally severing carbon rights from trees that have already been severed from land. The net effect of this is to render carbon rights as chattels, which has the following benefits: the law of chattels is universal, therefore, for the first time we have an ability to look at all carbon sinks as a single category; the law of chattels is capable of handling the ownership of carbon sinks that are not attached to land; the law of chattels can provide security in respect of assets that are moveable — this is exactly what is required in respect of carbon sinks in order to have reasonable protection from the wrongful acts or omissions of either the landowner or the tree owner.

It has been submitted to the opposition that for these reasons the legislation is of world significance and that in the circumstances the legislation which is finally passed needs to be the best that can be devised. As I said in my opening remarks, there are a number of concerns about the bill. However, the opposition will not oppose it today.

I turn now to the definitional issues. The submission refers to the definition of 'trees' in section 3. That may perhaps relate to the principal act as in part amended by this bill. As the wording stands at present, the definition of 'trees' can include vegetation that would not normally be classified as trees. Because carbon sequestration rights are now being established for the first time and because, at least at present, these should be restricted to genuine trees, it is the belief of this lawyer that the definition should be amended to read:

'Trees' means in the form of trees, shrubs, bushes, seedlings, saplings and reshoots whether alive or dead.

He believes that under the definition of 'carbon sequestration rights' it is open to conclude that a carbon sequestration right gives the holder ownership of the carbon in a tree. He gives the following example to illustrate his point. He says this would be identical to granting ownership of the eggs in a sponge. To stretch this analogy, if it were possible to grant separate ownership rights of the eggs in a cake from the cake itself, neither the egg owner nor the cake owner would be capable of extracting his property from the property of the other. However, the owner of the eggs would be capable of preventing the owner of the cake from selling it, and vice versa. The lawyer suggests an alternative definition that would read:

'Carbon sequestration right' means a right to commercially exploit the sequestration of carbon by trees.

Finally, he notes in his submission that a third paragraph has been added to the definition of 'forest property'. In light of what has been said earlier in the submission, he suggests that should read '(c) carbon rights'.

As I said earlier, the opposition will not oppose the bill. It covers some important issues in relation to sustainability for the future, and I am pleased to represent the shadow minister in my contribution to this debate.

Ms DUNCAN (Gisborne) — It gives me great pleasure to speak on this bill and join with previous speakers in the debate on this important issue. I do not think we need to argue the importance of global warming, or rather the threat that it presents to us. The intergovernmental panel on climate change in its third assessment report stated the following key findings. Globally average surface temperatures are projected to increase by 1.4 degrees to 5.8 degrees from 1990–2100. The new evidence is that most warming over the past 50 years is attributable to human activities; that the 1990s was the warmest decade; and that 1998 was the warmest year recorded since 1861. The sea levels are

also projected to rise by 0.09 metres to 0.88 metres from 1990.

An examination of the impact of these findings suggests that southern Australia would be likely to experience increased droughts and higher average temperatures as a consequence of this climate change, and it has highlighted the subsequent vulnerability of a number of natural communities and human systems. So Australia has at least as much to fear from the increase in global warming as any other place in the world.

If there are currently disincentives to investing in carbon sinks, we must remove those disincentives. That is the purpose of this bill. As I said earlier, we do not need to emphasise the importance of investment in greenhouse sinks, but the point that I make is that the bill does not set up a carbon or greenhouse gas emissions trading system. I believe that is one of the criticisms of the bill, but it is enabling in nature and it simply seeks to clarify the ownership of those carbon rights.

The bill does not attempt to establish carbon credits, impose a value for carbon or support an emissions trading regime. A chief aim of the bill is to increase certainty and encourage further investment of the kind that is already occurring. It is likely that once emissions trading is established internationally and nationally there will be a need to introduce specific legislation to support this.

So, although we acknowledge the criticisms from some environmental groups, many issues are still to be resolved. The bill does not aim to resolve them all at this time. However, it will allow continuing development of private forestry while we continue to deal with these issues.

There are a number of other advantages in encouraging this sort of investment. The encouragement of carbon sinks has a number of other benefits: the protection of biological diversity, which I believe other speakers have emphasised, is one, but it also includes the protection of biological diversity through creating, maintaining and restoring habitat. It will improve the value of farm and plantation forestry and give great encouragement to those industries. It will also reduce the recharge of ground water, which will lead to reduced levels of waterlogging and salinity. That is a major problem in this country, and will continue to be so. It will also have the impact of reducing wind and water erosion, which is another incredible problem for this country.

The bill may not address all the issues surrounding carbon sinks, but those it does not address are still being developed, as are the protocols. It is a very important step towards Victoria's being able to meet the outcomes of the ongoing protocols that are being developed as part of the international effort to reduce global warming. I commend the bill to the house.

Mr MULDER (Polwarth) — I will make a brief contribution to debate on the bill because my electorate covers a huge amount of not just state government forest but also plantation timber, which has taken over in the south-west of Victoria as a result of land change and people exiting the rural pursuits they have engaged in in the past.

Several speakers have raised the issue of the pre-emptive nature of the bill, given that there are no national or international protocols for emission trading. One would think that at this point, given the number of issues in the public arena facing the government of the day, the house would have legislation before it other than this bill. The Victorian community would appreciate more.

Today's *Age* states:

The government is tentative, its spread of talent is thin and its legislative agenda is far from comprehensive.

That is the reason we have legislation of this type before us. As a member representing rural Victoria I understand the importance of the bill, but again I wonder how it came about, given the number of issues floating out in the community at the moment.

The purpose of the bill is to create explicit and separate property rights for carbon sequestered by trees, and that will be accomplished by an amendment to the Forestry Act to enable ownership of carbon to be held or traded separately from the timber on the land. The impact of that amendment on rural Victoria is best summed up in an article by Genevieve Barlow in the *Weekly Times* of 15 November 2000, which states:

Farmers should be planting trees now to be ready for carbon rights trading, possibly starting in 2008.

That's the opinion of Melbourne lawyer Ross Blair.

Mr Blair said amendments to the State Forestry Rights Act now before the Victorian Parliament would open the way to establish carbon rights, separate to the ownership of trees in Victoria.

'Carbon credits do not exist and won't exist until the federal government legislates for them, but this sets the way for them in Victoria', he said.

He said the implications for farmers were good, with industry and government demand for rights likely to be high come 2008 when carbon trading could begin.

Buying rights now would be like buying a cow at a lower price now to milk later.

Mr Blair said if he were a farmer, he would be planting trees now to reap the benefits of a future trade in carbon rights.

‘These trees have to be of sufficient height to be accredited as carbon sinks and they take a while to grow’, he said.

Environmental planters had much to gain but farmers would benefit in having carbon rights to trade in return for greenhouse gas-creating activities, he said.

‘We are starting into a new realm of environmental property and it’s going to revolutionise the way we do things’, Mr Blair said.

That article highlights the issue of carbon credits.

Under the proposed legislation, a landowner is able to enter into a legal agreement and confer ownership of forest property to another party, and that will continue. In a similar way the bill will allow the owner of a forest property to enter into a legal agreement with another party and confer ownership of the carbon sequestration rights. Under the new arrangements, the owner of the trees and not the owner of the land can enter into a legal agreement of the sort currently in place whereby the owner of a property has agreed to have his or her property planted out in trees and the ownership of the carbon sequestration rights has gone to the owner of the plantation.

I discussed this issue with the honourable member for Benambra, who rightly asked what protection is given to the landowner and why should the landowner not be in a position to share in the profits of any future carbon trading. Agreements that are entered into from this time on will cover such issues. However, people have been leaving and leasing out the land for a number of years, possibly due to the legislative changes made by various governments that have over time altered the profitability of their land. The legislative changes proposed by the bill could provide windfall profits for forest owners, but they were not aware when they left the land that this type of legislation would be introduced and that the properties they left may produce windfall profits. Those people will not have any opportunity whatsoever to share in those profits.

If there is to be a carbon credit or profit, what will happen if a liability arises? If you put a value on a carbon sink and the forest or plantation in question burns down, have you created a scenario in which there will be a liability because the carbon has been dispersed into the atmosphere? That issue does not appear to have

been addressed. Whether it can be addressed in the agreements arrived at down the line between the owner of the trees and the purchaser of the carbon rights is a matter for the legal fraternity to work through when the legal consequences of the legislation are determined.

The closest thing to what we are seeing with this bill — I know the banks have taken a particular interest in it — is what happened when water trading came into being, when water rights were separated from the value of properties and farmers were given the right to sell them off. However, the financial institutions holding mortgages on those properties may not have been aware at the time the mortgages were entered into that this could take place. Subsequently, the banks have taken a considerable interest in the issue of carbon sequestration rights because the selling off of those rights could have implications down the line for the security they hold over particular properties.

That raises the issue of the value of properties with plantations, which governments will have to grapple with down the line. Will the future value of those forests be in their being cut down for woodchip and paper production, or will their value as carbon sinks be far greater? That could have a major impact on land use around the state. That issue has possibly not been taken into consideration.

In the past there has been a lot of conjecture, debate and concern about plantations being used for woodchips and about the state’s hardwood industry — about whether those resources are being sold off at a value that does not put any profit or benefit back into the community. But will this piece of legislation and the ability to trade in carbon sequestration rights change the woodchip debate issues? Will the trees be left standing? This will be an interesting process for us all, including the industry in its own right, to grapple with down the line. All of a sudden there will be a product with an add-on profit that no-one ever considered existed. It is an interesting scenario.

The opposition has no problem supporting this bill, because it provides for an additional form of income for property owners and addresses the problem that all countries are facing with greenhouse emissions. I commend the bill to the house.

Mr HARDMAN (Seymour) — It is always a great pleasure to speak on bills such as the Forestry Rights (Amendment) Bill, the result of another of the Bracks government’s commitments to deal with the greenhouse problem that faces people in Australia and all around the world. It supports previous bills that have been passed by this house, such as the Renewable

Energy Authority Victoria legislation and the \$1000 solar hot water rebate. I have noticed that my local solar hot water supplier advertises on the back of his ute that there is a \$1000 government rebate for installing solar heaters. It is a marvellous thing, and it will encourage more people to think about energy alternatives and the environment.

The bill makes a lot of sense. It not only aids us in meeting the Kyoto protocol on reducing greenhouse gases but also provides many other benefits to our community, our environment, and hopefully our economy. Obviously it will have a great effect on our regional areas. This government is aware, as are all sides of politics, that our regional economy is an important part of our state and needs to be able to develop, progress and generate as much wealth as possible.

The government talks about the triple bottom line of social, economic and environmental effects and benefits. This bill will aid in the development of all those aspects.

The bill clarifies the ownership of carbon rights, which allows investors to have some security of funds and encourages further investment in forestry in Victoria. From a social point of view, forestry jobs created through rural industry are great for our community. From following the newspapers and talking to timber community representatives I know that ensuring sustainable resources for the timber industry is a major issue.

From an economic point of view this bill encourages investment, because the carbon sequestration rights can be owned by a third party that does not own the trees. Mention has been made of the Tokyo Electric Power Company, which recently invested \$30 million in New South Wales — which is obviously great for its economy and which I believe could go up to \$130 million. That aspect is important for investment.

In regard to the environment, issues such as biodiversity, land degradation through erosion or salinity, and general stream management will be aided in the long term by this bill, which is marvellous. Climate change will eventually affect all of us due to its effects on agriculture and developments in our coastal areas and alpine snowfields. So a great deal of benefit will come from the bill.

Some people are concerned about native vegetation. As the removal of native vegetation after 1990 will be counted as land-use change emissions, there is no advantage in clearing land to plant trees or other

vegetation, so our native vegetation is protected, which is a wonderful thing.

The major reason I wanted to speak on this bill is that the forestry industry and the protection of the environment are important to people in my electorate. Most of the time I spend with those people is spent on talking about issues concerning land management, land use and land care — from the protection to the sustainable use of our environment.

The bill is tied in with all those matters. On top of that, issues concerning water use, creation and salinity are also greatly affected by the bill, which I commend to the house.

Mr VOGELS (Warrnambool) — There is no doubt that the world is confronted by important global environmental challenges. The Forestry Rights (Amendment) Bill sets out to address a couple of issues. Firstly, it amends the Forestry Rights Act 1996 to provide for rights to the commercial exploitation of carbon sequestered by trees; and secondly, it provides that holders of registered mortgages should be notified in relation to certain forest property agreements. The general concept of the bill is good. However, the minister sounds like an American Wild West medicine man extolling the virtues of a medicine or mixture, hoping for a good outcome but not really knowing what will happen.

The Kyoto protocol has some huge loopholes, the worst being that developers are now clearing areas of old growth forest to provide for the future planting of carbon sinks. That clearing results in increasing emissions of greenhouse gases. I believe carbon sequestration rights should be defined more broadly to cover soil carbon, tree carbon and project management emissions.

In her second-reading speech the minister uses words such as ‘encourage’, ‘potential investment’, ‘competition’ and ‘venture capital’. There are many unknown elements involved. The principles, modalities, rules and guidelines for international emission trading have yet to be negotiated. Although the protocol provides for emission trading, Australia has not made any decisions on the introduction of a national emission trading system.

Another issue still requiring close attention is how carbon emissions will be handled if the previously sequestered carbon is released to the atmosphere — for example, by fire. Investors and potential investors need to view the carbon credit system in its entirety. There

could be potential financial benefits, but also a liability if the land is subsequently burnt or destroyed.

New investors and farmers need to take out insurance and hedging to cover fire, drought and other natural hazards. What about legislation — for example, the Labor government's proposed land tax? How will that or any legislation that might be dreamt up in the future impact on these commercial decisions?

It is a difficult area, and I support the government in starting the ball rolling. There are risks with early action, but there are larger risks in doing nothing. The government needs to monitor this issue closely, and no doubt amendments will need to be made to the legislation as new protocols are developed. There is no doubt that to ensure good growth rates from 2008 to 2012 trees will need to be planted over the next few years.

Ms BEATTIE (Tullamarine) — It gives me great pleasure to join the debate on the Forestry Rights (Amendment) Bill. The genesis of the bill can be found in the Kyoto protocol that allows for developing countries to participate in emission trading for the purpose of meeting their assigned targets for reducing greenhouse gas emissions.

Article 3.3 of the Kyoto protocol recognises carbon sinks as acceptable ways for countries to offset greenhouse gas emissions. This bill amends the Forestry Rights Act of 1996 to provide for rights to claim ownership of the carbon sequestered in growing trees. This can be achieved by allowing the carbon to be owned and traded separately from the timber and the land.

The bill also provides that the owner of the forest property under the act is also the holder of the attendant carbon rights. The forest property owner is able by means of a carbon rights agreement to divest the ownership of the carbon sequestered by trees. I am sure all honourable members share the concern about global warming by the building of greenhouse gases, particularly carbon dioxide. Plants absorb carbon dioxide — commonly known as CO₂ — during photosynthesis, resulting in the removal of carbon dioxide from the atmosphere. Therefore, growing plants provide what is referred to as carbon sink. Human activities that contribute to carbon sink include tree planting and pasture improvement in agriculture.

The overriding thrust of the bill is to encourage investment in carbon sink establishment in Victoria. The benefits of encouraging this investment will be both economic and environmental. As I said in a

previous contribution, I am concerned that we leave this earth a better place for future generations, and the environment will be the big winner with the passing of this bill.

We all need to contribute to protecting the environment. When opposition members say they are committed to the environment it must be humiliating for them to watch their federal Liberal colleagues slither and slide all over the place with their non-commitment to the Kyoto protocol. I am sure the green movement will call them to account for that later.

Clause 9 inserts proposed sections 7A and 7B in the principal act. Proposed section 7A sets out the process and requirements for a landowner to request consent to a forest property agreement or an amendment to a forest property agreement from the holder of a registered mortgage or charge. The section also provides that if the holder of the registered mortgage or charge fails to respond to a request for consent within 28 days after being served with the notice the holder is deemed to have consented to the agreement or amendment. It also specifies that the holder of a registered mortgage or charge must not unreasonably withhold consent.

The bill aims to implement the Bracks government's election policy commitments and a decision taken earlier this year to endorse the preparation of carbon rights agreements. The legislative changes are a demonstration of the Bracks government's commitment to implementing cost-effective responses to greenhouse and climate change.

I look forward to the federal Liberal government firming up its commitment to the Kyoto principles by enacting them and leaving this world a better place. I am sure it will leave this world a better place in November when the electorate calls that government to account. I commend the bill to the house.

