PARLIAMENT OF VICTORIA

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LEGISLATIVE COUNCIL

FIFTY-FIFTH PARLIAMENT

FIRST SESSION

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Tuesday, 10 June 2003

The PRESIDENT (Hon. M. M. Gould) took the chair at 9.33 a.m. and read the prayer.

STATE TAXATION ACTS (MISCELLANEOUS AMENDMENTS) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Mr LENDERS (Minister for Finance).

CORRECTIONS AND SENTENCING ACTS (HOME DETENTION) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries).

LIVESTOCK DISEASE CONTROL (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries).

APPROPRIATION (PARLIAMENT 2003/2004) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Mr LENDERS (Minister for Finance).

DRUGS, POISONS AND CONTROLLED SUBSTANCES (VOLATILE SUBSTANCES) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

AUSTRALIAN CRIME COMMISSION (STATE PROVISIONS) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries).

WRONGS AND LIMITATION OF ACTIONS ACTS (INSURANCE REFORM) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Mr LENDERS (Minister for Finance).

GOVERNOR'S SPEECH

Address-in-reply

The PRESIDENT — Order! The office of the Governor has advised that the Governor will be pleased to receive the President and members of the Legislative Council at the Executive Council Chamber, Old Treasury Building on Wednesday, 11 June, at 11.00 a.m. for the presentation of the address-in-reply. I would be glad if as many members as possible could accompany me at that time. Members who are attending should assemble in the vestibule of Parliament House at 10.40 a.m.

PAPERS

Laid on table by Clerk:

Planning and Environment Act 1987 — Notices of Approval of the following amendments to planning schemes:

Alpine Planning Scheme — Amendment C10.

Hepburn Planning Scheme — Amendment C2 (Part 2).

Hume Planning Scheme — Amendment C41.

Mornington Peninsula Planning Scheme — Amendment C40 (Part 1).

Shepparton — Greater Shepparton Planning Scheme — Amendment C30.

Strathbogie Planning Scheme — Amendment C15.

Wangaratta Planning Scheme — Amendment C11 (Part 1).

Wellington Planning Scheme — Amendment C13.

Proclamation of the Governor in Council fixing an operative date in respect of the following act:

Residential Tenancies (Amendment) Act 2002 — 1 July 2003 (*Gazette* No. G23, 5 June 2003).

FISHERIES (AMENDMENT) BILL

Second reading

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I move:

That the bill be now read a second time.

Second-reading speech as follows incorporated on motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries):

As part of the machinery of government changes implemented by this government, the functions of the Department of Natural Resources and Environment have been separated into the new Department of Primary Industries and Department of Sustainability and Environment.

The Fisheries Act 1995 is the only act administered by the Department of Primary Industries which is listed as 'relevant law' under the Conservation, Forests and Lands Act 1987. The other acts which are a 'relevant law' are administered by the Department of Sustainability and Environment.

As such, the 'secretary' in the Fisheries Act 1987 is defined to mean the body corporate established by the Conservation, Forests and Lands Act 1987, which is the Secretary to the Department of Sustainability and Environment as the successor to the secretary of the previous department. The administrative means of implementing machinery of government changes cannot split a body corporate to refer to more than one departmental secretary.

The bill will ensure that the Secretary to the Department of Primary Industries can directly exercise relevant statutory responsibilities and powers under the Fisheries Act as intended by the machinery of government changes.

In addition, the Secretary to the Department of Primary Industries is designated by the bill as both the chief and senior law enforcement officer for the purposes of the Surveillance Devices Act 1999 for authorised officers under the Fisheries Act.

I commend this bill to the house.

Debate adjourned for Hon. PHILIP DAVIS (Gippsland) on motion of Hon. E. G. Stoney.

Debate adjourned until later this day.

WRONGS AND LIMITATION OF ACTIONS ACTS (INSURANCE REFORM) BILL

Second reading

Mr LENDERS (Minister for Finance) — I move:

That the bill be now read a second time.

The reforms contained in this bill are designed to balance the rights of people to have access to the courts to sue for personal injuries, and the need for access to affordable insurance.

Insurance is one of the underpinning institutions of our society. It spreads the balance of risk when things go wrong, and ensures that the consequences of wrongs can be compensated. It makes sure that we can rely on access to doctors. That we can enjoy a walk in a national park. That we can take part in a local footy team, or raise some funds for a local school at a fete.

A working system of insurance then is vital to a secure society and a strong economy. Government must be watchful then that the system of insurance — and the associated law around compensation for wrongs — works well. It needs to work well — on balance — for everyone. It needs to work well not just for insurance companies, medical defence organisations, claimants, and their representatives; it also needs to work well for everyone who is affected by their decisions and their behaviour.

Because everyone relies on insurance to run a business, to see a doctor, to give birth to a child, to play sport on the weekend, to support a local fete and indeed to receive fair compensation for injury, government needs to ensure that insurance works well both against a set of legal principles of fairness and justice, and in terms of the real, practical human consequences of the working of the insurance system. Dealing with those practical human consequences is what this legislative package to reform insurance is all about.

As members know, in terms of practical human consequences, the community is facing serious issues today with the functioning of our system of insurance. A series of events since the collapse of HIH in early 2001 including the events of 11 September and the effects of the deterioration of equity markets on insurers' reserves, have placed great pressure on the insurance industry and our community. At the same time there has been a pattern of rising claim costs. Rising payouts and worldwide pressure on the insurance industry have created an environment of unaffordable premiums and sometimes unavailability of insurance which all states have had to address.

Since 2001, affordability and availability problems have developed for several key insurance products including: builders warranty; public liability; professional indemnity; and medical indemnity. In turn, these problems have affected the operations of a range of service providers, business and community groups. Insurance premiums are becoming unaffordable not just for doctors, but for tourism operators, small business and community and sporting associations like pony clubs and local football clubs. In some cases insurance is not available at all because insurance companies are refusing to write policies where they believe the risk is too great. In other cases insurers are writing policies with significant exclusions, making them ineffective for insured parties and claimants.