Mr SMITH (Glen Waverley) — The concept of the commercial exploitation of carbon sequestered by trees is difficult for anyone to understand at first blush. Most people would think it probably had something to do with the conjugation of French verbs, but we in this chamber have become educated. We take the same view as we have taken with information technology: it is a new concept that is to be applauded. However, it is sad that we are dashing ahead as the first state in Australia to introduce this sort of legislation but we are not looking after our bread-and-butter issues such as those concerning orphans and widows.

The government trumpets this legislation as a first in Australia or even the world, but the important issues are

those like the drug problem. We had the debate on drugs yesterday, but we still do not have the drug tsar called for by the *Herald Sun* or legislation that encourages people like many honourable members to get involved and gain first-hand experience of the drug trade, and we have not considered rehabilitation issues. It is easy for the government to boast about such issues: it claims the information technology legislation is a good idea, but we have not thought that one through properly, either.

At first this legislation will sound good to farmers. But as the honourable member for Warnambool said, they have not thought about where they will go when there is a bushfire; will they have to take out insurance? That problem is not addressed by the bill, and obviously the government does not want it to be. Talking about leaving the world a better place is easy. Of course we all want to do that; it is not as if the Labor Party has a monopoly on that. The government heralds this legislation as a world first, but for goodness' sake, it should get the bread-and-butter issues like the drug problem debated yesterday right first. The government should ensure that enough money is being spent on addressing those issues. Few speakers yesterday spoke about rehabilitation, which is the most important consideration. Any professional can sort out detoxification issues, but it is the next step that is important: namely, getting young people back on track.

We should look carefully at getting our priorities right in this place first. Trumpeting about things may sound good initially, but they are being put in front of the real issues.

Ms GARBUTT (Minister for Environment and Conservation) — I thank the considerable number of honourable members who contributed to the debate on the Forestry Rights (Amendment) Bill. The overriding purpose of the bill is simple: that is, to encourage investment in carbon sink establishment. The bill sends the important message that the government is committed to the carbon rights and greenhouse issues so it can play its part in reducing greenhouse gas emissions. On a global scale our greenhouse gas emissions are fairly small, but they are nevertheless significant. We must play our role, and the government believes we should show some leadership in the effort.

The benefits to Victoria of encouraging such investment, largely in plantation trees, will be considerable. Our plantation industry will receive a significant boost through an additional source of income. Planting plantation trees, or farm forestry, is also important because it has multiple benefits. The timber value of the trees is the traditional way of

gaining value from plantations, but we are beginning to see their multiple benefits. The legislation will reflect a further stage of that development. We will have not just the timber value but also the carbon credit of the tree. People are looking to the future and realising that that may be established on a global scale. So we will have plantations with value for timber and carbon credits.

In addition, we know that plantation trees — or any sort of forestry, particularly revegetation — will have value in salinity mitigation, land protection and biodiversity. In future farmers will be able to gain value from a whole range of sources, including farm forestry or plantations. They may be able to sell the timber to a sawmiller or a carbon right to a national or an overseas company that is trying to mitigate its greenhouse gas emissions. It might have value in salinity mitigation for that farmer or others in the broader area or another part of a catchment who are experiencing the effects of salinity. That is something we need to do a lot more work on. It is recognised that we need to work out how to get the best value from that benefit of private forestry.

As I said, farm forestry, revegetation and plantations have benefits for biodiversity protection.

Mr McArthur interjected.

Ms GARBUTT — It is a matter of some debate, but clearly there are other possibilities that need to be examined. Everyone knows the value of revegetation and farm forestry for land protection, whether it is to address soil erosion or other problems.

The bill is a first step in adding value and multiple benefits to the traditional advantages we already know about. This is interim legislation, because a lot more work on carbon rights trading needs to be done at the global level. If that happens — that is, if the international and national emission trading practices are established — the legislation would need to be replaced or amended with nationally and internationally consistent legislation that supports such a scheme and its various carbon accounting practices.

In the meantime the legislation will allow carbon rights to be separated from timber and property rights. Importantly, any risks associated with making investments in carbon will be borne by the parties to an agreement, not by the state. However, the legislation will provide an added incentive for new conservation-based planting. It states that property right agreements, of which carbon rights are a subspecies — that is appropriate language, as we are talking about vegetation — are to be notified on the title to ensure

that any potential purchaser is alerted to the existence of an agreement.

A question was asked about why the land-holder will not be allowed to enter directly into an agreement on carbon rights. The answer is that that would establish competing rights over the same trees. The most effective way of avoiding such a conflict of interest between the management of trees for timber and for carbon is to make the rights derive from the forest property agreement. Otherwise there would be two classes of carbon right — one derived from the forest property right and the other from the independent right. That would lead to a difficult and confusing situation.

The legislation will provide great benefits. It demonstrates the government's commitment to addressing the greenhouse gas emission issue. It arguably puts in place an interim position, but it also provides for the recognition of carbon rights separate from timber rights. That will allow those who want to accept the risk of purchasing carbon rights or investing in replanting, revegetation or plantations to do so. As I said, it will have multiple benefits for biodiversity, salinity mitigation and land protection.

Mr McArthur interjected.

Ms GARBUTT — I would not go into conflict of interest. You, consistent with the previous government, obviously never understood conflict of interest, so you would not know! You are demonstrating that you are absolutely consistent — you obviously have not learnt a single thing.

There will be big benefits from the legislation. It demonstrates leadership; it will have the multiple benefits I have described; and it will allow those who wish to make investments in carbon rights to do so. Systems will be established nationally and internationally, and indeed that has happened in New South Wales and to some extent in this state. It is good legislation that we need to pass.

Motion agreed to.

Read second time.

Sitting suspended 1.00 p.m. until 2.02 p.m.

QUESTIONS WITHOUT NOTICE

Judge Robert Kent

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to the fact that County Court Judge Robert Kent had six prior tax-related convictions before

his appointment to the bench and I ask: was the government aware that Judge Kent had prior convictions before appointing him to the bench?

Mr BRACKS (Premier) — It is a matter of public record now that that fact was not disclosed as it was appropriately required to be disclosed —

Dr Dean interjected.

Mr BRACKS — Sorry, the honourable member for Berwick was saying something? The honourable member was interjecting, Deputy Speaker. I would have thought that this was a day when the honourable member for Berwick would keep himself very quiet!

The matter is one to be dealt with appropriately by the Chief Judge. He has made some recommendations to the Attorney-General and they are being considered.

Barley: industry deregulation

Mr RYAN (Leader of the National Party) — My question is to the Premier. Given the fact that more than 90 per cent of Victorian barley growers supported motions for the retention of the single desk for export barley marketing at this week's Victorian Farmers Federation conference, will the government end its arrogant dismissal of growers' concerns and support the bill introduced by the National Party to retain the single desk?

Mr BRACKS (Premier) — I highlight the question to the house which was about arrogantly dismissing Victorian barley growers. From memory the National Party supported the deregulation! What is arrogant now must not have been arrogant then, is that the case? The reality is that the National Party has done a policy backflip. It went along with the Liberal Party: it was in place anyway so the growers knew that it was coming. The government has adhered to existing proposals; which would be expected of any continuation of policy, including competition policy. The government assessed the matter on its merits. The government has kept a commitment of the previous Liberal and National parties; a commitment the industry had taken into account.

Honourable members interjecting.

Mr BRACKS — Sorry? More National Party flips? The government has taken appropriate steps to ensure that the economic benefits of deregulation will accrue to the Victorian barley industry. It can see a very rosy and positive future for the barley industry in the state.

Film and television: industry development

Mr ROBINSON (Mitcham) — I refer the Premier to the importance of the film and television industry to the future of the Victorian economy and ask: will the Premier inform the house of the latest action taken to facilitate growth in this important industry?

Mr BRACKS (Premier) — As an initial response to the film and television task force headed by the actor Sigrid Thornton which reported to the government at the end of last year, I am pleased to say that the government has today taken the first important steps in re-establishing the film and television industry. Some 10 years ago, 28 per cent of all the film and television production in Australia was conducted in Victoria. When the Labor Party came to office in 1999 that share of production had gone down to a miserable 17 per cent. Victoria had lost its way in an important industry that had always been one of its icon industries. Victoria has the talent and the abilities and historically it has had some of the best productions in film and television. It is still the centre of children's television and animation, but with the talent and abilities available Victoria can again be the centre for production.

I was therefore pleased to announce today that the government has agreed to the recommendations in the Thornton report. It will set up a new body called Film Victoria to focus on the development of the film industry. It needs to be remembered that the former Film Victoria organisation was abolished by the previous government which turned its back on the film industry and got rid of it! Victoria had always been a leader in the industry because it had the talent, the abilities and the potential. It is a labour-intensive industry which is part of Victoria's culture and economic future.

The government will establish two bodies. It will split Film Victoria from the existing Cinemedia function and set up Screen Culture Victoria, a body which will focus on delivering the Australian Centre for the Moving Image at Federation Square and the functions required for that. It is an important step and one that the industry has been calling out for for some time. In the rush to move to an integrated model the previous government lost its way on film and television. It had little regard for the industry and, as a consequence, we have seen film and television go up north to New South Wales and Queensland as well as out west to Western Australia. Victoria has lost its competitiveness. I am pleased to have taken this first step.

The second step is that the government has also accepted the other task force recommendation to extend

the Department of State and Regional Development's strategic initiative industry program to the film and television production industry. It has agreed to enter into direct negotiations with the ABC about its plans for Victoria and to pursue increased production in Victoria through SBS.

The government has also agreed to approve the investigation of a partnership between the Victorian College of the Arts School of Television and the Australian Film Television and Radio School and it is monitoring the securing of affordable high-speed band connections for the industry.

Mr Honeywood interjected.

Mr BRACKS — The honourable member for Warrandyte is interjecting. The Leader of the Opposition has already chastised him, and I am sure he does not want to be censured by the house as well!

This step is a great one for the film and television industry, which was neglected by the former government. It is an industry with enormous potential for job growth and value for the cultural icons in this state. I am pleased the government has taken these steps in conjunction with the Sigrid Thornton review.

MAS: royal commission

Mr DOYLE (Malvern) — I refer the Premier to his answer in the Parliament on 1 March when he claimed that the total gazetted cost of the Metropolitan Ambulance Service royal commission was \$15 million. Will the Premier advise the house whether that figure includes the \$2 million so far spent by the service on legal costs alone?

Mr BRACKS (Premier) — The gazetted cost before the latest extension to the Intergraph royal commission was \$15 million; it has now risen by \$2.3 million. The new gazetted cost is \$17.3 million in accordance — —

Honourable members interjecting.

Mr BRACKS — That is a new one; that was made public. The gazetted cost — —

Honourable members interjecting.

Mr BRACKS — Yes, that is the gazetted cost. As is the case with all royal commissions, the cost of parties representing themselves is met by those parties.

Dr Napthine — On a point of order, Deputy Speaker, the question was: does the gazetted cost include the \$2 million? Do I conclude that the Premier's real answer is no?.

The DEPUTY SPEAKER — Order! There is no point of order. A point of order is not an opportunity to restate the question.

Public transport: seniors concessions

Mr MAXFIELD (Narracan) — I refer the Minister for Aged Care to the fact that this week is Senior Citizens Week, and I ask: will the minister inform the house of the latest action taken by the government to make public transport more affordable for senior citizens in country Victoria?

Ms PIKE (Minister for Aged Care) — Since the introduction of the Seniors Card in 1991, cardholders have been able to use their cards for metropolitan transport services during the week and for limited country services on Tuesday, Wednesday and Thursday only. Older people, particularly those in country Victoria, have had a limited capacity to travel to visit their families and friends or attend medical appointments when those occasions occurred on Monday and Friday. As an election commitment the government undertook to negotiate with V/Line and private transport operators to extend to all Seniors Card holders the same concessions available to other pensioners on Mondays and Fridays.

Together with the Minister for Transport I am pleased to announce today that the government has successfully concluded an arrangement that fulfils this commitment to older Victorians. From 1 July all Seniors Card holders will receive the same transport concessions as pensioners on five days a week, which will be backed by a government commitment of \$250 000 a year.

More than 200 000 older Victorians will benefit from this initiative. Travel will be available across the state from Bairnsdale, Lakes Entrance, Paynesville, Warrnambool, Maryborough, Mildura and wherever seniors travel. Mildura is a case in point. The return fare on Mondays and Fridays will drop to \$59. The honourable member for Mildura has been a strong advocate for this change, which will benefit thousands of older Victorians. It will also encourage those who live in the metropolitan area to travel into country Victoria, which will delight the Minister for Major Projects and Tourism!

In Senior Citizens Week I am delighted to make this announcement and celebrate its achievement.

Gas: Gippsland supply

Ms DAVIES (Gippsland West) — I refer the Premier to the fact that industry, individuals and families in the shires of Bass Coast and South

Gippsland are penalised because they have no access to natural gas and bottled gas prices are exorbitant. Will the Premier advise the house what steps his government will take to redress that severe inequity?

Mr BRACKS (Premier) — I thank the honourable member for Gippsland West for her question and continued support and interest in country Victoria. The question was in two parts: one part was the extension of natural gas to areas which currently have liquefied petroleum gas (LPG) and the other part referred to the concession difference between those who have natural gas and those who have LPG.

It is true that there has been and continues to be an inequity in the concession arrangements between natural gas and LPG or bottled gas. I can report to the house that the government has taken action to reduce that gap, although recognising that a gap still exists and there is still more work to be done.

Since coming to office the government has increased the concession available to LPG users by 39 per cent. The concession of \$48 has been increased to a new concession of \$66. That is a cost to the budget of some \$375 000, but it is a cost well worth meeting because it helps bridge the gap between those on natural gas and those on LPG.

The government also has linked further concessions on LPG to the cost of LPG on an annual review basis, which is important because the relativity of that concession is reduced as the cost of LPG rises. If the cost of LPG goes up but the concessions are not changed, the concession is worth much less. The government is instituting an annual review where the prices will be reviewed because it wants to make sure there is no net loss in LPG price increases, which is important.

The government has taken steps on two levels: firstly, to increase the concession by 39 per cent; secondly, to review it as LPG prices increase; and thirdly — in answer to the second part of the question — on the extension of natural gas. It is a privatised system which we inherited from the previous government. It is under the control of the Office of the Regulator-General.

Mr Spry interjected.

Mr BRACKS — I thank the honourable member for Bellarine for his interjection. They are looking for further input into the front bench. Maybe you are frontbench material up there.

Thirdly, the business case that needs to be established for the extension of natural gas is one on which we are

prepared to support and assist the Gippsland community, and we are prepared to support and assist the honourable member and her constituents who are working on that matter. The Office of the Regulator-General has guidelines to assist the business case for extensions of natural gas, and we are happy to facilitate that for those groups the honourable member is working with.

Rail: St Albans crossing

Mr LEIGH (Mordialloc) — I refer the Minister for Transport to the level crossing at Main Road, St Albans, and the comments by the honourable member for Keilor that the actions of Vicroads were slanted against the people of St Albans and that at Vicroads there is the typical *Yes, Minister* situation. As the government is planning to build high-speed regional rail links with trains travelling through the suburban level crossings at high speed, I ask the minister whether he intends to build an underpass or an overpass.

Mr BATCHELOR (Minister for Transport) — The honourable member for Mordialloc asked me about the level crossing at St Albans. Vicroads is carrying out a survey looking at what treatments are appropriate for this level crossing to meet the needs now and into the future.

Mr Leigh — On a point of order, Deputy Speaker, I asked specifically what the minister was going to do. The former government made \$100 000 available. It is now a year late and I asked the minister what he is prepared to do.

The DEPUTY SPEAKER — Order! I do not uphold the point of order. The minister has barely been speaking for 1 minute. I ask the Minister for Transport to continue.

Mr BATCHELOR — He is a premature interjector! As I said, a study has been carried out to identify the most appropriate options for this level crossing. When a decision has been reached we will inform the people of St Albans and the honourable member for Mordialloc.

Drugs: methadone program

Mr LONEY (Geelong North) — I refer the Minister for Health to yesterday's joint sitting of the Parliament on drugs which heard from Professor Margaret Hamilton about an increase in requests for methadone treatment. I ask the minister what the government is doing to improve the provision of methadone treatment.

Mr THWAITES (Minister for Health) — Getting people who are abusing heroin into a methadone treatment program is one of the most effective things we can do to treat that addiction. Demand for methadone programs is increasing by at least 15 per cent per year. As Professor Hamilton said, there has been an increased number of requests over the past six months.

I am pleased to advise the house of a number of initiatives the government is taking to significantly increase the provision of methadone around the state. Firstly, we have a program to increase the number of doctors who are prepared to prescribe methadone. We want to increase the number of doctors by 50 per cent, and we have entered an agreement with the Royal Australian College of General Practitioners and Turning Point Alcohol and Drug Centre to train those extra 144 doctors in methadone provision. On top of that training, we are expanding a mentoring initiative where we are getting GPs who are already prescribing methadone to mentor other doctors who may be nervous about taking this on as a new program.

In addition, the government is aware of the issue in country Victoria. It is true that there is sometimes a hidden problem of drug abuse in country Victoria. We are piloting methadone outreach workers in country regions who will work with pharmacists and doctors to help them set up methadone programs. Already those outreach workers are set for Gippsland, Shepparton, Bendigo and Mildura, and we will be expanding them around the state.

Further, we are working to improve the specialist methadone program. Funding for that has doubled since the 1999 year from \$722 000 to \$1.3 million. I am pleased to advise that the waiting times for the specialist methadone program have now decreased from seven days to three days. There are improvements. The government is meeting the increased demand and it is a positive sign that more people are seeking to get on the methadone program so they can get off heroin.

Gaming: venue lighting

Mr BAILLIEU (Hawthorn) — Will the Minister for Gaming confirm that the government has advised gaming venues that they will be able to satisfy the government's natural lighting requirement by installing a closed-circuit television in gaming rooms with an external camera pointed at the sky?

Mr PANDAZOPOULOS (Minister for Gaming) — If only they were serious about tackling the gambling industry in the past when they were in

government! As the regulator, the Victorian Casino and Gaming Authority, on instruction, is consulting the industry at the moment about how to implement natural light. The government has gone beyond its policy, which was a code of conduct, to actually make it a requirement because it believes that there is a false atmosphere in gaming venues. It has said it needs to go beyond a code of conduct and make it compulsory because it believes there are real benefits in improving lighting standards. It is going beyond natural light. Why? Because venues also have a false internal atmosphere when it is dark outside. That is why the government is talking about a natural light equivalent.

The Victorian Casino and Gaming Authority is consulting the industry. It will advise me —

Honourable members interjecting.

Mr PANDAZOPOULOS — They never want to know! Were they serious about tackling the lighting issues — natural light — or regulating the industry? No! They have all these fantastic ideas in opposition, I think —

Honourable members interjecting.

Mr PANDAZOPOULOS — No, they do not have any fantastic ideas!

The regulator will advise me of the regulations it will recommend. As usual, under the Subordinate Legislation Act there will be a regulatory impact statement and the government will consider that. However, at this stage I have not been advised by the Victorian Casino and Gaming Authority of the regulations it suggests.

Tertiary education and training: apprentices and trainees

Mr LIM (Clayton) — I ask the Minister for Post Compulsory Education, Training and Employment to inform the house of the latest information on apprenticeship and traineeship growth in Victoria.

Ms KOSKY (Minister for Post Compulsory Education, Training and Employment) — I thank the honourable member for his question. I had hoped the honourable member for Hawthorn would ask a similar question, but obviously he is too focused on whether or not he should shake the hand of the honourable member for Mordialloc.

There has been a fantastic increase in apprenticeship and traineeship numbers in Victoria. In terms of commencements, in the first two months of this year

7726 new employees took up an apprenticeship or traineeship — that is up 22 per cent on the figure for the same time last year. There has been a 22 per cent increase in just 12 months in the number of people who have taken up an apprenticeship or traineeship. In regional Victoria, which the government is very concerned about, commencements increased by 32 per cent over the same period. There has been a substantial increase in the opportunities for people in Victoria who want to be involved in training. I should say that Victoria is leading the field in training.

As this house knows, Victoria has had excellent results in employment growth and in the economic data that has been coming through. The government knows that training and skills development are absolutely critical for economic development in Victoria, and it is absolutely committed to making sure that it puts in the money for training. It is very pleased that the uptake has been so strong.

Figures have come through today that add to the terrific employment figures for last year, which show that unemployment is at 6.3 per cent. In the past month employment in country Victoria rose by 1.1 per cent to be 5.7 per cent higher than it was a year ago. In regional Victoria there are significant improvements in the employment uptake, which is fantastic for the regional economy. In the past 12 months, 32 200 new jobs have been created in country Victoria, with the highest growth in the Barwon south-western region. There is fantastic news right around Victoria and the government is very pleased it can assist not only with its employment and investment programs, but also by providing training. However, it is unfortunate that Dr Kemp, my federal counterpart, does not share the same enthusiasm for making sure that funding is put into the training system.

Only last week Dr Kemp put on the table an additional \$20 million nationally for the first year, and \$5 million for the two years afterwards — that is for the whole of Australia, the entire country. The Victorian government puts in an additional \$40 million each year in Victoria, yet the federal minister can put in only a lousy \$20 million nationally. This means that in Victoria we would be able to train only an additional 1600 trainees and apprentices in the following year, and almost 10 000 Victorians would miss out on training opportunities.

The government rejected the offer because it is not worth the effort Victoria would have to put in. I call on the Victorian opposition spokesperson for training to assist this government to gain further funding from the federal government for traineeships.

An honourable member interjected.

Ms KOSKY — The government would love to lift the freeze if it had federal government support. Unfortunately it does not have that support from the federal government, or from the Victorian opposition.

I compare the offer on the table from the federal government with the additional \$6.5 million that was announced last week by the Victorian Minister for Health and the Victorian Minister for Aged Care for division 2 nurse training — an additional \$6.5 million was put in last week on top of the \$40 million I referred to. The federal government can put in only \$20 million across Australia. It is a lousy offer. However, the government is pleased that we are seeing training continuing to grow in Victoria.

The DEPUTY SPEAKER — Order! The time for questions without notice has expired and 10 questions have been asked.

Mr Pandazopoulos — On a point of order, Deputy Speaker, I seek some clarification from the Chair on the protocols of the house in relation to conflicts of interest and members declaring those. The honourable member for Hawthorn is a shareholder of Fosters, which owns Australian Hospitality and Leisure, which owns gaming venues, and of course this natural lighting issue will affect gaming venues. I am seeking advice from the Chair about members having to declare pecuniary interests before they ask questions.

The DEPUTY SPEAKER — Order! I do not uphold the point of order. On the point of clarification, a member is required to declare an interest only at the time of a vote.

FORESTRY RIGHTS (AMENDMENT) BILL

Committed.

Committee

Clause 1

Ms GARBUTT (Minister for Environment and Conservation) — I move:

1. Clause 1, page 2, line 1, omit “consent of” and insert “notification to”.
2. Clause 1, page 2, line 3, omit “obtained” and insert “given”.

These are consequential amendments that are required as a result of the proposed amendments to clause 8. The amendments to clause 8 remove the requirement for consent to be obtained from mortgagees before

somebody can enter into or amend a forest property agreement and replaces that requirement with a requirement for notice to be provided to mortgage holders before an agreement is entered into.

Mr PLOWMAN (Benambra) — I ask the minister how that clause can provide for rights to the commercial exploitation of the carbon sequestered by trees. The carbon cannot be separated from the trees, yet the clause contains the words ‘to provide for rights to the commercial exploitation of carbon’. For the clause to be correctly worded it should say something to the effect that it will ‘provide the rights to the process of carbon sequestration and the commercial exploitation of the process of sequestration by trees’, not by the carbon itself, because the carbon cannot be separated from the trees.

Ms GARBUTT (Minister for Environment and Conservation) — The answer lies in the purpose of the bill, which is to provide ‘rights to the commercial exploitation of carbon sequestered by trees’. We are talking about rights, not the actual carbon. That is made clear in the name of the bill and in its purposes.

Mr PLOWMAN (Benambra) — It is not the rights we are talking about, it is the opportunity for the commercial exploitation of something. The bill provides rights to that commercial exploitation, but it speaks of ‘the commercial exploitation of carbon’, not of the process of sequestration, which is what I suggest we are talking about. I do not argue with the provision of rights — I agree with that — but I do argue with what the bill provides rights to. You cannot have the right to the commercial exploitation of the carbon in a tree, you can have the right only to the process by which that carbon is sequestered.

If the bill were worded in that way, we would all understand exactly what is being traded. However, as it stands what is being traded is the commercial exploitation of the carbon.

Ms GARBUTT (Minister for Environment and Conservation) — I draw the attention of the house to the fact that we are debating the purposes of the bill. As is clearly stated in clause 1(a), one purpose is:

to amend the Forestry Rights Act 1996 to provide for rights to the commercial exploitation of carbon sequestered by trees.

I invite the honourable member to look at that purpose.

We are also talking about amendments to clause 1(b), which as amended will read that a main purpose of the act is:

to provide for notification of holders of registered mortgages.

The amendment changes ‘consent’ to ‘notification’. The honourable member has not addressed that issue. However, we are not talking about the ownership or possession of the trees, we are talking about the carbon rights — and not the carbon itself.

Mr STEGGALL (Swan Hill) — It is an interesting discussion, given the way the minister has just explained the amendments. As I understand it, there are three players with property rights covered by the bill — the owner of the land, the person who owns the timber, and the person who can own the carbon. A person wishing to own the carbon can do business only with the person who owns the tree, and the bill gives to the person who owns the timber and who has a forestry right to it the right to trade with the person who wishes to buy the carbon right.

That is the theory behind where we are going. The National Party said during the second-reading debate that it is hoped the bill will lead to the benefits we all want to see. We are getting back to the good old days when discussion of the purposes of a bill gave us another run at the second-reading debate — while bringing only the purposes into play, of course. However, I am interested in the change from ‘consent’ to ‘notification’, which is a big lowering of the test. I seek the advice of the minister about what type of advice she received in lowering that test.

I am not opposed to it, I am just fascinated to know how registered mortgage holders could have offered advice to the government to take that action.

Ms GARBUTT (Minister for Environment and Conservation) — I can advise the honourable member that bankers would like total control of this process. However, the bill retains the intent of the original part 3 by allowing mortgagees to invoke the terms of their mortgage contracts should they believe the agreements they are being notified of will have some detrimental impact on the value of their security. While I am sure mortgagees would go for something as strong as possible, I am advised that the bill as amended will still ensure the integrity of what is intended.

Mr McARTHUR (Monbulk) — I ask the minister to assure the house that she has received an assurance from the appropriate peak representatives of the finance industry that they will be prepared to continue to allow mortgages to run even if they are to receive only notification of the trade of the carbon sequestration rights in the trees for which they may have mortgaged their forest property rights.

Ms GARBUTT (Minister for Environment and Conservation) — The mortgage documents will protect the bankers, insurance companies or whoever, and that is what is needed. The notification going to the holders of mortgages will alert them to look at their mortgage documents and take whatever action they deem necessary if they believe there will be some detrimental impact. My advice is that that retains the intent of part 3 and should be fine.

Mr SPRY (Bellarine) — In relation to the definition of ‘sequestration’, many stakeholders are interested in the way this bill will be implemented. Much has been written about quantifying the measurement of carbon rights. I ask the minister to give those interested stakeholders some indication of her interpretation of the mechanism for measuring those rights.

Ms GARBUTT (Minister for Environment and Conservation) — I have explained before that measurements, accountability requirements, carbon emissions, carbon right trading and so on are on the international agenda. Those aspects have not been agreed and finalised.

What we have in front of us is an interim arrangement which protects investors and forest timber property owners who wish to take the risk and enter into agreements on trading carbon rights. This is by way of interim legislation, and when or if international agreements are put in place that include how you measure carbon sequestered by trees or other ways, there will have to be further legislation — national legislation would be appropriate — to reflect those international agreements. At the moment what is put in place is what has been agreed by the investors. This bill offers them a framework in which to operate.

Mr STEGGALL (Swan Hill) — I am a little hesitant about accepting the minister’s answer with regard to the consent that the finance industry has given to the government and the acceptance of the amendment regarding the notification. Like a lot of others in this legislation, that is an interesting area and one that I guess will have to be developed. It would appear to me that the minister and the government do not have any information with which to assure the house that the finance industry will accept this operation — or this notification — instead of the consent.

During the debate several members raised the issue of the definition of trees that the purposes clause uses. Will the minister comment on some of the issues raised by honourable members during the second-reading debate about the definition and the advice that quite a

few members have been given about the definition of trees in the act?

Ms GARBUTT (Minister for Environment and Conservation) — I take up the first point and indicate that the banks are happy with the — —

Mr Steggall interjected.

Ms GARBUTT — They are happy with the term ‘notification’.

Mr Steggall interjected.

Ms GARBUTT — I don’t think you were listening. The banks are happy with ‘notification’ rather than ‘consent’. I think that is now clear to all.

The definition of trees goes back to the principal act. To make amendments would have the consequence of amending the principal act as well as consequences right through to the right to timber and the right to carbon.

Amendments agreed to; amended clause agreed to; clauses 2 to 5 agreed to.

Clause 6

Ms GARBUTT (Minister for Environment and Conservation) — I move:

3. Clause 6, page 5, lines 5 and 6, omit “as soon as practicable” and insert “in writing within 28 days”.

Proposed section 13 requires that a notification that a carbon rights agreement has been entered into must be given to the Secretary of the Department of Natural Resources and Environment as soon as practicable after the carbon rights agreement is entered into. This amendment changes that to ‘within 20 days’ of entering into the agreement. That provides for greater than 28 days — —

Mr Steggall interjected.

Ms GARBUTT — Did I not say ‘28 days’?

Mr McArthur interjected.

Ms GARBUTT — You have to listen harder.

Mr McArthur — We were.

Ms GARBUTT — Like the way you were listening to the people of Victoria before the election — not carefully enough! The wording will be changed to say that notification must be given in writing within 28 days after the agreement is entered into.

Mr PLOWMAN (Benambra) — Following the question from the honourable member for Bellarine about the way the sequestration rate can be measured, the minister’s answer, as I recall it, was that we would have to wait for those sorts of things to be worked out, such as the trading of carbon credits and so on. I accept that we have to wait to get the trading rules right. But this legislation contains no recognition of sequestration and the soil.

Although I listened to what the honourable member for Swan Hill had to say about the three clear parts — the separation of the property of the land, the separation of the property of the tree, and now the alternate property of the carbon that is sequestered by the tree — there is plenty of evidence to suggest that the soil is sequestering carbon at the same time as the carbon is being sequestered by the tree and that the tree cannot do it without nourishment from the soil. Therefore, there should be some recognition of the right of the principal owner of the land in an agreement.

I ask the minister to give the house an assurance that when further consideration is given to this or any other legislation that introduces or discusses the trading of carbon credits, the rights of the property owner to the carbon sequestered by the soil is given due consideration.

Ms GARBUTT (Minister for Environment and Conservation) — I can reassure the honourable member that that and all other aspects will be taken into account if there is further legislation following the making of international and national agreements. The issue of soil carbon is not in the legislation because it is beyond the scope of the principal act, which is a forestry act that deals exclusively with forest property — namely, trees and their products. It is not in this legislation — that would not be appropriate — but it can and will be taken into account in subsequent legislation.

Mr PLOWMAN (Benambra) — I thank the minister for that answer. I forget the very words she used, but she said it was inappropriate. However, it is appropriate, because you cannot separate the two parties — the soil and the tree. Nonetheless, I recognise her response and thank her for it.

Mr MULDER (Polwarth) — I refer to clause 6, which deals with carbon rights agreements and provides that a forest property owner may enter into an agreement with a person to grant the forest property owner’s carbon sequestration rights to that person. How does that apply to state-owned forests and the regional forestry agreements that have been signed? In my electorate 27 000 cubic metres of timber is allocated to

the licence-holders. Who owns the rights to the carbon in these particular cases?

Mr Howard — On a point of order, Mr Acting Chairman, the committee is talking about an amendment to clause 6. The question does not relate to the amendment, which simply changes the current wording to ‘in writing within 28 days’. I ask that you ask the honourable member to contain his remarks to the issue, which is the change to the clause.

Mr McArthur — On the point of order, Mr Acting Chairman, I distinctly heard the Clerk say ‘Clause 6’. I put it to you that that allows members to debate issues and raise matters about clause 6 — not just the wording of the amendment.

Mr Richardson — On the point of order, Mr Acting Chairman, the honourable member who raised this frivolous point of order is simply trying to be mischievous.

Honourable members interjecting.

Mr Richardson — For the information of the honourable member for Ballarat East — who ought to sit there, be quiet and listen and learn so he does not make as big a fool of himself again — this is the committee stage of the debate.

Mr Howard interjected.

Mr Richardson — Oh do be quiet, you silly little man!

This is the committee stage of the bill, and a particular clause has been called. Honourable members on this side of the house are raising legitimate issues and asking questions of the minister, who is answering them. The honourable member for Ballarat East is being just as impertinent to his own minister as he is being stupid to himself.