We have a responsibility to strike the right balance between protecting people's rights and ensuring a viable insurance industry. Already the government has responded to the difficulties experienced in the insurance market in a range of ways. In all cases this response has balanced the legitimate interests of consumers with those of businesses and professionals providing services.

Government action to date has ranged from information provision, including facilitating new insurance arrangements for community groups, to changes to institutional and regulatory arrangements as appropriate, to providing insurance of last resort for limited periods and finally to an extensive package of legislative reforms.

The reforms contained in this bill are designed to balance the rights of people to sue for personal injuries and the need for access to affordable insurance. The reforms will provide greater certainty for providers of medical indemnity and public liability insurance.

It is important to get the balance right between the needs of people injured through negligence, and the needs of businesses, individuals and community groups to have access to insurance. These reforms strike that balance.

As honourable members will be aware, with the support of the states and territories the federal government commissioned a review of the law of negligence by a panel chaired by Justice Ipp, whose report was submitted last year.

The Victorian government has previously announced that Victoria supports a legislative environment in which there is national uniformity, or at least consistency, in the way the law of negligence is applied. Victoria will continue to work in national forums towards such a nationally consistent system. In the meantime, we have announced that we will implement most of the Ipp report's recommendations, with the necessary legislation to be introduced in the spring 2003 parliamentary session.

However, two areas in which the Ipp report made recommendations that the government considers need to be implemented as a matter of urgency are: thresholds on general damages — that is, damages for non-economic loss; and limitations on the commencement of actions — what is more generally known as 'the statute of limitations'.

Threshold for recovery of general damages

After careful consideration of all the arguments, and the impact on all members of the community, the government has decided to implement a threshold for access to general damages — that is, damages for non-economic loss.

Let me stress this point.

There will be no threshold test for access to other types of damages, such as loss of earnings, medical treatment or legal and property costs.

The threshold will only be applied to general damages.

General damages are an important factor in the cost of claims, and hence in premiums, for claims below the catastrophic injury level. For small claims — that is, $50 000 or below — half of the damages paid are general damages.

Some groups, businesses and professionals, concerned about the cost of meeting a succession of minor claims, or if they can't obtain insurance, not willing to operate without it, are withdrawing their services, to the detriment of themselves, their communities and their customers.

Others are cutting their costs by operating without insurance cover, and punting that they won't be hit by a claim — a very poor outcome for claimants, consumers and the community.

The bill therefore provides that general damages are only recoverable where a claimant has suffered 'significant injury'. 'Significant injury' comprises one or more of:

> whole-of-person physical impairment of more than 5 per cent, assessed using the 4th edition of the *AMA Guides*;

psychiatric impairment of more than 10 per cent, assessed using the gazetted psychiatric clinical guidelines prepared by the Melbourne Medical Panel (Psychiatry), and excluding secondary psychiatric impairment;

binaural loss of hearing of more than 5 per cent, assessed in accordance with the procedure developed and published by the National Acoustic Laboratory;

loss of a foetus; or

loss of a breast.

In addition, personal injury claims for general damages in relation to sexual assault or misconduct will not be subject to a threshold test.

Assessment of whole-person impairment using the *AMA Guides* requires that the injuries to be assessed are stable and are unlikely to change in future months in spite of treatment. This is important both to claimants and defendants, because if the claimant's injuries have not stabilised the claimant could be undercompensated if the injuries subsequently deteriorate, or overcompensated if the injuries subsequently improve.

It is important to stress that this threshold acts only as a gateway for a court to determine whether or not damages for non-economic loss can be awarded to a plaintiff. The threshold does not in any way affect the need for the claimant to establish that his or her injuries resulted from a defendant's negligence. It does not in any way affect the ability of a court or the parties to determine the damages that may be awarded for economic loss — that is, medical expenses, loss of income and the like — if negligence is proved or agreed.

Finally, unlike the schemes that have been implemented in some other jurisdictions, the determination of the amount of general damages that can be awarded, provided negligence is proved and the plaintiff has satisfied the threshold requirements, remains at the court's discretion, subject only to the cap that was enacted last year.

The bill sets out pre-litigation procedures that enable claimants and respondents to determine whether a claimant's injuries will enable him or her to recover general damages. The bill provides that the medical panels established under the Accident Compensation Act 1985 will provide independent determination for the courts and the parties of whether a claimant has suffered 'significant injury' and therefore has access to general damages. The bill restricts the medical panel's role to determining whether the greater than 5 per cent threshold has been reached.

Honourable members will be familiar with the use of the *AMA Guides*, the psychiatric impairment guidelines and the hearing loss assessment procedures from their use since around 1990 in the Workcover and TAC statutory compensation schemes. The levels of impairment required in this bill for recovery of damages for non-economic loss are significantly lower than those required in the Workcover and TAC schemes for access to statutory benefits for non-economic loss. The reasons for the thresholds in this bill being lower than those applying in the statutory schemes are:

the TAC and Workcover schemes are no-fault schemes, so it is not necessary for a claimant to prove negligence on the part of another person before receiving compensation; and

therefore, those statutory schemes are able to provide statutory benefits for economic losses to injured persons more quickly than receipt of damages for economic losses usually occurs in common law claims of negligence.

I stress that the no-fault nature of the statutory schemes and the existence of statutory scales of benefits, rather than court-determined damages, for most injuries under those schemes, means that the level and purposes of the thresholds in the Accident Compensation Act 1985 and the Transport Accident Act 1986 are not directly comparable to those in this bill.

The proposed bill provides that the threshold will apply to any proceeding seeking general damages for personal or bodily injury where that injury occurs on or after the day of the Premier's second-reading speech or, if the injury occurred before that day, to any proceeding commenced on or after 1 October 2003. This commencement provision allows those already injured and currently engaged in pre-litigation processes, or contemplating commencing a proceeding, at least four months in which to lodge a writ.