The ACTING CHAIRMAN (Mr Nardella) — Order! I have heard enough on the point of order. I do not uphold the point of order. The committee stage is about dealing with both clauses and amendments, and it is appropriate that questions be asked on the clause as well as on the amendment.

Ms GARBUTT (Minister for Environment and Conservation) — The answer for the honourable member is that this applies to private forestry land.

Mr SPRY (Bellarine) — In relation to clause 6, which deals with carbon rights agreements, I refer the minister to Alcoa, a company about which I was

speaking in my contribution to the debate earlier, and to the Alcoa World Aluminium Australia response to the invitation to submit comments to the Victorian greenhouse strategy discussion paper — I presume she is at least aware of that. I refer her also to the Australian Aluminium Council’s set of principles that have been adopted in relation to emissions trading, particularly principle 5, which refers to any provision:

... designed and introduced to recognise and reward firms and sectors that have taken early abatement actions (that is, since 1990) and not penalise or disadvantage them —

by the introduction of legislation such as this bill, which provides for the ability to trade in carbon rights. I seek her assurance that that principle, which is one of eight principles embodied in the Australian Aluminium Council’s document on emissions trading, will be taken into consideration in the implementation of the bill. I ask that the minister —

The ACTING CHAIRMAN (Mr Nardella) — Order! The honourable member for Ballarat East may not have discussions with strangers in the gallery. I ask him to desist.

Mr SPRY — I ask the minister to comment, if she has sufficient information on it, on principle five, which I have just outlined to her.

Ms GARBUTT (Minister for Environment and Conservation) — I thank the honourable member for his comments, but he is talking about emissions reductions and we are now talking about carbon sequestration, so it will not have an impact.

Mr SPRY (Bellarine) — Emissions trading is the generic term under which carbon trading rights and carbon sinks — or carbon banks — fall. It is directly connected with the bill and the clause we are discussing. For the sake of clarification I will try to encapsulate the question: Alcoa and other members of the Australian Aluminium Council seek to ensure that any provision designed and introduced by way of legislation recognises and rewards firms and sectors that have taken early abatement actions and does not penalise or disadvantage them.

Ms GARBUTT (Minister for Environment and Conservation) — The bill is not about emissions trading; it is about carbon sequestration. The government is setting up a framework that will encourage investment in plantations and farm forestry by investors who are prepared to take on the risks associated with investment and international agreements being reached on these issues. The

government is putting in place a framework that will allow that investment to take place.

Amendment agreed to; amended clause agreed to.

Heading preceding clause 7

Ms GARBUTT (Minister for Environment and Conservation) — I move:

4. Part heading preceding clause 7, omit “**CONSENTS TO**” and insert “**NOTIFICATION OF**”.

This amendment refers to the removal of the requirement for consent to be obtained from mortgagees before entering into an agreement and replaces that requirement with the requirement for notice to be provided.

Amendment agreed to; amended heading agreed to.

Clause 7 agreed to.

Clause 8

Ms GARBUTT (Minister for Environment and Conservation) — I move:

5. Clause 8, line 1, omit “*Consent*” and insert “*Notification*”.
6. Clause 8, line 7, omit “unless — “ and insert —
‘unless at least 14 days before the agreement is entered into, the owner of the land has notified the holder of the registered mortgage or charge that it is proposed to enter into the agreement.’.’.
7. Clause 8, lines 8 to 17, omit all the words and expressions on these lines.
8. Clause 8, line 24, omit “unless — “ and insert —
‘unless at least 14 days before the agreement is amended, the owner of the land has notified the holder of the registered mortgage or charge that it is proposed to amend the agreement.’.’.
9. Clause 8, lines 25 to 34, omit all the words and expressions on these lines.

These amendments also refer to the removal of the requirement for consent to be obtained before entering or amending a forest property agreement and replace that requirement with the requirement for notice to be provided.

Amendments agreed to; amended clause agreed to.

Clause 9

Ms GARBUTT (Minister for Environment and Conservation) — I move:

10. Clause 9, line 1, omit “*Obtaining consent*” and insert “*Form of notification*”.
11. Clause 9, line 3, omit “*Consent*” and insert “*Form of notification*”.
12. Clause 9, lines 4 to 9, omit all the words and expressions on these lines and insert —
“A notice given under section 5(2) or section 7(2) must be in writing and must — “.
13. Clause 9, lines 19 to 26, omit paragraph (c) and insert —
‘(c) state that it is a requirement of the Act that at least 14 days notice in writing is given to the holder of a registered mortgage or charge before a forest property agreement is entered into or amended.’.’.
14. Clause 9, lines 27 to 33 and page 10, lines 1 to 20, omit all the words and expressions on these lines.

Again, these amendments refer to the change from consent to notification, which we have discussed. The amendments are required as a result of that proposed change.

Amendments agreed to; amended clause agreed to.

Long title

Ms GARBUTT (Minister for Environment and Conservation) — I move:

15. Long title, omit “consent to” and insert “notification to be given for”.

This amendment is required as a result of the amendments stemming from the change from consent to notification.

Amendment agreed to; amended long title agreed to.

Reported to house with amendments, including amended long title.

Remaining stages

Passed remaining stages.

ENVIRONMENT PROTECTION (LIVEABLE NEIGHBOURHOODS) BILL

Second reading

**Debate resumed from 21 March; motion of
Ms GARBUTT (Minister for Environment and Conservation).**

Mr KILGOUR (Shepparton) — The Environment Protection (Liveable Neighbourhoods) Bill is an important measure that proposes to extend past

arrangements that were made for the protection and support of our environment. It is interesting to consider what the government is proposing in extending environmental plans from the commercial area to the neighbourhoods of our communities.

I am concerned that there has been little consultation with the people who will help to administer the legislation — that is, local council officers. I am disturbed to hear that the Municipal Association of Victoria heard about the bill only two days before it was brought on for debate.

Mr Plowman — Without consultation.

Mr KILGOUR — Yes, debate on the bill has been brought on without consultation not only with the Municipal Association of Victoria but with the community. That is not surprising, given how the government works. Now, faced with debating the bill, members of the opposition parties have had to ask people in the community what they think about the proposal, and they have said they have not had time to look at it.

The minister cannot feel happy about the way in which her department and the government have introduced the bill. It seems they wanted to introduce the bill but did not have it ready in time. It was probably delayed in getting to cabinet, and now it has been delayed in getting to people for discussion. The fact that no notice was given of the amendments before the debate was resumed shows a contempt for Parliament. There has been no public consultation in the neighbourhoods affected.

I refer to how the provisions in the bill will unfold to help our neighbourhoods. It proposes introducing neighbourhood environment improvement plans into the Environment Protection Act. Over the years the Environment Protection Authority (EPA) has been given many tools, which it has used to reduce emissions from industry, and especially from larger industrial sites. Those well-developed statutory tools include licences, work approval notices and so on. Over the past 20 years or so we have come a long way in ensuring that the people running our industries do the right thing and think about how those industries affect communities. That includes the emissions and the quality of the water that comes from industry.

The bill introduces some environmental protection principles. I heard one person describe them as wanky motherhood statements, and after reading them I have to concur. I wonder what use they are, because some of them are vague and all of them are almost meaningless.

However, that is how the government has decided to introduce them. I do not have any great problem with them, but it would have been better to have left them out, because then we would all have a much better understanding of what the bill is all about.

Mr Plowman interjected.

Mr KILGOUR — I am pleased that the honourable member for Benambra agrees with me. He probably tried for some time, as I did, to work out what some of the provisions mean.

Mr Plowman — Except you and I might have thought of a different term!

Mr KILGOUR — I will leave it at ‘wanky motherhood statements’, if the honourable member for Benambra is happy with that, and move on.

No examples have been given of where the proposed environment improvement plans will be used. There is no identification of major problems in the community that need to be addressed. I do not have a problem with the plans; they will be good. Communities will be encouraged to get together to support plans to help with their improvement. It is disappointing that the very bodies who will help to develop the plans — that is, the councils — have been overridden by the government. There has been very little accommodation of and no consultation with local councils.

As I said, the plans will build on the success of the industrial site environment improvement plans which were introduced into the principal act in 1989 and which have resulted in many changes in the way industrial companies have managed their waste. A company may voluntarily initiate an industrial site agreement, and the act allows the EPA to direct that a company develop one. If the EPA considers that a company is not doing the right thing by the environment, it can direct the company to do something about its waste. In most cases, there have been discussions between the EPA and the companies involved, which have voluntarily initiated the action needed — and I have heard of some good examples.

An environment improvement plan is a public commitment by a company to enhance its environmental performance. It outlines the areas of a company’s operations that need improving, and it is usually negotiated in conjunction with the local community, including the local council, as well as the EPA and other relevant government authorities — for instance, the water board or water authority.

The *Information Bulletin* provided by the EPA states:

Where possible, an EIP —

an environment improvement plan —

contains clear time lines for completion of improvements and details about ongoing monitoring of the plan.

This ensures that the company does not slip back to what was happening before. The bulletin continues:

Improvements may include new works or equipment —

possibly from overseas with the latest technology —

or changes in operating practices. Monitoring, assessments and audits are undertaken to plan and support these improvements The EIP approach brings local community, industry and government into closer cooperation to resolve issues of mutual concern. It addresses the environmental concerns of the community, and increases community acceptance of an industry operating in their area.

Industry is to be encouraged to undertake the plans on a voluntary basis.

The bulletin continues:

In some cases EPA can require a company to conduct a statutory EIP. EPA can tighten the waste discharge licence conditions of a company with a poor environmental record. It can also require the company to conduct an environmental audit using an external, qualified environmental auditor ...

It is good to note the benefits that can come from these plans. Industry and the community can benefit in many ways from the development of a plan. Perhaps the most significant is the greater understanding of industry practices and processes and the resultant environmental effects. This can lead to more cooperation and an informed debate about the issues of concern.

In many cases the plant improvements have also entailed improved waste minimisation and cleaner production for the company, resulting in cost savings. A company in my electorate called Tatura Milk Industries is one of the great dairy companies of this land that has a niche market and is now providing baby formula to the Japanese. Quite frankly, there was a time when Tatura Milk Industries was causing trouble in its community. I was attending a meeting in Tatura one night and my car was parked opposite the factory, and when I came out my car was covered in a white powdery substance that was being emitted from the Tatura Milk stack. Something had gone wrong and the dryer had spewed powder out of the factory and all across the neighbourhood. As the local member I received complaints about it.

There was no doubt that Tatura Milk Industries needed to do something to overcome the problem, and it certainly did. It had a plan approved by the EPA and

the emissions are no longer seen coming from the factory.

As well as emissions in the air, there are also emissions from under the ground. Tatura is one of the best towns in country Victoria for the production and processing of food, with companies such as Rosella Food and Tatura Milk Industries, but a situation arose where Tatura Milk was not monitoring the type of liquid waste that was coming out of its factory. The liquid it was putting down the drains had a pH level that was eating the concrete pipes under the town. Seven million dollars worth of damage was done to the pipes sending the waste water out of the area. At one stage a whole road in Tatura subsided because the pipes had been eaten away and disappeared. The honourable member for Benambra may have been in Tatura with one of the previous government's committees —

Mr Plowman — In a bus.

Mr KILGOUR — And the Honourable Geoff Coleman was with the committee looking at a massive hole in the road caused by the pipes disintegrating because of the emissions from the factory.

This has now been fixed. Not only did the factory improve the emissions from liquid waste but it also put in a process with newer technology that enabled a lot of the waste to be recycled and reused — and made money out of it! Those sorts of things can benefit the company as well as the community. It is pleasing to see that companies like Ford, BHP and Riverland Oilseed Processors Pty Ltd in Numurkah also have their own plans.

In Shepparton a company called Ducats Food Products, which has been in business for about 85 years, has now entered into an agreement with the EPA. It is one of the great milk supply companies of Victoria, and it was because of Ducats that Big M flavoured milk was introduced. Over the years the company has been providing the best quality product that can be supplied out of country Victoria. The managing director of the company, Ray Ducat, said that there was no substitute for quality and that under no circumstances would he allow anything to be done in his factory that reduced the quality of the product. His role has now been taken over by his daughter Michelle Ducat, who has continued to work with the EPA, the local council and the local water board on the issue of the emissions from the factory. It is a good example of how a company can benefit the community by what it does. The company believes the audit has been worth while and is working on audit plans to ensure that it complies with requirements.

I will move on from the issues that have come about because of industry to the neighbourhood improvement plans. While we are not necessarily sure of what this means, in country Victoria these types of plans have been operating for many years.

Landcare groups consisting of people in the community who come together and care for their neighbourhoods are leading the way. They examine what is needed to ensure a better neighbourhood for people to live in. Country people have been working together for many years, and people in the towns and municipalities now also have an opportunity to come together and work on a neighbourhood plan in conjunction with water boards; the Environment Protection Authority; protection agencies, including municipal councils and catchment management authorities; Vicroads and the Department of Natural Resources and Environment. Although the EPA can direct a community to act, most plans will come from a community saying, 'We have a problem and we will work with the council'. Each council will have a lot to do with whether these plans come to fruition. In most cases, councils already work towards the improvement of the environment and will assist the neighbourhoods in their plans.

I am concerned about the staffing of the EPA. In my area it has an office in Wangaratta and it is almost impossible to get a staff member to monitor a problem in my electorate of Shepparton. The EPA says that the local council should take control, but the council says it is a problem for the EPA. There is a demarcation dispute about who should be monitoring the issue. More people are desperately needed in the EPA to work on the ground and in cooperation with councils. More monitoring by the EPA will be necessary if more communities have neighbourhood plans.

I wish the project all the best. I hope it will not be foisted on communities and that plans will instead be born in the community and supported by the EPA and councils to ensure that everybody works together. The community must agree on any improvement plan, and that will not always be easy. No matter what you do in the community — whether it be pulling down a fence or cutting off a piece of property — somebody will not like it. Neighbourhood plans will probably concentrate on social and environmental issues, and extensive work by councils will be needed to bring the community together. Three or four voluntary neighbourhood plans will be piloted in the coming 12 months. I wish the EPA all the best in bringing those forward. I hope they will be successful, enabling their extension into other areas.

I refer briefly to the system of environmental audits, which has grown markedly over the past 10 years. More environmental auditors will probably be needed. I hope that the government will heed the current problems in its programs caused by a lack of staff and will engage more auditors to redress the situation.

I hope the pilot programs are successful. It is not easy to get neighbourhoods to come together on environmental issues because somebody might be affected in a way they do not like. If they are not successful I hope the minister will come back to Parliament to have another look at it.

Mr HOWARD (Ballarat East) — I am pleased to speak in support of the Environment Protection (Liveable Neighbourhoods) Bill, which brings to the fore many aspects of the Bracks Labor government's promises to Victorians before the election. Before it came to office, the Labor Party promised a platform that would advance ecological sustainability and ecologically sustainable development across the state. It was also elected on a platform that promised to empower communities by ensuring they were consulted on issues of importance. The legislation is a giant step forward in bringing into play both aspects of those significant promises.

I will outline a couple of the general aspects of the legislation. As both previous speakers have said, the bill improves some aspects of the way in which the Environment Protection Authority can work. The early part of the legislation sets in place principles by which the EPA works, so that people reading the legislation may gain a greater appreciation of its nature and background. Although the honourable member for Shepparton spoke of those principles in a colloquial way, they are internationally agreed principles and draw together several key elements that will provide guidance for people when they are dealing with the legislation.

Significantly, the bill brings into place advancement in the way neighbourhoods can set plans in place to improve their environments through neighbourhood environment improvement plans (NEIPs). The community should be excited about the opportunities presented in this aspect of the bill.

Part 4 of the bill relates to environmental audits and provides opportunities for the improvement of such audits.

The legislation comes before the house after significant consultation and with the support of many community groups, whether they be individuals, local government

groups or industries. I will refer to some examples of the support the legislation has gained. For example, to demonstrate the way the government consulted before the legislation was introduced, the bill was outlined in a three-page spread in the December 2000 issue of the newsletter published by the Environment Institute of Australia.

In the article, Simon Molesworth, QC, the national president of the Environment Institute of Australia, focused much of his attention on the environment protection principles in the bill. It states:

It is laudable that a state government has decided that its principal environmental agency should act within and in accordance with such principles.

Some might be surprised that such a step was not taken years ago.

That type of national exposure further underpins the importance and the credibility of the bill.

As well as support from the environmental arena, the bill has gained significant support from industry. In a letter of 23 February to the Minister for Environment and Conservation, the general manager of Australian Environment Business Management, Mr John Newton, states:

The neighbourhood environment impact plan (NEIP) concept is very promising as it will allow statutory plans to be developed dealing comprehensively with both point and diffuse sources of emissions. This will complement the suite of tools already dealing with industrial point sources. I am also pleased to see that it is proposed to pilot a small number of NEIPs during the first year to allow for further refinement of the concept.

Further support has come from other companies, such as Boral. On 4 December Boral wrote to the EPA. The letter states:

Allowing for neighbourhood plans is the natural next step in Victoria after the success of the industrial site environment improvement plans.

The government has consulted widely from the early stages of the drafting of the bill. It has included local government in that consultation on a number of occasions through both the Victorian Local Governance Association and the Municipal Association of Victoria (MAV). The EPA signed a memorandum of understanding with those associations to ensure any impacts on local councils would be adequately addressed.

I was concerned to hear the honourable member for Doncaster while speaking on the bill on two occasions — yesterday and 27 February —

misrepresent many aspects of the consultation that has taken place and some aspects of the content of the bill. I will refer to a few of those comments. It is unfortunate that the honourable member did not seem to understand the nature of the consultation that had taken place with the MAV, which is a major body representing local government across the state, when he suggested that the government had not consulted with it until the last minute. That is incorrect.

The bill was introduced into Parliament on Wednesday, 1 November, last year. The second reading took place the following day. The first of the briefings that took place between the EPA and the MAV occurred on 11 October last year. Since that time a number of meetings have taken place between different members of the EPA and the MAV at which various aspects of the bill have been discussed.

There are a number of issues involved, and I do not have time to go into how wrong the honourable member for Doncaster was in his comments about the lack of consultation with the MAV. A number of meetings took place over that time. Even before the honourable member for Doncaster spoke in this place on 27 February, at a meeting on 23 February a memorandum of understanding was agreed to between the chief executive officer of the MAV and members of the EPA. The CEO was surprised to hear it had been suggested there was any disagreement between the EPA and the MAV on the matter.

I would have liked to have referred to a number of other issues, but I want to allow some time for other honourable members to speak on the matter. I reiterate that there has been support for the legislation from local government, industry and environmental groups. Consultation has been very thorough and has involved many groups, and it is disappointing to hear opposition members misrepresenting the facts about that.

The bill is sound legislation and offers opportunities for communities to move forward with environmental plans into which they will have the opportunity of providing input. I commend the bill to the house.

Mr THOMPSON (Sandringham) — I wish to take up from where the honourable member for Ballarat East left off. I am sure the Housing Industry Association and the Municipal Association of Victoria (MAV) do not mind being quoted by him, but they would prefer some things to be quoted accurately. I refer to a press release from the HIA dated 22 February. It quotes Mr Gaffney and states:

Our concerns relate to the fact that the proposed legislation is another layer of land use control that does not integrate well

into the planning system. Local government and industry have been working towards a fully integrated land use planning system only to have the liveable neighbourhoods bill appear out of left field. We really need to stop and ask ourselves if there isn't a better way to achieve what is being proposed.

We want to make sure the legislation truly works in the best interests of industry and the community but we expect some formal consultation in order to fully understand the implications of the bill.

In correspondence to the honourable member for Doncaster dated 22 February, the MAV noted:

The MAV has major concerns about a number of elements, none the least the inadequate consultation with local governments that has gone into its development. Key concerns of the MAV are that:

The bill does not reflect the needs of local governments who have a range of existing processes and legislation in place that are adequate to involve and consult the community on environment and pollution issues.

The proposed legislation gives the EPA the power to direct local government to develop neighbourhood environment improvement plans, without any consideration of the resource implications on councils of such a direction.

The legislation also assumes current local government processes are not meeting the needs of the community and are inadequate for the task of working with local communities to resolve community environment issues. This is something we would strongly dispute and seek evidence that this is the case.

The MAV does not feel there was adequate time given to consultation with local government on some key aspects including resource implications, review procedures, links to municipal planning processes, and local government community processes.

I turn to my overview of the Environment Protection (Liveable Neighbourhoods) Bill. The purpose of the bill is to amend the Environment Protection Act. I note that that act was developed on a visionary basis by a former Liberal government. It was pioneering in a world sense in what it was able to achieve in the monitoring of land, air, and water quality issues.

The Environment Protection Authority has been assisted over the years by some outstanding people who have worked for it. Those people have assisted in the ongoing development of its programs and provided an ongoing corporate or government-orientated understanding of a range of issues that are important to the improvement of environmental quality.

Just on those standards, on a scan of the bill I noted part 2, clause 3, which inserts proposed section 1B(2). There appears to be some sort of typographical error in that which still has not been picked up through the

drafting process. If a bill like this had been circulated and discussed widely with the various stakeholder groups that provision may have been noted. The word 'and' has been used in the last line of proposed section 1B(2), whereas it might read more sensibly if the word 'for' were used instead.

In general terms I comment on the omission of a particular provision relating to international competitiveness. One comment is that principles such as environment protection are sensible motherhood-type statements that most people would agree with. Most of the principles appear to be based on the intergovernmental convention agreed to in 1992. But why has the government left out the principle relating to the need to retain international competitiveness? Doesn't it see this as important?

It is all very well having a range of stringent requirements that relate to international issues — global warming, greenhouse emissions and the non-discharge into the waterways, rivers, streams and seas of harmful pollutants — but another factor to consider is that if industries shut down in Victoria and relocate to another environment or to other countries and jurisdictions where there are not such principles in place, it may be that the net impact in global warming terms or harm to the environment will be greater than the objectives being fulfilled.

In relation to the guiding principles, I shall make some general comments. On proposed section 1C, which carries the heading 'The precautionary principle', one submission made to the opposition was in the following terms:

No-one has ever agreed on what the precautionary principle means in any practical sense. It can mean everything or nothing depending on how interpreted. The problem is that 'deep greens' tend to read it as meaning, 'let us be totally risk averse, especially where quantification of risk is somewhat uncertain', in which case it has obvious potential to perversely unbalance decision-making. Obvious example is the possibility of ruling out mining adjacent to heritage sites because of very small but non-zero risks of environmental contamination (e.g. Kakadu, goldmining and arsenic).

This contributor also writes:

Note particularly that 'serious' and 'irreversible' (damage) do not belong in the same phrase, as the implications are quite different. W. Kip Viscusi (a world expert on risk analysis and benefit/cost methodologies) argues that the precautionary principle either means nothing more than adopting the (standard in economics) expected value calculation, or else it means abandoning EV —

expected value —

in favour of some other, unstated and probably irrational alternative.

The author says this is something that may not improve legislation.

In relation to the principle in proposed section 1D concerning intergenerational equity, the author says:

What does this mean? Viscusi, again, argues that forgoing consumption in favour of consumption by one's (almost certainly) richer descendants is hard to justify. The more so when future technological change renders our conceptions of 'sustainability' little more than idle crystal ball gazing. Ask the historical question: what irreversible harms of great magnitude have been done in the past from which we all continue to suffer?

The author noted the example of the famous Club of Rome bet, where the environmentalist bet the economist that a basket of commodities would be much more expensive in 20 years time. He comments:

Of course, they all turned out to be cheaper, which is why the A\$ has suffered long-term decline. The point is, technology and substitution works around what would otherwise be increasing relative scarcity. Given this, what does a strategy to promote 'intergenerational equity' mean? Should we, for example, limit absolutely our petrol consumption, to leave some for the grandchildren, notwithstanding that they're likely to drive in hydrogen-powered fuel-cell cars?

In relation to the conservation of biodiversity, the question arises of what the conservation of ecological integrity means. In relation to the principle of shared responsibility, what does this mean — that producers should produce goods that satisfy human needs? The honourable member for Doncaster gave the example of the production of plastic Pokémon.

There are two comments I will make in relation to general principles. The first is the principle of waste hierarchy. It is suggested by this author that:

It is a statement of ideological preference, rather than a principle of efficient/effective ecological management. If the value of a 'recovered energy' option is greater than one of reuse or recycling, say, on what grounds should we prohibit it?

An example to hand was one in which the burning of old tyres for energy for cement kilns was to be ruled out by the EPA regulations so they could be crumbled into playground padding of lower value. Where was the benefit?

EPA officers could explain it only in ideological terms — until they got to the part about the ... agreement they'd done to encourage the plant that would recycle tyres to locate in Victoria by agreeing to pass such regulations.

There is also the principle of integrated environmental management, which the author says could be construed as being a motherhood statement.

I now turn my focus to the issue of neighbourhood environment improvement plans. There are a range of questions to be asked here, and they have been asked by a number of general contributors. Why are they needed? How will they work? And what purpose will they serve?

There are many examples where the role of the EPA has been of great value to the community. One is in relation to toxic landfill. There was an example reported in the *Age* in 1988 where a major construction company was found to be cutting costs at the public's expense, according to the headline at the time. It was because of lack of foresight by the Labor Party in relation to toxic landfill and its banning of those projects in the west of Melbourne that now the Lyndhurst site has been directed to the public's attention by the honourable members for Mordialloc and Cranbourne as the site for toxic waste landfill. This raises important questions as to what the local members in that region will do about it and what the government's response will be on this important issue.

Unfortunately, there has been a not-in-my-backyard approach, but the question is that if communities act according to self-interest rather than from a statewide interest perspective, it will be a matter of just shifting the location of some of these important waste disposal facilities which are necessary as part of a developed economy in the 21st century.

The EPA has done some excellent work on the toxic legacies that relate to petrol stations where there have been leakages. It has been able also to give some excellent audits of the sites, so that the purchaser of such land in future is aware of the environmental quality of the site being acquired. There have been problems where petrol containers on petrol station sites have leaked.

Another example of important work done by the EPA in which the local communities have an interest is the discharge of sewage as a result of inappropriate waste systems, of untreated effluent flowing into streets and into the sea. There are a number of towns where there is a reliance on septic tanks and there are sometimes overflows as a result of high usage. Local communities and the EPA have an interest in ensuring that the community is protected.

Also in relation to pollutants that would be in our waterways, creeks, canals and drains the EPA has been

highly responsive to community concerns. Another example where the EPA had an interest on behalf of the community was in regard to the Gippsland Lakes, where there was a concern about the approach of a timber operator who, it was suggested, was using practices that may have been deleterious to the environment.

There are a range of other examples where the EPA has endeavoured to work with local industry. One case is that of Nestlé, which was being investigated by the EPA following dozens of complaints about malodours coming from its factory near Warrnambool.

The purpose of the bill is to try to achieve some practical objectives regarding neighbourhood agreements and principles.

I will raise a couple of other questions about the neighbourhood environment improvement plans, in particular their status in relation to the state environment protection plans and the industrial waste management plans, as well as other EPA-created instruments. A view is held that the EPA seems to wish to rule through uncertainty by creating such a vast thicket of legal powers of such varied and uncertain status that interlock in such arcane ways as to make them impossible for people to understand, let alone challenge. It is important that these proposed reforms do not create a bureaucratic impost that will ultimately avoid scrutiny and accountability in the cause of promoting a particular mission.

Another concern held about the bill relates to the appointment of auditors. Following the establishment of the process of full accreditation of environmental auditors by the EPA, which process has been quite stringent — and reasonably so — only a limited number of fully fledged auditors are currently available in Victoria. An imbalance in the supply and demand for such skills could initially prove costly and act as a disincentive to those seeking to develop environment improvement plans in a local area.

Concern has also been raised that as a consequence of the proposed legislation a significant number of requests on a sub-municipality scale could be made for environment improvement plans, which would place a burden on the EPA's current auditing capacity.

For the purposes of debate I will raise a range of ancillary issues which I trust we will have time to go through at the committee stage. Does proposed section 1G(2) imply that companies should not be producing a particular range of products that tend to

waste the time of children in the community? What does the government intend that provision to mean?

There is also concern about what is meant by the term 'ecological integrity' and a range of other provisions in the bill. I trust we can advance through those concerns during the committee stage.

The opposition is concerned about the lack of overall consultation within the proposed process and would encourage both the government and the EPA to work with all stakeholders in the preparation of legislation so that when it comes before the chamber there is no need to introduce last-minute amendments such as those introduced in the house only yesterday to address and resolve concerns raised in the debate by important stakeholders.

Ms LINDELL (Carrum) — It gives me great pleasure to speak on the Environment Protection (Liveable Neighbourhoods) Bill. The Bracks government, as we all know, is an inclusive and caring government that is constantly looking at ways to provide opportunities for greater community participation in decision making. That is what the bill we are debating is all about.

Its title clearly reflects its aim — that is, to improve the liveability of our neighbourhoods, which is an integral part of the Bracks government's commitment to provide a safe, liveable and environmentally sustainable environment and to ensure that local needs and the views of local communities on environment protection and enhancement are fully heard and properly heeded. In marked contrast to what happened in the Kennett years, the Bracks government is listening to and working with the community.

The neighbourhood environment improvement plan (NEIP) provisions of the bill are all about meeting those commitments. A neighbourhood environment improvement plan is an innovative tool that assists all members of the community to address local environmental plans that result from multiple sources. The NEIPs are all about establishing partnerships, empowering local communities and working collaboratively with those who live in our neighbourhoods to address local environmental problems.

I will talk a little about my own electorate, which honourable members know has been left with some grave environmental concerns: the Mordialloc Creek; the acid sulphate soils that were dumped in Governor Road as landfill; the quiet Patterson Lakes; and the eastern treatment works. My electorate is an

environmentally sensitive area with a number of very important waterways and drainage systems where some inappropriate landfill was dumped during the years of the Kennett government.

Opposition members interjecting.

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member for Carrum will continue, without assistance.

Ms LINDELL — Members of my community, like the members of many other communities across Victoria, will be pleased about the passage of this bill. It gives them a way forward to work with local government and other instrumentalities to address the serious problems that confront our area and to formulate some plans.

It was interesting that the honourable member for Sandringham raised the Lyndhurst landfill. The solution of the honourable member for Mordialloc to the grave problem of hazardous waste is simply to say, 'Let's build another toxic dump, but let's put it over in the north of Melbourne'! His solution is not to work towards an overall solution of a grave problem but rather to play petty political games.

Mr Leigh interjected.

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member for Mordialloc will cease interjecting. I have had enough.

Ms LINDELL — The honourable member for Mordialloc has no intention of working with anyone to solve the problem. Instead, he runs around making petty little political points, scaremongering among his own community and providing no answer whatsoever to the grave problem that confronts us.

An opposition member interjected.

Ms LINDELL — I will return to the bill in my remaining 3 minutes. I am aware that my very good friend the honourable member for Polwarth would like to make a contribution and I will continue with my remarks and give him the opportunity to do so too.

The neighbourhood environment improvement plans will act as a vehicle for bringing industry, community and government together. Won't Victorians be overjoyed when they see that! The plans will provide a statutory mechanism to enable those contributing to and affected by local environmental problems to come together in a constructive forum at which all

stakeholders can agree on environmental priorities in a practical manner.

I am pleased by the level of community support for neighbourhood environment improvement plans. Some of the biggest supporters of this bill are those who have seen the benefits of the industrial site-based environment improvement plans, and that includes not only members of the broader community but also industry.

Cognisant of the fact that the honourable member for Polwarth is anxious to make some comments, I commend the bill to the house. I am pleased and proud to be part of the Bracks government introducing this bill.

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member for Polwarth has 1 minute and 20 seconds!

Mr MULDER (Polwarth) — I appreciate the graciousness extended to me by the honourable member for Carrum for the minute she has given me to deliver my 42-page contribution.

There is no doubt that the bill before us will offer some great incentives to communities, and I will briefly mention some community groups in my electorate. A group in Colac called the Friends of Lake Colac is headed by a gentleman by the name of Richard Riordan, who has been involved with Ian Kiernan in trying to get a program established to deal with the environmental issues of Lake Colac.

Lake Colac services a yacht club, a rowing club and an anglers club, it has several walking tracks and is one of the most beautiful and spectacular lakes in the region. Unfortunately it suffers difficulties with water levels, carp and sediment intrusion, and there was an old tip on the side of it at one stage. However, the issue that concerns me is that we go through the entire process of setting up these organisations, we put in place auditing structures, but finally someone has to commit to funding the programs that come out of them.

It is no good building another authority and setting in place another whole host of auditing processes unless we get very sound and solid commitments from the state government to back those programs.

Debate interrupted pursuant to sessional orders.

The ACTING SPEAKER (Mr Nardella) — Order! The time allotted under sessional orders for this debate and for government business has expired.