I reiterate that the government's aims in implementing thresholds for general damages, consistent with other measures already implemented and those that will be implemented in spring, are to:

reduce the level of general damages paid in respect of minor injury claims; and in so doing, to

increase the certainty that community groups, businesses and individuals can get access to reasonable cover.

The government recognises that the bill is likely to lead to an increase in availability of insurance, as insurance providers can more confidently price their risk.

The government recognises that the community expects close scrutiny of actual insurance market outcomes of the implementation of a threshold for general damages to ensure that the expected benefits in improved availability and affordability are being delivered.

On 20 May 2003, the government wrote to the chairman of the ACCC, Allan Fels, to ask him to monitor the impact of our reforms and ensure that insurance companies pass those on to consumers.

In addition, honourable members will recall that last October's legislation included a provision for the Essential Services Commission to collect Victorian-based statistical data on insurance claims. As the government agreed then, the ESC and the government will work closely with APRA and any other data collection agencies to establish complementary data collection requirements, both to minimise the burden on insurers and to ensure that Victorian-based information can be benchmarked against nationally based information.

Limitation of actions

Now let me turn to our aims in modifying the statute of limitations.

Part 3 of the bill implements a number of reforms to limitation of actions based, in part, on the recommendations contained in the *Review of the Law of Negligence* chaired by Justice Ipp. As the review noted, a workable limitation system needs to provide fairness to both plaintiffs and defendants.

Plaintiffs need sufficient time to appreciate that they have claims, to investigate their claims and to commence proceedings.

Defendants have a strong interest in ensuring that claims made against them are litigated within a limited period to —

ensure that relevant evidence is not lost due to the passage of time; and

allow them to arrange their affairs and utilise their resources on the basis that claims can no longer be brought against them after a certain time.

The public also has an interest in ensuring that disputes are settled as quickly as possible.

The *Review of the Law of Negligence* indicated that it is desirable that the limitation periods relating to all actions for personal injury and death, irrespective of the formal causes of action on which they are based, should be the same. The bill inserts a new part IIA in the Limitation of Actions Act 1958. Part IIA establishes new periods of limitation for an action for damages for personal injury or death whether the action is brought in tort, in contract, under statute or otherwise.

Part IIA provides that the general limitation period applicable to an action for damages for personal injury or death is whichever of the following periods is the first to expire —

the period of three years from the date on which the cause of action is discoverable by the plaintiff (the post-discoverability limitation period); or

the period of 12 years from the date the act or omission alleged to have resulted in the death or personal injury with which the claim is concerned (the long-stop limitation period).

A cause of action is considered to be discoverable under part IIA when the plaintiff knows or ought to know of all of the following facts —

the fact that the death or personal injury concerned has occurred;

the fact that the death or personal injury was caused by the fault of the defendant; and

in the case of personal injury, the fact that the personal injury was sufficiently serious to justify the bringing of an action.

Under the Limitation of Actions Act 1958 the concept of discoverability only applies where the injury which is the subject of a claim for personal injury damages is a disease or disorder. The concept of discoverability recognises the difficulties faced by plaintiffs who have latent diseases or disorders in bringing claims within standard limitation periods. For other types of injuries the limitation period currently runs from the date the injury is sustained. Part IIA will extend the concept of discoverability to all injuries and in this sense is more generous than the current limitation periods.

The same limitation periods are applicable where a person is under a disability at the time of the act or omission, except that the post-discoverability limitation period is six years. The Limitation of Actions Act 1958 already deems a minor or a person of unsound mind to be a person under a disability. The post-discoverability period of limitation is longer for injured persons within

this group in recognition of the special needs of this group. This post-discoverability limitation period for persons under a disability must be able to accommodate the difficulties presented where injuries are sustained at birth. Six years allows the parents or guardians of a child more time to ensure that the consequences of an injury are fully manifested before they must commence an action on behalf of the child.

Currently the Limitation of Actions Act 1958 suspends a limitation period for a person under a disability for the period of disability. Consequently a limitation period does not commence to run against a person injured while a child until they reach 18. Part IIA also provides that where a person is under a legal incapacity the running of the limitation periods is suspended for the duration of the legal incapacity. However, the suspension of a limitation period during incapacity will not apply to a child who is in the custody of a legally capable parent or guardian or to an incapacitated person who is a represented person. It is reasonable for the community to expect that parents and guardians will act in the best interests of their children and commence proceedings within six years of discovering an injury to their child.

Part IIA also protects the interests of a minor where there is a close relationship that may prevent a parent or guardian from bringing legal proceedings on behalf of a minor.

In the interests of justice the court will retain a discretion to extend any of the limitation periods set out in part IIA.

The government is particularly concerned to protect the interests of those people suffering a dust-related condition or tobacco-related disease which would often go undetected until after the expiration of the long-stop limitation period. Consequently, part IIA will not apply to plaintiffs with a cause of action based on a dust-related condition or tobacco-related disease. Plaintiffs in this category will remain subject to the provisions contained in sections 5, 23 and 23A of the Limitations of Actions Act 1958. This means that people in this category will have three or six years from the date on which they first knew they had suffered the injury to commence proceedings. An application for extension may be made under section 23A.

Before I move on to discuss other parts of the bill I would like to briefly discuss the transitional provisions that apply to the changes to the limitation period.

The government wants the reforms to limitation periods to have immediate effect and this is reflected in the transitional provisions. Part IIA will apply to a cause of action arising out of —

an act or omission that occurred on or after 21 May 2003; and

an act or omission that occurred before 21 May 2003 where proceedings have not been commenced before 1 October 2003.

The government made a formal announcement about the proposed changes to limitation periods on 20 May 2003. The government recognises that the transitional arrangements may have an adverse impact on persons who suffered an injury prior to 21 May 2003 and who do not, for whatever reason, commence proceedings before 1 October 2003.

In some circumstances a cause of action that is still within the limitation periods set under the current provisions of the Limitation of Actions Act 1958 will become statute barred under part IIA. This will be the case where the 12-year long-stop limitation period has expired before the commencement of part IIA. People in this group will need to make an application to the court for an extension before they can commence proceedings.