Motion agreed to.**Read second time.***Circulated amendments***Circulated government amendments as follows agreed to:**

1. Clause 8, page 13, line 27, omit “The” and insert “After consultation with a protection agency, the”.
2. Clause 8, page 13, line 28, omit “a protection” and insert “the protection”.
3. Clause 8, page 18, line 9, omit “.”.
4. Clause 8, page 18, after line 9 insert —

“19AK. Consideration of guidelines by Parliament

- (1) The Authority must ensure that a copy of every guideline issued by the Authority under section 19AE, 19AF(3) or 19AG(2) is laid before both Houses of Parliament on or before the sixth sitting day after the guideline is issued.
- (2) A guideline laid before Parliament under sub-section (1) may be disallowed in whole or in part by either House of Parliament.
- (3) Sections 23 and 24 of the Subordinate Legislation Act 1994 apply to a guideline laid before Parliament under sub-section (1) as if references to a “statutory rule” under those sections were a reference to such a guideline.”.

*Remaining stages***Passed remaining stages.****Remaining business postponed on motion of Mr PANDAZOPOULOS (Minister for Gaming).****ADJOURNMENT****Mr PANDAZOPOULOS (Minister for Gaming) — I move:**

That the house do now adjourn.

Taxis: Mornington Peninsula

Mr DIXON (Dromana) — I raise for the attention of the Minister for Transport taxi services on the Mornington Peninsula. I ask the minister to speed up the provision of extra licences for taxi services on the peninsula.

Taxi services are important on the southern peninsula because it has poor public transport. A plan to improve that situation is also currently before the minister. The area has the largest population of seniors in the state,

many of whom rely on taxi transport for medical appointments and shopping, and use them as part of their basic way of life. The young people in the electorate rely on taxi services, especially after hours, when they want to get around to socialise, visit their friends, get out and about and enjoy their lives.

Taxis are an important aspect of the tourism industry, which a number of taxidriviers have recently pointed out to me. They take a lot of tourists around the peninsula and are great ambassadors for the tourism industry. There is definitely a great shortage of taxi services on the peninsula.

Over two years ago there was a review of taxi services, and the youth council in my electorate made a submission to the then minister requesting that extra licences be issued. A decision to provide those extra licences was welcomed not only by the community but also by the taxi industry, because it knew it was stretched and that there was room for more licences down there.

The community has been waiting patiently for those taxis to get on the road. People are now starting to ask me what is going on. When I made inquiries about why the promised licences had not been issued, I was told there is now another review of taxi services. The elderly, the young and operators in the tourist industry have to wait yet again for at least another 12 months for those extra licences. The need has already been established, and the community and the industry want the licences to be provided.

I therefore ask the minister to please speed up the provision of those desperately needed licences.

Royal Dental Hospital

Ms DUNCAN (Gisborne) — I ask the Minister for Health to take some action in regard to access to the Royal Dental Hospital for country people.

A number of constituents have spoken to me about this issue. All honourable members appreciate that dental care is a critical element in one's health and wellbeing. It is a shame that the Howard government did not appreciate this when it decided to slash the commonwealth dental health program. Consequently, public dental waiting lists have blown out.

Constituents have reported to me that often when they ring the dental hospital they have to wait on the phone for quite long periods while they are transferred to the appropriate department. Calling during the day when STD rates are at their highest can often substantially add to their telephone bills. People in country areas who

have to access Melbourne services by phone are already seriously disadvantaged. Although people appreciate that they pay higher costs for a whole manner of services because they live in those areas, if there is anything that can be done to mitigate that I think it should be done.

The concerns relate to the time it takes to access services at the dental hospital and how long people are kept waiting on the phone to be transferred from reception to the various departments to make their appointments. Even after accessing the approximately 60 community-based clinics that exist across the state, people often also have to visit the Royal Dental Hospital to complement the general dental care that has been provided in those clinics. The hospital provides specialist and general dental services that are not always available to people in country areas. Each year something like 4000 country patients seek access to the hospital, so the issue affects many people in country Victoria who need dental services.

I ask the minister to take action that will reduce costs and make it easier for country people to get access to the Royal Dental Hospital.

Hospitals: nurses agreement

Mr MAUGHAN (Rodney) — I raise for the attention of the Minister for Health the nurses enterprise bargaining agreement (EBA), and the government's commitment to fully fund that agreement.

As the house will be aware, industrial action by nurses in the latter half of 2000 was resolved by the government's intervention in the matter and its referral of it to be arbitrated by Commissioner Blair. Honourable members would also recall that in the latter part of last year the Premier indicated on radio that the outcomes of the commissioner's findings would be fully funded, a statement that was relayed to the industry by the Department of Human Services.

In October Commissioner Blair handed down his finding, which essentially recommended a ratio of nurses to patients of 1 to 4. A number of issues still need to be resolved. As at today the department's advice of full funding has not eventuated. The matter is so serious that some country hospitals have refused to implement the EBA. Some country sources suggest that the government has underestimated its cost by anything between \$100 million and \$500 million.

Even more concerning is that funding was promised to country hospitals — the figure that was talked about was 1000 WIES (weighted in-line equivalent separation) units, or about \$2 million — to pay for

hospitals that were treating cases in excess of those they were being funded for. I understand that at a recent meeting Mr Chris Brook indicated that that money would now be redirected into funding the EBA.

The regional hospitals are suffering most, because the cost of employing nurses is much higher in country Victoria because of the age profile and so on. In the case of the Kyabram hospital in my electorate there is a deficiency of about \$100 000 between what the hospital has in revenue and what it needs. Many hospitals that have already implemented the EBA in good faith on the basis of, firstly, Commissioner Blair's determination, and secondly, the Premier's assurance that it would be fully funded, have now been left out in the cold.

I therefore seek an assurance from the minister that the Premier's commitment to fully fund Commissioner Blair's determination will be honoured.

Alexandra Primary School

Ms ALLEN (Benalla) — I refer the Minister for Education to the outstanding and beautiful little Alexandra Primary School, which is near Lake Eildon in my electorate.

I attended Alexandra Primary School throughout the whole of my primary school years, where I was even dux in grades 1, 3 and 6. My father, who was the secretary of the school's parents committee, took a delegation to see the then education minister, Lindsay Thompson, to fight for funds to build a new school in the town. Even back in those days the Liberals were denying country schools quality funding. As a result of the Bracks government's initiatives the school's class sizes are decreasing.

The school is also assisted by a committed staff. Mrs Chris Varker, the principal, runs an efficient and well-oiled little school. I direct the minister's attention to the fact that I have been increasingly disturbed by the misrepresentation of the school's class sizes by the honourable member for Warrandyte. Will the minister inform the house what action is being taken to ensure that the great work at the school can continue unimpeded by an opposition that slashed and burnt education for seven years?

Honourable members interjecting.

Mrs Peulich — On a point of order, Mr Acting Speaker, the matter raised by the honourable member for Benalla was in the form of a question without notice. I suggest you rule the matter out of order.

The ACTING SPEAKER (Mr Nardella) — Order! I could not hear what action the honourable member was seeking. I was about to start pulling honourable members up. I ask the honourable member to seek — —

Mrs Peulich interjected.

The ACTING SPEAKER (Mr Nardella) — Order! Yes, I could not hear the action she requested.

An opposition member interjected.

The ACTING SPEAKER (Mr Nardella) — Order! Yes, I will. I ask the honourable member for Benalla to quickly seek action.

Ms ALLEN — Before I answer I would like — —

Opposition members interjecting.

The ACTING SPEAKER (Mr Nardella) — Order! No, I ask the honourable to inform the house of the action she is seeking, because I could not hear over the noise honourable members were making.

Ms ALLEN — I am not surprised. I direct the minister's attention to the fact that I have been increasingly disturbed by the misrepresentation of the class sizes at Alexandra Primary School by the honourable member for Warrandyte. Will the minister inform the house of the action that is being taken to ensure that the great work at the school can continue unimpeded by an opposition that slashed and burnt education for seven years?

Housing: Floyd Lodge estate

Mrs SHARDEY (Caulfield) — I direct to the attention of the Minister for Housing a matter concerning housing maintenance. I ask her to take action on this matter and also to address the other housing maintenance issue I raised in the house previously, as I have not yet had a response.

A government member interjected.

Mrs SHARDEY — I will ignore you, because that is all you are worth!

The issue concerns the fact that elderly residents of Floyd Lodge in Williamstown have complained that they have suffered power blackouts while a big emergency generator stands idle in the grounds of their block of flats. Mr Les Anderson, who is 86 years of age, said an auxiliary generator was installed some 14 months ago, but the only time it ran was when it was being tested. Mr Anderson said that since then there

have been several interruptions to the power supply but the emergency generator has not been used.

When the power stops the lifts stop. In a 12-storey building, 80 per cent of whose residents are disabled in some way, that is a serious situation. It means that residents are virtually locked in their rooms or locked out until the power supply resumes. The gentleman said that when he came back Floyd Lodge was shut down because the power was off. About 30 elderly people were in the foyer because the power was out and lifts were not working. He could not get to his room, so he had to arrange to sleep elsewhere during the night.

I ask the minister to investigate this serious situation and come back to me with an answer.

International Year of Volunteers

Mr MILDENHALL (Footscray) — I ask the Minister assisting the Premier on Multicultural Affairs to take action to ensure that our heroic volunteers from multicultural backgrounds are recognised during this International Year of Volunteers.

One in five adults in the community do some form of voluntary work. Last year's Olympic Games were an outstanding example of the incredible job volunteers do in the national interest and how they inspire people in their everyday lives to contribute to the community.

In my electorate a number of people from different backgrounds have carried the western region community in many ways. Sika Kerry was the first female councillor of the former City of Footscray. Her ancestors were refugees from Russia, leaving during the October 1917 revolution. She has made an enormous contribution as a volunteer in the Footscray and Keilor areas.

Many people from other backgrounds have also contributed greatly to the community. They include Joe Attard, who is the pillar of the Westgate Migrant Resource Centre; Abraham Hadgu, who is the current chair of the Inner Western Migrant Resource Centre and established the first Eritrean support group in the western suburbs, which provides an amazing range of services; the late Antonio Esmaguel, who established the Filipino community services in my area; Lischia Bazzara, an Italian chap who set up the Footscray elderly seniors group; Mrs Anna Krokos, who started the Yarraville Greek Club for elderly citizens; Mrs Janina Kominska, who set up the Polish community services and seniors group in Nicholson Street, Footscray; and the Venerable Thich Phuoc Tan, who set up the Quan Minh Temple in Braybrook and

does an enormous job feeding hundreds of elderly people each week.

The community is enriched by the amazing contribution of these people. In this International Year of Volunteers it is timely for them to be appropriately recognised.

Workcover: compensation payment

Mr ROWE (Cranbourne) — I raise for the attention of the Minister for Workcover the plight of Mrs Pip McGeochin of Blind Bight in my electorate. Tragically, Mrs McGeochin's husband was killed in a motor vehicle accident in November last year, which honourable members may remember. It occurred on Thompsons Road, Cranbourne, when a rubbish truck went over the railway line, lost control on the verge of the road and hit a tree. Mr McGeochin was a passenger in the vehicle and tragically was thrown out through the windscreen. The problem is that today Mrs McGeochin still has not received any compensation from Workcover.

In late November of last year, some two weeks after the death of Mr McGeochin, my office intervened with Workcover. We received assurances from the officers handling the case that after they were sure that Mr McGeochin was dead, they would pay out the money within a fortnight. That seems a cold and heartless attitude on the part of Workcover officers, as Mr McGeochin was pronounced dead at the scene of the accident. Mrs McGeochin has had to struggle to make mortgage payments while supporting two children and trying to get their lives back in order, with no support at all from Workcover.

I am now told that it will be another two to three months before that money is paid. I ask the Minister for Workcover to intervene on behalf of Mrs McGeochin and her family.

Housing: East Preston estate

Mr LEIGHTON (Preston) — The matter I raise for the attention of the Minister for Housing relates to the East Preston public housing redevelopment under the federal Better Cities program. I call on the minister to ensure that the lessons we have learnt from the project, especially the design initiatives and the community building focus, are incorporated in any further public housing redevelopment programs that are being undertaken or contemplated by the Bracks Labor government. I will come to some of those positives in a moment.

Briefly, the East Preston estate was traditionally a vast public housing estate. Much of the stock was concrete houses built in the 1950s. My predecessor, Mr Carl Kirkwood, created a storm when in the 1970s he referred to the area as Little Chicago. By the 1990s the stock was cracking and the estate's population was ageing. Much of the stock comprised houses on large blocks. Under a partnership between the federal government, the state government and the local council the redevelopment was initiated under the Better Cities program. It involved putting in millions of dollars and created hundreds of units of new stock. Typically, where there might have been an old concrete house that was cracking, three or four elderly persons units were put on one block. If there were a couple of blocks beside each other, a number of units were built.

One of the positives was bringing in private money and private development so that there was a spread — a mix of private and public development. For example, recently a two-storey townhouse in East Preston sold for \$320 000. While that might ultimately present other problems, it is wonderful that there is now a mix in what was a traditional public housing estate.

The driving forces behind the project included Brian Howe, a former federal member and minister, and Andrew McCutcheon, a former minister in a previous state Labor government. They, the current state government and the previous federal Labor government are to be congratulated. I hope the Minister for Housing can ensure that the lessons learnt from the project are incorporated in any future public housing project. The development in East Preston is certainly a beacon for what can be done in public housing.

Pride of Place program

Mr McARTHUR (Monbulk) — I raise for the attention of the Minister for Planning an application by the Belgrave Traders Association for funding of \$130 000 under the Pride of Place program, which has been supported by the Shire of Yarra Ranges. The application has substantial local support to the tune of \$170 000, including from the Puffing Billy Preservation Society, so it is matched more than dollar for dollar.

This is a terrific project that follows the 1998 Belgrave urban design plan program, which was carried out to improve Belgrave and which received funding by the previous government under the Pride of Place program. This very good project will improve the shopping precinct and the commercial area of Belgrave to the benefit of traders, local residents and the hundreds of thousands of visitors each year to Puffing Billy. It is an

important precinct, given that Puffing Billy has tourist icon status in Australia.

The minister's department has been in receipt of the application for quite some time. Recently the minister made announcements on successful applications in the shires of Gannawarra and Mitchell and in the Borough of Queenscliffe, among others. I call on him to ensure that his department quickly examines the application and gives it the approval it deserves so that the people of Belgrave and the hundreds of thousands of visitors to the town can enjoy a much-improved shopping precinct, local residents can have a greater pride in their shopping area, and traders can get on with improving the shopping area and providing more jobs, more economic benefits and more growth for the local community.

Aged care: Burwood

Mr STENSHOLT (Burwood) — I ask the Minister for Aged Care to ensure that aged people and their carers in my electorate benefit from any additional funding for adult day care centres. The population of my electorate includes many aged people, and many of them are quite frail. Generally Victoria has an ageing population and it behoves us to look after them. These people rely on support services to remain living independently in the community. Many of them, particularly the more frail, have their spouses or other carers living with and supporting them and their independent lifestyle. It is important for those people to take an active role in community activities, because those activities give them a life and company, and indeed make their older years much more comfortable.

This week is Senior Citizens Week, and there are many activities available for seniors in my electorate and elsewhere around Victoria. Late last week I attended a barbecue lunch for senior citizens at the Surrey Hills neighbourhood centre, where we were well entertained. Next week I will go to a function for seniors run by the Salvation Army in Box Hill South and to another lunch at the Box Hill senior citizens centre, where several senior citizens groups, including the Chinese senior citizens group, get together. They combine their efforts for the benefit of members of their communities.

The needs of the aged and their carers vary quite substantially. The aged rely on the support provided by unpaid carers and often go to adult day centres. I have been to a large one at St Mark's Uniting Church in Chadstone in my electorate, which is now operating from 10.00 a.m. until 3.00 p.m. on five days a week. While I was there as one of their guests we exchanged

comments on the best place to have our hearing aids fixed, so it was a quite interesting discussion.

I understand that the home and community care program is the major provider of services to the centres, particularly their funding. I ask that the minister take action to ensure that older people and their carers in my electorate benefit from any additional funding.

Rail: graffiti

Mr BAILLIEU (Hawthorn) — I invite the Minister for Transport to acknowledge the government's responsibility for the removal of graffiti on public railway infrastructure and to support and join the City of Boroondara in its efforts to establish a graffiti management program.

I refer specifically to the Myrtle Road railway underpass in Canterbury. In November of last year I wrote to the minister about the issue and received a response from the department that the graffiti on the Myrtle Road underpass, which is a large underpass and is covered in unsightly graffiti, was not a responsibility of the government. A subsequent letter, received just a couple of weeks ago, has now conceded that the graffiti is the government's responsibility, but states that it is a matter for the community to do something about it.

The City of Boroondara has established a graffiti management program on a 24-hour response basis, which all honourable members would applaud and which is welcomed by the residents of Boroondara.

I invite the minister to contemplate those responsibilities and to join the City of Boroondara in supporting the program financially and making every effort to ensure that the government's responsibilities on graffiti are met.

Bendigo: police and emergency services

Ms ALLAN (Bendigo East) — I ask the Minister for Police and Emergency Services to outline the action he and his department are taking to boost police and emergency services both in Bendigo and throughout country Victoria. The minister already has a fine record of boosting services in country Victoria. Funding for a new fire station in Strathfieldsaye, which is an important part of my electorate, was recently announced. I was delighted to inform the community that the minister had agreed to that funding.

The minister was able to hear first hand how pleased the community was with the government's decision to boost funding for the Country Fire Authority across the board when he opened the annual state fire brigade

championships in Bendigo over the long weekend in March. It was a fantastic weekend for the CFA and the volunteers. I am pleased to report that a local brigade from Golden Square in the electorate of the honourable member for Bendigo West took the honours for the weekend.

There has been a good funding boost to the CFA — —

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

Mrs Peulich — On a point of order, Mr Acting Speaker, I believe that in an attempt to waste as little time as possible during the adjournment debate you overlooked ruling on my point of order relating to the adjournment matter raised by the honourable member for Benalla. I have listened carefully to her question twice and I am strongly of the opinion that she framed her adjournment matter in the form of a question without notice.

As the Speaker explained to those of us who recently attended the procedural seminar, and I commend the Speaker for holding it, he wants to clamp down on the abuse of the adjournment debate. It is a pity that the honourable member, with her lack of knowledge of procedure, did not find the time or make the effort to attend the seminar. After 18 months she is still obviously struggling with procedure.

Should you, Mr Acting Speaker, show latitude in allowing her matter to stand, I ask you, either yourself or through the Speaker, to counsel the honourable member for Benalla and give her guidance on how to handle the adjournment debate. The Speaker might even be urged to hold another procedural seminar so that the honourable member can bring herself up to speed and ensure that the people of Benalla get effective representation, which clearly they are not getting at present.

The ACTING SPEAKER (Mr Nardella) — Order! I did not hear the question on which the first point of order was raised because of the noise coming from both sides of the house. I requested the honourable member for Benalla to seek the action she required, which she did, and I will request the minister to respond accordingly.

I note that the adjournment debate is an opportunity for members to seek action from ministers, and I uphold that part of the point of order. Certainly members need to phrase the action they require appropriately.

Responses

Ms PIKE (Minister for Housing) — The honourable member for Preston asked me about the lessons that have been learnt from the development of the East Preston estate through the federal Better Cities program and the ongoing work the government is doing to rejuvenate and redevelop a number of its ageing public housing estates.

As the honourable member noted, the government has this year committed \$183 million towards the redevelopment of its ageing public housing estates in both the metropolitan and rural and regional communities. I recently had the pleasure of marking the completion of the Better Cities project in East Preston. It was one of the three Better Cities projects undertaken, the other two being in Norlane and the Hotham estate in North Melbourne.

The East Preston redevelopment cost \$29 million and at the time was the biggest single — —

An honourable member interjected.

Ms PIKE — The North Melbourne one is in my electorate, yes.

It was the biggest single urban renewal project ever undertaken by the Office of Housing, whereby 452 public housing units were replaced with 504 new developments. I encourage any honourable members who are interested in urban redevelopment to have a look at what was done in East Preston. It is a very creative project that moved linear public housing into a much more integrated development. The improvement in the amenity of the area will surely contribute to enhanced lifestyles for the people who live there.

The Better Cities project was a partnership between three levels of government, and at the time \$209 million was allocated to Victoria. The aims and objectives — —

Mrs Shardey — A federal government project.

Ms PIKE — It was a federal government project. It brought together the resources of the federal and state governments. It reflected one of the fundamental aims of the Bracks government, which is to develop sustainable communities and create diversity within them.

The East Preston estate is a wonderful example of such a community. It is a success story in urban consolidation and is consistent with what the government is doing to ensure that Victoria's ageing

public housing estates are retained in the urban community where people can be kept close to their community and have access to resources such as transport, health services and education.

The honourable member for Burwood reminded the house of the significance of the home and community care program (HACC) in supporting aged and disabled people in the community and the important role played by the program in assisting carers who make a great contribution by caring for their friends and relatives. As all honourable members know, having a break from caring is important. Recently I announced a boost to the home and community care program of \$8.3 million, which includes \$5.62 million to expand services and a further \$2.7 million for one-off projects. The expansion of adult day care centres was an integral part of that expansion.

As a result of the boost, some 140 agencies across Victoria received funding and 132 agencies will be funded to deliver new or expanded services. The government allocated \$750 000 specifically for people from culturally and linguistically diverse communities, and \$130 000 to expand services for people from the Aboriginal community. I am pleased to advise the honourable member for Burwood that in his electorate more than \$193 000 was provided to several agencies to expand these services, which is good news for the people of Burwood, as it is for people right across the state.

I remind the house that \$41 million of additional funding provided by the Bracks government has not been matched by the commonwealth government. The federal and state governments jointly fund HACC, and while the Victorian government puts in additional resources, in this instance the federal government has decided not to match the funding in spite of vigorous approaches to it. The federal government is currently denying additional potential funding of \$63 million available to Victorians. Local councils and other providers will continue to vigorously pursue additional funding for HACC services.

The honourable member for Caulfield raised the impact of blackouts on public housing residents in Floyd Lodge. The question may well have been more appropriately put to former colleagues of the honourable member who, in their obsession for privatising the Victorian electricity industry, ensured that power blackouts will now be a feature of the future.

The people in Floyd Lodge have experienced blackouts. The generators referred to by the honourable member for Caulfield were purchased by the Office of

Housing for the Y2K situation to ensure that people in public housing were not affected by potential difficulties at the turn of the millennium. I will investigate the matter and give her some further information.

Ms DELAHUNTY (Minister for Education) — The honourable member for Benalla raised for my attention a disturbing case of an opposition member harassing a school and misrepresenting in public the circumstances of that school even though he was given the correct information the night before he went on radio. How low will the opposition go? It tried to destroy education when in government, and the honourable member for Warrandyte, supported by his cheer squad, is now trying to spoil — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Nardella) — Order! I know it is late in the afternoon, but I wish to hear the minister. I ask honourable members to come to order and we can all then leave quickly!

Ms DELAHUNTY — The government lifted the gag and opened the school gates when it came to power. It also opened access to members of this house to see what is happening in their schools. When I was first appointed shadow Minister for Education I remember that I was banned by the Kennett government from going into a school to see what was going on. These decisions by the Bracks government have been warmly welcomed by school communities and by parents and principals.

We now have a case — this is not the only one, but is one of the most serious examples — where an honourable member is purposely and cynically manipulating and misrepresenting figures about a school when he knew — —

Mr Honeywood — On a point of order, Mr Acting Speaker, I take offence at the minister's remarks. I visited that school and sat down with the principal, and the Minister for Education is well aware of that. The honourable member for Benalla entirely misrepresented the situation and was forced to retract her remarks in the Alexandra newspaper.

Honourable members interjecting.

Mr Honeywood — My point of order is that I take offence at statements by the minister that I purposely misrepresented the situation, and I ask her to withdraw.

The ACTING SPEAKER (Mr Nardella) — Order! The honourable member for Warrandyte has

taken offence at the minister's words. The normal custom and practice of the house is that the words be withdrawn.

Honourable members interjecting.

The ACTING SPEAKER (Mr Nardella) — Order! Both sides of the house should come to order! I ask the Minister for Education to withdraw.

Ms DELAHUNTY — I accept your advice, Mr Acting Speaker. If what I have said has caused — —

Honourable members interjecting.

Ms DELAHUNTY — If what I have said has caused more offence than what occurred, I withdraw.

Mr Honeywood — On a further point of order, Mr Acting Speaker, the honourable member for Benalla also yelled out that I purposely misrepresented the situation. I heard her clearly. Given that she has had to retract her statement in the local paper, I demand that she retract as well.

The ACTING SPEAKER (Mr Nardella) — Order! On the further point of order, because of the excessive noise on both sides of the house I did not hear those words being said. I do not uphold the point of order. I seek the assistance of honourable members from both sides so that we can complete the adjournment debate as quickly as possible.

Ms DELAHUNTY — The honourable member for Warrandyte was invited to appear on ABC regional radio earlier this year, when he discussed some figures about the class sizes at Alexandra Primary School. The next day the principal of the school rang ABC regional radio and made these comments:

Ben, I wanted to respond to Mr Honeywood's comment in regards to my school on your show last Wednesday. Even though Mr Honeywood contacted me the night before and I gave him accurate information, he actually gave you inaccurate information on your show ...

Inaccurate information! The honourable member for Warrandyte phoned the primary school, fishing around for negative stories as school resumed, and was given the accurate story about the class sizes. The principal rang ABC radio to correct the misinformation that was put out by the opposition member. That is cynical; that is manipulative. The principal went on — —

Mrs Shardey interjected.

Ms DELAHUNTY — That's an allegation you ought to withdraw.

Mrs Peulich — On a point of order, Mr Acting Speaker, apart from the minister being in breach of standing order 108, I draw your attention to the ruling of Speaker Coghill on 19 March 1992, which says:

A member is not allowed to make imputations against members of this house and the other place in debate by using documents prepared by someone else or in someone else's name.

I suggest you bring the minister into line.

The ACTING SPEAKER (Mr Nardella) — Order! I do not uphold the point of order. The minister was responding to the adjournment matter raised by the honourable member for Benalla. She was being accurate according to the information provided to her about the radio program, and I do not uphold the point of order.

Ms DELAHUNTY — They don't like to hear the truth. The principal went on to say on ABC regional radio:

Mr Honeywood said that we had five grades with 31 children in it. We don't.

She had the night before told him an accurate story about class sizes, yet the honourable member for Warrandyte went on ABC radio and deliberately misrepresented those facts.

Mr Honeywood — On a point of order, Mr Acting Speaker, I refer to your previous ruling. The minister knows the facts of the case. She knows full well that the school has 31 students in several classes. I have been there, and I have counted the 31 students in each class.

You can play fast and loose with the truth as much as you want, but I ask you to withdraw the deliberate misrepresentation yet again, you gut grovelling minister!

Mr Batchelor — On the point of order, Mr Acting Speaker, the honourable member for Warrandyte has had a bad day. I understand he has received a dressing-down from his own leader today, which is clearly reflected in his antagonistic and belligerent approach.

There is no substance to his point of order. Standing order 108 is specific. Honourable members cannot come in here and take offence at language that is part of the general cut and thrust of debate. That can be done only if personal reflections on a member are made through the use of offensive or unbecoming words. The words used by the minister do not fall within the ambit of the standing order, so there is no point of order.

Mr McArthur — On the same point of order, Mr Acting Speaker, the Leader of the House is entirely wrong. There are numerous Speaker's rulings by both Labor and Liberal Speakers going back decades now that clearly state that no honourable member can make an allegation of deliberate misrepresentation against another honourable member other than by way of a substantive motion. If the minister wants to make such an allegation, the option of moving a substantive motion is clearly open to her. But in general debate, whether in the adjournment debate, a second-reading debate or in question time, she is clearly prohibited from saying that another member of this place has deliberately misrepresented the truth.

Mr Acting Speaker, I refer you to a number of rulings — Speaker Edmunds in 1983, twice; Speaker Coghill in 1988, twice; Deputy Speaker McGrath in 1994; Speaker Plowman in 1996; and Deputy Speaker McGrath in 1996. Imputations against members can be made only by way of substantive motion. It is immaterial whether or not the member is personally making that imputation or doing it by reading into the record a quotation from a third party.

There are numerous rulings on the issue. The rules are clear, and I ask you to bring them to attention of the minister. She may be unaware of them, and I am sure she will be guided by your ruling.

The ACTING SPEAKER (Mr Nardella) — Order! I do not uphold the point of order in that the honourable member for Warrandyte responded to the matter that was raised by the minister. I take on board the comments by the honourable member for Monbulk. At this late stage in the evening I seek the assistance of the house and the minister in tempering their comments so we can get through the rest of the proceedings.

Mr Baillieu — On a point of order, Mr Acting Speaker, the minister is quoting from a document that I note has yellow and pink highlighting on it. I ask her to table the document.

The ACTING SPEAKER (Mr Nardella) — Order! I ask the minister whether she is quoting from a document and, if she is, whether she will make it available to the house.

Ms DELAHUNTY — Yes, absolutely. I am very happy to make it available.

So, Acting Speaker, what we have here — —

Honourable members interjecting.

Ms DELAHUNTY — It is extraordinary the length they will go to try to avoid the fact that the opposition has misled the people of Victoria. I shall go on.

The principal interviewed on radio said in reference to the honourable member for Warrandyte:

He said that schools and school communities have been told, and I quote, stack your higher grades in order to make your lower grades look good and have a lower number. And I can categorically state that I've never been told anything that remotely resembles that instruction. No principal or school community would tolerate, let alone enforce, such a notion.

The principal went on to say:

Our school council and our teachers made the choices that we did this year, and we actually have a ratio of 1 trained teacher to 21 children.

As was mentioned in the newspaper, the school council president, Mr Stuart Walls, also said he was angrily refuting the suggestions made by the honourable member for Warrandyte.

I understand that as a result of a dressing-down by his leader — the honourable member for Warrandyte was actually carpeted over this issue, not only today but a couple of weeks ago — he was told to go to the school and apologise for misleading so seriously with the information that he was given by the principal of Alexandra Primary School. Obviously we have a serious matter to deal with. The honourable member for Benalla is quite right: we open the gates to our schools and invite members of Parliament in, and we do not allow any member of Parliament to deliberately use the access that we are giving them in a politically cynical way.

I look forward to speaking to representatives of the Alexandra Primary School, and I hope that a letter of apology, which has been asked for by the Leader of the Opposition, will be forwarded by the honourable member for Warrandyte to the Alexandra Primary School.

Mr PANDAZOPOULOS (Minister assisting the Premier on Multicultural Affairs) — The honourable member for Footscray, who like many members of this place is a good supporter of multiculturalism and his community, makes a timely comment. Not only is this the International Year of Volunteers but yesterday was Harmony Day, which the state government was pleased to support. It is a commonwealth government initiative, and we believe it is worth while for the states to join with the commonwealth to remind us all of the importance of Harmony Day. That is what the volunteerism awards are all about: recognising the people out in the community who through their work

for ethnic community or other volunteer organisations include members of culturally and linguistically diverse backgrounds in their communities. In the end, all that work is about ensuring that we enjoy diversity and celebrate harmony.

I was disappointed with the way the honourable member for Shepparton started the day off yesterday — criticising what was happening at Parliament House with the wrapping of ribbons around the pillars. In fact, the commonwealth government suggested that these things be done. I guess it is just indicative of more division in the National Party between Victoria and the federal coalition. Nonetheless, we think Harmony Day is a worthwhile initiative because we believe all our ethnic community organisations are contributing to the harmony we all enjoy in Victoria.

Of course, the day started badly and ended badly for harmony in the opposition. We know what the honourable member for Berwick and the honourable member for Brighton got up to — and they are certainly not setting a good example. Parliament should be setting a good example on issues of harmony, whether it be out on the balcony or wherever, let alone within their own party.

The Victorian Multicultural Commission (VMC) has to be commended on the work it has been doing to ensure these multicultural volunteer awards happen in the International Year of Volunteers. I look forward to seeing them continue into other years.

I formally announced in November last year that the multicultural commission had received state government approval for the awards to proceed. The awards are not only for volunteerism in ethnic communities; they also encourage volunteer agencies to attract volunteers from culturally and linguistically diverse communities. We are working with organisations like Volunteers Victoria and the Red Cross because they have done pioneering work involving members of different ethnic communities in their broader efforts and researching best practice in recruitment of volunteers from culturally diverse communities and targeting diverse communities to increase volunteering rates. It is part of encouraging ethnic communities to be involved in volunteering efforts not only within their own communities but in other broader community projects.

The awards also recognise people in ethnic community organisations who volunteer. That is the bread and butter of all their work. Without the volunteers we would not have all the great work being done. For example, we have the Antipodes Festival this weekend,

which is run by volunteers. People are out there because they are totally committed to expressing their culture and having others being able to participate, enjoy and appreciate that. That has to be recognised by the government.

I am alerting all members of this house and the other chamber that there are three categories broadly available, including the Premier's special commendation award. The VMC has distributed nomination kits and nominations close on 30 April. So I encourage all members of this house to communicate via their local media and community organisations so we get hundreds of nominations and will be able to recognise the great contribution that volunteers are making.