This represents an appropriate balance between the rights of individuals and the need to ensure the availability of insurance, and thus enable providers of goods and services and organisers of community activities to continue to do so without fear of being bankrupted by liability claims.

The bill also establishes proportionate liability for purely economic loss and limitations on damages for gratuitous attendant care.

Proportionate liability for economic loss

The bill implements ‘proportionate liability’ in place of joint and several liability for purely economic losses — that is, losses that do not relate to death or personal injury. This means that persons or entities, including government, will each only be liable for the proportion of economic loss caused by their own negligence. They will not have to be responsible for the whole amount of economic loss damages awarded if they did not cause 100 per cent of the loss.

Proportionate liability has operated satisfactorily in the building industry in Victoria for some years, under specific provisions in the Building Act 1993. The bill repeals those provisions, as claims relating to the building industry will now be covered by these general provisions that relate to all non-injury claims.

The move to proportionate liability for economic loss comes after extensive research and consultation over the last decade by attorneys-general and others across Australia.

Gratuitous attendant care

In line with recommendations of the Ipp report, the bill restricts access to damages for gratuitous attendant care to those cases where the need for this care is clearly the result of the injury, and the care is required for at least 6 hours a week for at least six months. The maximum amount awardable for gratuitous attendant care is limited to payment for no more than 40 hours a week at an hourly rate that does not exceed one-fortieth of average weekly earnings in Victoria. This provision mirrors those being introduced in most states.

Statements under section 85(5) of the Constitution Act

I wish to make the following statements under section 85(5) of the Constitution Act 1975 of the reasons why it is the intention of this bill to alter or vary that section.

Clause 3 of this bill proposes to insert new sections 24AI, 24AL and 24AQ into the Wrongs Act 1958.

Section 24AQ states that it is the intention of sections 24AI and 24AL to alter or vary section 85 of the Constitution Act 1975.

Section 24AI provides that the liability of each defendant who is a concurrent wrongdoer in proceedings involving an apportionable claim is to be limited to an amount reflecting that person's responsibility for the loss or damage in question. It provides that the court may give judgment against each defendant for not more than that amount. It also directs the court not to take into account the comparative responsibility of concurrent wrongdoers who are not parties to the proceedings except in certain circumstances.

Section 24AL restricts the power of the court to join a person as a party in a proceeding in relation to an apportionable claim if the person was a party to any previously concluded proceeding in relation to the apportionable claim.

The purpose of these provisions is to restrict the powers and authorities of the court to ensure that the new laws relating to proportionate liability operate as intended.

Clause 4 of this bill proposes to insert new sections 28LE, 28LZH, 28LZI, 28LZL and 28LZO into the Wrongs Act 1958.

Section 28LZO states that it is the intention of sections 28LE, 28LZH, 28LZI and 28LZL to alter or vary section 85 of the Constitution Act 1975.

Section 28LE restricts the recovery of damages for non-economic loss in proceedings to persons who have suffered significant injury.

The reason for the restriction on the court's ability to award damages for non-economic loss is to restrict the cost to the community of claims for minor injuries through establishing a more reasonable balance between the impact on victims of injuries caused through another's negligence and the amount of damages they receive.

Section 28LZH requires a court to accept a determination by a medical panel of a threshold level for the purpose of determining the threshold to the recovery of damages for non-economic loss.

Section 28LZI provides that there is no appeal on the merits to a court from an assessment or determination by a medical panel.

The reason for requiring a court to accept the medical panel's determination and to prevent appeals on the merits from medical panel assessments and determinations is to streamline the procedure for determining the threshold for recovery of damages for non-economic loss and to ensure that the courts do not, over time, substitute non-medical criteria in place of the opinions of panels of medical experts on medical matters.

Section 28LZL applies division 3 of part III of the Accident Compensation Act 1985 to a medical panel appointed for the purposes of the new part VBA. Section 63(6) of the Accident Compensation Act 1985 which is applied by section 28LZL provides that a matter or thing done or omitted to be done by a member of a medical panel or the convenor of the medical panels in good faith does not subject the member or convenor personally to any action, liability, claim or demand. Section 65(10) of the Accident Compensation Act 1985 which is applied by section 28LZL gives the convenor and a member of a medical panel the same protection and immunity as a judge of the Supreme Court.

The reason for providing for medical panel members and the convenor to have the immunity provided by section 63(6) is to enable them to perform their

functions effectively without the threat of vexatious legal actions. As a medical panel is a tribunal providing opinions affecting legal rights, it is appropriate as a matter of public policy for the convenor and the members to have the protection and immunity of a judge.

Clause 7 of this bill proposes to insert new section 28J(2) into the Wrongs Act 1958.

Section 28J(2) states that it is the intention of section 28D (as affected by the amendments made to this part by this bill) to alter or vary section 85 of the Constitution Act 1975.

Section 28D provides that a court cannot award damages contrary to part VB (personal injury damages) of the Wrongs Act 1958.

Clause 6 of the bill inserts new sections 28IA and 28IB into part VB. New section 28IA limits the circumstances in which damages may be awarded for gratuitous attendant care services — *'Griffiths v. Kerkemeyer* damages'. New section 28IB sets out the limits for the award of damages in those circumstances.

The purpose of limiting the power of the court to award damages is to limit excessive awards in these cases, particularly having regard to the fact that the plaintiff suffers no actual financial loss as the services are provided gratuitously.

Clause 14 of this bill proposes to insert new part IIA into the Limitation of Actions Act 1958.

Clause 16 of the bill proposes to insert a new section 38A into the Limitation of Actions Act 1958. Section 38A states that it is the intention of part IIA to alter or vary section 85 of the Constitution Act 1975.

Part IIA establishes new periods of limitation for an action for damages for personal injury or death whether the action is brought in tort, in contract, under statute or otherwise. Part IIA will also have application to —

a cause of action that survives for the benefit of the estate of a deceased person under section 29(1) of the Administration and Probate Act 1958; and

an action under part III of the Wrongs Act 1958; and

an action for personal injury damages under the Fair Trading Act 1999.

Part IIA will apply to a cause of action arising out of —

an act or omission that occurred on or after 21 May 2003; and

an act or omission that occurred before 21 May 2003 where proceedings have not been brought by 1 October 2003.

Part IIA provides that the general limitation period applicable to an action for damages for personal injury or death is whichever of the following periods is the first to expire —

the period of three years from the date on which the cause of action is discoverable by the plaintiff (the post-discoverability limitation period); or

the period of 12 years from the date the act or omission alleged to have resulted in the death or personal injury with which the claim is concerned (the long-stop limitation period).

The same limitation periods are applicable where a person is under a disability at the time of the act or omission except that the post-discoverability limitation period is six years. Part IIA also sets out special limitation periods for minors injured by a parent or guardian or a close associate of the parent or guardian. Part IIA also provides for the suspension of limitation periods where a person is under a legal incapacity as defined as in section 27J.

Part IIA provides that the court has a discretion to extend a limitation period that applies under the part. However, the discretion must be exercised having regard to factors specified in part IIA.

The introduction of new limitation periods limits the time within which proceedings can be commenced in a court or tribunal. The restrictions placed on the court's discretion to extend limitation periods limit the court's jurisdiction to award damages where claims for death or personal injury damages are brought after the expiration of the relevant limitation period.

The interests of the community are best served when the limitation system provides fairness to both the plaintiff and the defendant. Adopting the date of discoverability and extending it to all personal injuries and death provides a fair way of dealing with a wide range of cases. It promotes consistency and uniformity. Once the plaintiff knows or ought to know the facts necessary to enable an action to be commenced, a period of three years for competent adults and six years for a person under a disability is a reasonable time for this to be done. There are some difficulties associated with the date of discoverability. In cases where damage manifests itself long after the event or in a form difficult to detect, the date of discoverability could extend considerably into the future. The purpose of the long-stop limitation period is to address these

difficulties by fixing a date on which an action becomes statute barred, irrespective of whether the date of discoverability has occurred.

Justice requires that the court have a discretion to extend a limitation period having regard to a range of factors that take into account the interests of both the plaintiff and the defendant before an action can be commenced.

Conclusion

This bill enacts reforms to proportionate liability, gratuitous attendant care, the statute of limitations, and the introduction of a threshold to limit rights to sue for general damages for non-economic loss.

I reiterate that we believe these reforms strike the balance between the needs of people injured through negligence, and the needs of business, community groups, sporting organisations and individuals to have access to insurance.

These reforms are a balanced response to a complex issue.

They build on Victorian and national action to respond to problems with the availability of insurance.

They deal with the practical human consequences Victorians are encountering today due to these problems.

They will ensure Victorians can enjoy the security of a well-functioning insurance system.

They provide more certainty for people who rely on affordable insurance to run their businesses, provide their services, and enjoy their lives.

They are fair.

Importantly, they protect people's rights to sue for loss of wages or medical expenses in all personal injury claims.

They make exception for long-term insidious diseases such as those caused by asbestos and tobacco.

We have shortened the limitations period to encourage claims to be made at an earlier time and to provide certainty for defendants and insurers.

But we have allowed for judicial discretion to extend limitations where it is in the interests of justice to do so.

Together then these measures are a balanced response to a pressing problem, and will secure the operation of insurance as an underpinning activity of our society and our economy.

I commend the bill to the house.

Debate adjourned on motion of Hon. C. A. STRONG (Higinbotham).

Debate adjourned until later this day.

CORRECTIONS AND SENTENCING ACTS (HOME DETENTION) BILL

Second reading

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I move:

That the bill be now read a second time.

Second reading speech as follows incorporated on motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries):

This bill implements a commitment of the Bracks Labor government to introduce home detention to Victoria. As one element in a range of complementary measures, home detention will extend the options for rehabilitation and diversion currently available. The diversion of low-risk minor offenders from prisons represents not only a cost advantage but, more importantly, it provides an increased opportunity to successfully rehabilitate an offender into the law-abiding community. This government believes that imprisonment should be used solely as a last resort and restricted to serious offenders. Victoria has a proud record in this regard, and the introduction of home detention will further enhance this.

Alongside:

- the 10-year master plan for the prison system;
- the continued redevelopment of community correctional services; and
- a range of diversionary and rehabilitative measures announced in the 2001 budget

the home detention initiative is an element of the corrections long-term management strategy which provides a blueprint for an informed and balanced corrections system for Victoria. The corrections long-term management strategy demonstrates the Bracks Labor government's commitment to restoring the reputation for progressive, sound correctional practice for which Victoria has previously been known.

The provisions that facilitate the home detention scheme will expire after three years of operation by virtue of a sunset clause. A review will take place into the operation of the home detention initiative after two years of operation to allow appropriate steps to be taken to re-enact the home detention provisions, if appropriate and with any necessary amendments, before the sunset clause takes effect.

The scheme facilitated by the bill is largely the same as the scheme advocated in the Corrections and Sentencing Acts

(Home Detention) Bill 2001 that was debated in Parliament, but defeated in the Legislative Council, in 2001. The only revision to the 2001 bill has been to enable the Adult Parole Board to act more swiftly in a limited number of cases where a serious breach has been committed.

Home detention will provide a means by which carefully selected, non-violent, low-risk, low-security offenders can serve a period of imprisonment in the community under highly restrictive and intensively supervised conditions. Home detention schemes are a well-established feature of the correctional landscape internationally and are currently available in all mainland Australian states except Victoria. The experience of other jurisdictions indicates that home detention can be an effective means to enhance the prospects for offender rehabilitation without putting the community at risk. The proposed program has been tempered in the knowledge of this experience and developed with Victorian traditions and expectations in mind.