The International Year of Volunteers is for everyone. So much is going on this year to recognise the work of volunteers. The Minister for Aged Care announced the aged care awards and the Senior Citizen of the Year awards, and as part of that many good things are happening. Congratulations go to the Victorian Multicultural Commission, and I thank the honourable member for Footscray for the great work he is doing with ethnic communities in his local area and representing the Premier at many other ethnic functions that I cannot attend.

Mr THWAITES (Minister for Health) — The honourable member for Gisborne raised the issue of people in country areas contacting the Royal Dental Hospital. I should say that members in this house often do things for their own constituents, and successfully so, but the honourable member for Gisborne has achieved something not only for her own constituents but for people right around country Victoria. The issue she raised was that people ringing the dental hospital from country Victoria to get an appointment have often had to wait for very long periods and have been charged STD rates.

As a result of the strong lobbying by the honourable member for Gisborne I am now pleased to advise that we have made arrangements for the dental hospital to provide an 1800 number — it is 1800 833 039 — that can be called at no cost so that people ringing the dental hospital from all around the country can have access to the appointment services system without having to pay STD rates.

It is probably not a big-ticket item, but it is important to a lot of people. I congratulate the honourable member on that initiative and on ensuring that people in her electorate and other country electorates have access to that appointment system.

The honourable member for Rodney raised the same issue that the Leader of the National Party recently raised — that is, the nurses enterprise bargain agreement. He referred to the concern of country hospitals that the number of extra nurses that are needed could be well in excess of 1300, up to 2000 or even 3000. That was a concern a number of hospitals had, and it was also a concern of the government's, which is why it took the matter to the Australian Industrial Relations Commission.

I am pleased to advise the honourable member that as a result of that action the industrial relations commission has amended its original orders to make it clear that there is a cap of 1300 on the number of extra nurses to be employed across the state. The worry that 2000 or even 3000 extra nurses may be needed is unfounded. That assurance will clearly settle the concerns of a lot of country hospitals.

The government has said it will fund the employment of an extra 1300 nurses, which is a good news story. This state has had a desperate shortage of nurses — and it has not been able to retain the nurses it had. One of the key factors behind that is the pressure on the nurses working in our hospital system.

The government is now doing what people have wanted for years — that is, recruiting an extra 1300 nurses for our hospital system, which is a great thing to do. I am sure the honourable member for Rodney is pleased about that, because he is someone who genuinely cares about his local area and does not simply play politics.

Mrs Shardey interjected.

Mr THWAITES — The honourable member for Caulfield says they are coming from the aged care sector. In fact, most of them are coming from the pool of nurses who have left nursing — many of them because of the cutbacks under the Kennett government. Under the Bracks government 700 nurses are already undertaking refresher and re-entry courses, with another 300 to 400 booked to do so. Through its refresher and training courses the government has got 1100 nurses back into the system from the pool of those who were not working as nurses. What a good job that is! Nurses want to work with this government.

Mrs Shardey interjected.

Mr THWAITES — The honourable member for Caulfield again says they are coming from nursing homes, which are a commonwealth responsibility. Perhaps she should raise with the federal minister responsible for aged care the situation in Victoria's nursing homes and ask her to improve it by attracting

and retaining nurses. The federal minister is not doing her job.

The honourable member for Monbulk referred to a Belgrave Pride of Place proposal. As he said, it is a good proposal that involves paving, a pedestrian ramp and fencing to create a better civic space. It is also a program that the council strongly supports and is proposing to put funds into. As he said, an application has been made for government support under the Pride of Place program. I am confident that government support will be forthcoming and that a positive announcement will be made in the near future.

Mr McArthur interjected.

Mr THWAITES — I will ensure that the honourable member is invited to the launch and that we join with the local council in a productive and positive announcement.

Mr BATCHELOR (Minister for Transport) — The honourable member for Hawthorn raised with me the impact of graffiti in the City of Boroondara. Graffiti is an antisocial and inherently destructive activity that not only damages property and diminishes urban amenity but also unsettles and unnerves many people. It creates a negative atmosphere around the place. He asked how the interaction between the government, with its responsibilities, and Boroondara, with its graffiti management plan, could be better organised. I will ask the transport department to look at that to see whether it can clarify the areas of responsibility so that those responsible can get on with their respective tasks.

The honourable member for Dromana raised with me the need for additional taxis on the Mornington Peninsula. This is not the first time he has raised the issue either with me or with the previous government. I am aware of the issue and acknowledge the genuine way in which he has raised it. The difficulty the government faces in dealing with the issue is that it is required under the national competition review of the taxi industry to undertake a broad-ranging review of the industry, which it is doing at the moment.

We do not want to go ahead and issue additional licences in one geographic area or in the city itself without fully understanding the implications for the industry of the national competition review. The review is drawing to a conclusion, and once the government has identified its response it will be in a position to deal with requests such as the one put forward by the Dromana taxi industry for additional services. We will have a look at that in the post-national competition review environment.

The honourable member for Cranbourne raised a Workcover matter on behalf of a constituent, a Mrs McGeochin. I will ask the Minister for Workcover to investigate it. If the honourable member has any additional information he should make it available to the Minister for Workcover to assist and expedite his examination of the matter.

The honourable member for Bendigo East raised for the attention of the Minister for Police and Emergency Services a matter relating to Country Fire Authority volunteers. I will ask the minister to take up the matter and get back to the honourable member.

Motion agreed to.

House adjourned 5.10 p.m. until Tuesday, 3 April.

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, 20 March 2001

State and Regional Development: technology commercialisation program

- 31. MR PERTON** — To ask the Honourable the Minister for State and Regional Development with reference to Victoria's technology commercialisation program —
1. What funds will be made available under this program in the financial years 1999–2000 to 2002–03 inclusive.
 2. In respect of such funds what percentage will be given for — (a) international marketing support; (b) strategic planning for growth; (c) intellectual property management; and (d) business packaging for investment.
 3. With reference to the stated main outcome of the program, namely a rise in the level of venture capital investment in innovative technological companies, what is the forecast rise of venture capital investment in Victoria attributable to the program by 1 July 2000, 2001, 2002 and 2003 respectively.
 4. What are the names of the 'potential partner organisations' referred to in the Minister's press release of 23 November 1999.

ANSWER:

Funds of \$5 million per annum are being made available for the financial years 1999–2000 to 2002–2003.

As at 26 July 2000, the Department of State and Regional Development has contracted seven partner organisations to deliver elements of the Technology Commercialisation Program. These are the Anztek Group (a three way joint venture between Anztek Pty Ltd, Industrial Research Ltd and Rabobank), Australian Innovation Investments Pty Ltd, Freehills Technology Services Pty Ltd, Melbourne Enterprises International Ltd, E-Merge CMC Ltd, Biocom International Ltd and the De Bono Centre for Innovation.

Negotiations continue with several other organisations. The contracted delivery organisations will assess the specific requirements of each technology business and determine the support to be provided on a market-tested case by case basis.

One of the desired outcomes of the Technology Commercialisation Program is an increase in the amount of venture capital available for the start-up phase of technology businesses. The support offered under the Technology Commercialisation Program will raise the quality of technology business investment deals on offer. It is anticipated that this will lead to an increase in venture capital invested in technology businesses.

State and Regional Development: Connecting Victoria

- 33. MR PERTON** — To ask the Honourable the Minister for State and Regional Development with reference to the Minister's statement 'Connecting Victoria', that the Government will 'provide export development services through an online Electronic Export Assistance Centre' —
1. What budget will be available for this Centre in the financial years 1999–2000 to 2002–03 inclusive.

2. What will be the form of the Centre.
3. What are the targets for delivery by the Centre.
4. Having regard to the comment by the Australian Interactive Multimedia Industry Association's Victoria President on the Centre proposals that 'I'd go further than that' — (a) what objectives will be set for the Centre; and (b) by what date should such objectives be achieved.

ANSWER:

Responsibility for the Electronic Export Assistance Centre project is being taken by my colleague, the Honourable Minister for Small Business, with whom I have consulted.

Funding for the Centre was \$100,000 in 1999/2000 and will be \$200,000 each year for the next three years to 2002/2003.

The Centre is a web site that provides easy access to information and referral services on export by small and medium enterprises, especially regional businesses.

The Centre is known as Vic Export and is located at www.export.vic.gov.au on the Internet.

Stage 1 of the initiative was launched by the Minister for Small Business in October 2000 as a component of the Government's Showcasing Small Business strategy.

Specifications for succeeding phases of Vic Export are being developed.

State and Regional Development: Connecting Victoria

34. **MR PERTON** — To ask the Honourable the Minister for State and Regional Development with reference to the Minister's statement 'Connecting Victoria' that the Minister wants 'to see more schools like' Apollo Parkways Primary School and others and that 'We need to go a lot further', what steps and finance will be made available to meet this objective.

ANSWER:

The Government has made excellent progress in building a learning society, one of the key elements of the 'Connecting Victoria' strategy, including through funding and support of information and communications technologies (ICT) in schools.

At January 2001, there were 160,578 computers in State Government schools, including curriculum and administrative computers. A total of 31,272 teachers in State Government schools had laptops, and it is envisaged that all teachers in these schools will have laptops by the end of 2001.

The personal computer to students ratio in State Government schools is now 1 computer to 4.65 students, which is seen internationally as a benchmark.

The level of skill of students and staff in the use of these new technologies can be gauged from the fact that approximately 17 million Internet requests are made each day from Victorian State Government schools (this includes student emails). Computer and Internet use are very much a feature of today's Victorian State Government school system.

State and Regional Development: Connecting Victoria

35. **MR PERTON** — To ask the Honourable the Minister for State and Regional Development with reference to the Minister's statement 'Connecting Victoria' that the Government will establish an 'Information Community Technology Skills Taskforce' — (a) who will be appointed to the task force; and (b) what budget will the task force be given.

ANSWER:

As announced in *Connecting Victoria*, I established an Information and Communications Technologies (ICT) Skills Taskforce in April 2000 to assist the Government to develop practical initiatives for joint implementation with the ICT industry. The Taskforce was supported within the existing resources of Multimedia Victoria.

The Taskforce findings and the Government's Statement on ICT skills, titled *Skills x Knowledge = Growth*, were released on 22 November 2000.

State and Regional Development: Koori Internet access

43. **MR PERTON** — To ask the Honourable the Minister for State and Regional Development with reference the Government's policy on Skillsnet and public access to the Internet, what plans the Government has to extend the Internet in the indigenous community throughout Victoria.

ANSWER:

The Skills.net program currently has four indigenous community projects. These are:

- (i) *Koorie Cousins* Leader Project — coordinated by the Victorian Aboriginal Community Controlled Health Organisation which has Skills.net venues at its centres across the State;
- (ii) *Djeetgun Kurnai Women's Corporation* General Project in East Gippsland which is run by the regional traditional indigenous women's community in Bairnsdale and Bruthen;
- (iii) *Koori connect – Loddon Mallee* Level 1 Project — coordinated by Allinjarra Aboriginal Association operating out of 6 locations including Bendigo, Robinvale, Mildura, Echuca, Kerang and Swan Hill; and
- (iv) *Konnected Kurnai 2000* Level 1 Project — coordinated by Djeetgun Kurnai Women's Corporation focusing on providing Internet training and access to unemployed indigenous people within the East Gippsland region.

The expanded Skills.net program which was announced in *Connecting Victoria* targets those Victorians who are hardest to reach in terms of access to technology. Victoria's indigenous community will again be invited to apply for Skills.net funding in the next funding round.

State and Regional Development: Indonesian food aid program

65. **MR WILSON** — To ask the Honourable the Minister for State and Regional Development —
- 1. What total Government funding will be provided in each of the financial years 1999–2000 to 2002–03 inclusive for Victoria's food aid program to Indonesia.
 - 2. Will the Government continue funding assistance to enable distribution of the Vita Victoria high protein biscuit in Indonesia; if so, how many Indonesians are expected to be assisted in each of these financial years.
 - 3. Will the Victorian Government office in Jakarta remain open and how much funding will be provided in each of these financial years.

ANSWER:

I refer the Honourable Member to my answer to Question No. 53.

[Hansard reference: *Legislative Assembly*, Vol. 450, 28 February 2001, page 249]

State and Regional Development: multimedia production funding

- 68. MR PERTON** — To ask the Honourable the Minister for State and Regional Development in relation to the Minister's decision to remove Cinemedia from his responsibility to that of the Minister for the Arts, will he make a commitment to Victorian multimedia producers that Government financial support for multimedia developers will not be reduced.

ANSWER:

The Government strongly supports the development of a dynamic Victorian multimedia industry, the production of multimedia content for Australian and international consumers and maximisation of the economic and cultural benefits of new media arts and technologies to the State.

The total amount of funding for multimedia development will not be diminished. Multimedia Victoria will continue to support industry development programs. For example:

- the Government has released Game Plan, a major statement of practical support on issues helping the Victorian Computer Games industry to grow; and
- small to medium sized Victorian ICT businesses are being assisted to present on the world stage through the Trade Fairs and Missions program.

State and Regional Development: electronic service delivery

- 69. MR PERTON** — To ask the Honourable the Minister for State and Regional Development in relation to the Minister's speech in Canberra on 22 November 1999 in which he praised the previous Coalition Government's award winning Electronic Service Delivery Program —

1. On what date will the Education, Transport, Tourism, Legal and Arts Channels go online.
2. What is the target for visitors to each channel in June 2000, 2001 and 2002 respectively given the Minister's statement that the Business Channel, Land Channel and Better Health Channel received over 16,000 visitors in October 1999 and are growing at approximately 10% per month.
3. Given the Minister's comment that 'we are committed to reducing the regional and rural price differential' of VicOne, what is the target for such reduction.

ANSWER:

The Government is proceeding with the Government Online program. The scope and development schedules for prospective channels are being determined in consultation with the respective customer groups.

Multimedia Victoria has reviewed the VicOne infrastructure and has examined ways of reducing the regional and rural price differential. As a result, in November 2000, AAPT announced a major network upgrade resulting in a 70% reduction in regional data tariffs.

Major Projects and Tourism: full-time equivalent staff

- 227. MRS FYFFE** — To ask the Honourable the Minister for Major Projects and Tourism with reference to full time equivalent staff in Tourism Victoria — what is the average number of hours lost due to sick leave taken each month since November 1999 — (a) with a medical certificate; and (b) without a medical certificate.

ANSWER:

I am advised that the answer is as follows:

**Tourism Victoria
Average Sick Leave Taken**

	Average Hours Taken WITH Certificate	Average Hours Taken WITHOUT Certificate
Nov 99	2.4	0.5
Dec 99	1.8	0.5
Jan 00	2.8	0.4
Feb 00	2.7	0.7
Mar 00	1.9	0.7
Apr 00	1.4	0.5
May 00	3.0	1.3
Jun 00	2.9	0.9
Jul 00	3.5	0.9
Aug 00	6.4	1.8

Multicultural Affairs: FYROM

235(i). MR KOTSIRAS — To ask the Honourable the Minister for Multicultural Affairs —

Will the Minister issue a directive or instruction to their department and its agencies as to the terminology to be used when making reference to the language spoken by people originating from or associated with the former Yugoslav Republic of Macedonia; if so, what will that instruction or directive be.

ANSWER:

I am informed that:

This issue has been addressed across all Departments and Agencies of the Victorian Public Service.

A determination regarding the language spoken by people living in or originating from the Former Yugoslav Republic of Macedonia (FYROM) was made by the Human Rights and Equal Opportunity Commission on 8 September 2000. As a result of this determination, the Secretary of the Department of Premier and Cabinet directed all Victorian Public Service Departmental heads to distribute within their organisations instructions withdrawing the previous government's 1994 directive on the use of the term Macedonian (Slavonic) with reference to the language.

Guidance on the revised policy was drawn from nomenclature utilised by the Commonwealth, including use of the terms Former Yugoslav Republic of Macedonia (FYROM) and Slav Macedonian in describing the country and people of that region. With reference to the language itself, and in the absence of a definitive precedent in Commonwealth practice, Departments and Agencies have been advised to consult among their clients within the communities concerned to identify and adopt appropriate descriptors for future use.

State and Regional Development: e-commerce group

257. MR PERTON — To ask the Honourable the Minister for State and Regional Development — what were the criteria and processes used to put together the Government's e-commerce group connected to Multimedia Victoria, as referred to by a member of the group, Owen Richards, at the Interact 2000 conference.

ANSWER:

The e-commerce branch was established within Multimedia Victoria to further the Government's *Connecting Victoria* strategy and facilitate a coordinated approach to encouraging the uptake of electronic commerce in this State.

The Group was established and staffed in accordance with standard Public Service procedures and Departmental practice.

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