The Victorian home detention scheme will operate both as a sentencing option ('the front end') and as a pre-release mechanism ('the back end') catering for a maximum of 80 offenders at any one time. At the front end, home detention presents an excellent opportunity to successfully rehabilitate and reintegrate relatively low-risk, non-violent offenders into the community while minimising the disruption to family life and employment that incarceration can sometimes cause. At the back end, home detention offers a means of consolidating the rehabilitative work done in prison by facilitating the gradual reintegration of the prisoners back into the community under highly restrictive conditions and intensive supervision.

The scheme will be open to access by all eligible offenders. It is not just a scheme for the more affluent offenders. To this end, appropriate assistance will be given as necessary to eligible offenders to locate appropriate housing, assist them find employment and to meet other requirements (such as having a telephone) to enable them to be considered for home detention.

The scheme will aim, at the front end, to divert from custody selected low-risk offenders facing terms of imprisonment of 12 months or less. To prevent net widening, the bill requires the court to impose a sentence of 12 months imprisonment or less before turning its mind to the question of home detention. At the back end, it will be a means by which those low-risk, minimum-security prisoners who are within six months of their release date may be able to serve a portion of their sentence.

The fundamental principle underlying home detention is to ensure the protection of the public, in particular co-residents. This principle is expressed throughout all stages of the home detention programme.

The bill clearly provides that a prisoner will be automatically excluded from home detention if he or she has a history of violent offences, sex offences, offences involving firearms or prohibited weapons, commercial drug trafficking offences, stalking offences or breaching intervention orders.

Before a home detention order can be made the offender must undergo a comprehensive assessment by a specialist supervising officer located within community correctional services (CCS). A home detention order cannot be made unless the CCS officer has determined that the offender is a suitable candidate for the home detention scheme. Community safety and protection and the safety of the families who will reside with the offender will be the primary factor in the assessment. This assessment process will require the CCS officer to seek the views of a wide range of relevant professionals and especially the views of the intended co-residents. More specifically, the assessment report must address numerous factors, including:

> whether the order would place at risk of harm any person who would reside with or in the vicinity of the offender;
>
> whether there are any impediments to the effective monitoring and successful completion of the order;
>
> the potential that the offender will breach a family violence intervention order;
>
> a range of factors such as the offender's age, social history, medical and psychiatric history, education, employment history, financial circumstances, criminal history and special needs.

Additionally, before a home detention order can be made the intended adult co-residents must have acknowledged that they understand the aspects of home detention and must have given written consent to the offender residing in that location. In the case of a child who will reside with the offender, the court or the Adult Parole Board must be satisfied that the child was consulted about the offender residing with him or her and that consideration was given to the child's views with due regard to the age of that child.

Once an order is made, the currency of the co-residents' consent will be regularly assessed by supervising officers throughout the life of the order. In addition, appropriate ongoing independent support will be extended to co-residents to ensure that, as far as practicable, this consent is clearly informed and freely given.

If consent is subsequently withdrawn by the co-residents, the offender must cease living at that residence. If an alternative suitable residence cannot be found, the Secretary to the Department of Justice can apply to the Adult Parole Board to revoke the order.

The program will be supervised 24 hours a day, 7 days a week. It will be delivered by the Department of Justice, utilising the significant skill and expertise that already exist within community correctional services. Skilled community correctional officers will maintain a high level of contact with the offender, engaging that person in appropriate offence-focused interventions. There will be a strong rehabilitative focus in order to better equip offenders to get their lives back on track and keep them there. Where appropriate and necessary, offenders will be required to participate in substance abuse, gambling or other appropriate counselling. There will also be an emphasis on promoting job training and employment readiness. It is intended that through these interventions offenders will develop essential and enduring support structures in the local community that he or she can rely on beyond the lifetime of the order.

Of course, the imposition of a curfew that requires the offender to remain at the approved residence will be a central element of the scheme. The offender will only be permitted to leave the residence where it is unsafe to remain due to immediate danger or to engage in activities previously

investigated and approved by the supervising officer. Those approved activities might include employment, education or training commitments, or attendance at offence-focused interventions as I mentioned a few moments ago.

The curfew will be monitored by way of an active system of electronic monitoring. This system consists of a signal-transmitting bracelet worn about the wrist or ankle; a monitoring unit installed in the offender's home; and a central computer which communicates with the supervising officer. Should the offender fail to comply with curfew requirements or attempt to tamper with the bracelet or with the monitoring unit, the supervising officer will be automatically notified, resulting in an immediate action, day or night. Widely used in other jurisdictions, active monitoring systems are well regarded for their dependability in monitoring compliance without causing undue disruption to the home environment.

If the offender breaches the order, the response will be swift and decisive. In cases of minor breaches, such as being a few minutes late for curfew or failing to attend one session of a scheduled education course, the supervising officer will be empowered to impose sanctions such as a formal warning or a more stringent application of the conditions of home detention (e.g., increase the number of unpaid community service hours). The supervising officer may also refer the matter to the Adult Parole Board for consideration.

Serious breaches of a home detention order, however, must be considered by the Adult Parole Board. A serious breach is defined in the bill as:

> a breach that compromises the safety and security of the community or a person residing with the offender;
>
> a breach that involves the commission of an offence;
>
> a breach that involves non-compliance with an order for restitution or compensation; and
>
> repeated minor breaches of the conditions; and
>
> a breach of the core conditions to remain at an approved residence except when authorised under the act or to comply with an approved activity plan outside of curfew hours (unless deemed minor by the secretary).

Where appropriate, the Adult Parole Board may revoke the home detention order and a warrant will be issued for the offender to serve the outstanding balance of his or her sentence.

Home detention programs operate at a fraction of the costs of conventional imprisonment. With a full capacity of 80 offenders on the scheme, the cost per offender for home detention is estimated to be $20 000 per annum. By comparison, it currently costs over $46 000 per annum to house an offender in a minimum security facility.

Under the terms of the bill, the home detention scheme will be operational by, at latest, 1 January 2004.

In conclusion, the proposed home detention scheme is consistent with existing Victorian traditions of reserving imprisonment for serious and violent criminals. Home detention will allow carefully selected, non-violent, low-risk, low-security offenders to serve a period of imprisonment in the community under highly restrictive and intensively supervised conditions. The select offenders will receive targeted interventions aimed at reducing offending and maximising the prospects for rehabilitation. The bill represents a responsible, considered and constructive approach to expanding the range of rehabilitative and diversionary options currently available.

I commend this bill to the house.

Debate adjourned on motion of Hon. R. DALLA-RIVA (East Yarra).

Debate adjourned until later this day.

LIVESTOCK DISEASE CONTROL (AMENDMENT) BILL

Second reading

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I move:

> That the bill be now read a second time.

The Livestock Disease Control Act 1994, as its name suggests, is the principal legislation for ensuring that livestock disease is minimised and controlled and for the monitoring and eradication of exotic livestock disease to protect domestic and export markets for livestock and livestock products. It operates to secure public health from diseases which can be transmitted from livestock to humans. It also provides compensation for certain losses caused by livestock diseases.

Similarly the Plant Health and Plant Products Act 1995 provides for the monitoring, controlling and eradicating of plant pests and diseases and for the packaging, labelling and description of plants and plant products. It facilitates the movement of plants, plant products, used packages, used agricultural equipment and soil within and into and out of Victoria.

During September 2002 Victoria participated in the national foot-and-mouth disease outbreak simulation, Exercise Minotaur. Most of the issues addressed in this bill were identified during that exercise.

Exercise Minotaur demonstrated that there could be an immediate need to appoint Victorian police officers in order to provide them with the powers of inspectors under division 3 of part 8 of the Livestock Disease Control Act, which provides additional powers of inspectors for exotic diseases.

Police officers would play an important role in enforcing livestock movement restrictions and restrictions on the movement of people and vehicles in and out of declared infected areas. Appropriate powers

to effectively carry out this work are currently provided under the act, including the power to stop, board or detain any vehicle, stop or order the movement or mustering of livestock or livestock products, or restrain persons acting in contravention of the act.

However, the current wording of sections 108(2) and (3) makes appointment of police officers to be inspectors very cumbersome, as each of the 8000 Victorian police officers would need to be individually appointed and provided with an identification certificate.

The bill provides for an amendment to section 108 to allow the secretary to appoint, as a class of person, all Victorian police officers as inspectors for the purposes of division 3 of part 8 of the Livestock Disease Control Act. The relevant identification in the case of police would be the officer's identification as a police officer. The bill also provides for the appointment of other classes of persons engaged or employed by an emergency services agency as defined in the Emergency Management Act 1986 — for example, State Emergency Services officers and Country Fire Authority officers — the identification for emergency services workers being, where appropriate, the official identification associated with that class of person in conjunction with a copy of the instrument of appointment of that class of person as inspectors. The particular powers such officers would be provided with would be set out in their instrument of appointment according to the particular disease incident.

The Plant Health and Plant Products Act is also the subject of amendment, as the same problems could arise with respect to appointment of police and other emergency service workers as inspectors under that act as were identified during Exercise Minotaur. The bill, therefore, provides for inspectors under the Plant Health and Plant Products Act to be appointed as a class during the outbreak of an exotic disease in the same manner as provided for in the Livestock Disease Control Act.

Currently the Livestock Disease Control Act prohibits a person from storing, collecting or feeding any material originating from a placental mammal to pigs. The purpose of this provision is to prevent the transmission to pigs of any pathogenic disease agent which may be present in the mammalian material. The effect of this provision, however, is weakened by the fact that material which may have been in direct contact with and be contaminated by such mammalian material but not be of itself mammalian material, may be legally fed to pigs and cause a disease outbreak — for example, foot-and-mouth disease. This weakness in the Victorian legislation was identified during Exercise Minotaur.

The bill amends section 41 to extend the prohibition on storage, collection or feeding of mammalian material to include material or substance which contains or has been in direct contact with mammalian material.

The bill also makes it an offence to knowingly supply any such material for the purpose of being fed to pigs. This strengthens the swill-feeding provisions by placing an obligation on the suppliers of food wastes to dispose of that material safely.

In framing the current program for control of ovine Johne's disease, the government agreed that the Sheep and Goat Compensation Fund should be subject to greater financial accountability. This will be implemented by repealing section 79B(4) of the act, which currently allows an amount to be appropriated from the consolidated fund where the Treasurer certifies the compensation fund is insufficient to pay any amount of compensation.

In addition, section 79C of the act will be amended to enable compensation to be payable from industry funds in respect of diseases other than Johne's disease which are declared compensatable by order of the Governor in Council. This extends the notional use of these industry funds to other diseases as appropriate from time to time.

In framing the Livestock Disease Control Act the main purposes were defined as 'to provide for the monitoring and control of livestock diseases and to provide compensation for losses caused by certain livestock diseases'.

Since then the act has been amended to include provisions to facilitate operations of national livestock identification and tracing programs for disease control, market access and residue control. The bill therefore amends the purposes and objectives to refer to 'preventing' disease to properly describe programs covered by the act.

Statement under section 85(5) of the Constitution Act

I wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons for altering or varying that section by this bill.

New section 138A of the Livestock Disease Control Act 1994 to be inserted by clause 9 of the bill states that it is the intention of section 105(2) as amended by clause 7(2) of the bill to alter or vary section 85 of the Constitution Act 1975.

Section 105(2) currently prevents the institution or continuation of certain court proceedings to prevent or

restrain the minister, the secretary, an inspector or any other person from undertaking disease control activities necessarily associated with controlling and eradicating an exotic livestock disease which the secretary has certified under section 105(1) to exist in Victoria.

New section 105(1) of the act substituted by clause 7 of the bill will enable the secretary to certify that an outbreak of an exotic disease exists in any part or area of Australia, not just Victoria, if it is necessary or expedient to take action to prevent, or reduce the risk of, the spread of the disease in Victoria. Section 105(2) is therefore amended by clause 7 of the bill to prevent the institution or continuation of certain court proceedings that would stop, prevent or restrain action being taken under the act to deal with the outbreak or suspected outbreak of a disease certified to exist under section 105(1), whether in Victoria or any other part of Australia.

The reason for preventing the institution or continuation of any proceedings in the Supreme Court that would stop, prevent or restrain action in response to an outbreak or suspected outbreak of an exotic disease in any part of Australia is that preventive action following such an outbreak must be put in place immediately. Delays in this action by proceedings before a court, even by hours, could result in the epidemic spread of disease, adding significantly to the impact and costs of any eradication response.

If there is an outbreak of disease such as foot-and-mouth disease or BSE (mad cow disease) in another state, Victoria would have to take immediate response actions such as imposing bans on the movement of livestock or preventing livestock leaving saleyards until the situation and the risks to Victoria were better understood.

It was clear from Exercise Minotaur that immediate response actions are required when an exotic disease is confirmed or suspected to be present in any part of Australia.

The lessons from the 2001 outbreak of foot-and-mouth disease in the United Kingdom were clear. Earlier response to the disease outbreak, particularly action to prevent the movement of livestock, could have significantly minimised the extent of the epidemic and saved billions of dollars.

It should be noted that a person is not prevented from taking action to recover damages in respect of any loss incurred or damage suffered as a result of negligent action undertaken in respect of a control program.

I believe that the provisions of this bill will significantly enhance Victoria's capacity to prevent and respond to serious outbreaks of exotic disease and there is a national obligation to implement these matters.

I commend the bill to the house.

Debate adjourned for Hon. PHILIP DAVIS (Gippsland) on motion of Hon. E. G. Stoney.

Debate adjourned until later this day.

APPROPRIATION (PARLIAMENT 2003/2004) BILL

Second reading

Mr LENDERS (Minister for Finance) — I move:

That the bill be now read a second time.

Second reading speech as follows incorporated on motion of Mr LENDERS (Minister for Finance):

The bill provides appropriation authority for payments from the consolidated fund to the Parliament in respect of the 2003–04 financial year including ongoing liabilities incurred by the Parliament such as employee entitlements that may be realised in the future.

Honourable members will be aware that other funds are appropriated for parliamentary purposes by way of special appropriations contained in other legislation. In addition, unapplied appropriations under the Appropriation (Parliament 2002/2003) Act 2002 have been estimated and included in the budget papers. Prior to 30 June actual unapplied appropriation will be finalised and the 2003–04 appropriations adjusted by the approved carryover amounts pursuant to the provisions of section 32 of the Financial Management Act 1994.

In line with the wishes of the presiding officers, appropriations in the bill are made to the departments of the Parliament.

The total appropriation authority sought in this bill is $82.2 million (clause 3 of the bill) for Parliament in respect of the 2003–04 financial year.

I commend the bill to the house.

Debate adjourned for Hon. BILL FORWOOD (Templestowe) on motion of Hon. E. G. Stoney.

Debate adjourned until later this day.

DRUGS, POISONS AND CONTROLLED SUBSTANCES (VOLATILE SUBSTANCES) BILL

Second reading

For **Hon. J. M. MADDEN** (Minister for Sport and Recreation), Mr Lenders (Minister for Finance) — I move:

That the bill be now read a second time.

Second-reading speech as follows incorporated on motion of Mr LENDERS (Minister for Finance):

The Bracks government is committed to protecting the health and welfare of Victoria's children and young persons, who are often among the most vulnerable members of our community.

In recent years a very damaging practice of inhalant solvent abuse, sometimes referred to as 'chroming', has re-emerged amongst some children and young people. While this practice is by no means restricted to young people, research has consistently found that abuse of volatile substances is concentrated among adolescents. For example, in a 1999 survey of secondary school students, just over 15 per cent of year 7 students reported using inhalants in the last month, and just over 35 per cent reported having used inhalants at some point in their lives.

Sadly, the problem is even worse among our indigenous communities. The Department of Human Services reported in 2001 that more than 25 per cent of clients seeking treatment for inhalant abuse were from Aboriginal or Torres Strait Island backgrounds.

What is abuse of volatile substances?

Volatile substances produce chemical vapours that, if inhaled, can induce a mind-altering effect. Volatile substance abuse is the deliberate inhalation of such vapours, for the purpose of intoxication. 'Chroming' is a term used to refer to one form of volatile substance abuse, whereby chrome paint from an aerosol can is sprayed into a plastic bag and the vapours then breathed in from the bag.

Volatile substances act as depressants, even if the initial effect is to lessen inhibitions or act as a stimulant. Short-term effects of inhalation can include a feeling of wellbeing, confusion, drowsiness, aggression, enhanced risk-taking, vomiting, and hallucinations. There is an increased risk of accidents, including fatal accidents, occurring whilst a person is in an intoxicated state.

Long-term misuse of volatile substances may result in effects such as diminished cognitive function, tinnitus, depression and/or anxiety, stomach ulcers, dizziness, and widespread and lasting damage to the brain and nervous system.

The members of this house will no doubt join me in feeling deeply concerned that some young Victorians are damaging themselves in this way.

Government action

The Bracks government has taken action on this problem on various fronts. In July 2002 a retailers kit was initiated, based on a voluntary code that would encourage responsible sale of volatile substances. This initiative has been highly successful and over 3000 retailers kits have been distributed statewide.

In February 2003 the government released the inhalant management guidelines to assist health and welfare workers in treating this problem. The government has also commissioned the CSIRO to undertake a feasibility study to ascertain whether bittering agents could be combined with commonly abused solvent products to make them unpalatable to inhale.

In addition, in April 2001 the government arranged for a reference from the Governor in Council to be given to Parliament's Drugs and Crime Prevention Committee to inquire into the issue of inhalation of volatile substances for the purpose of intoxication.

After nearly 18 months of extensive consultations and research, the committee released its final report on its inquiry into the inhalation of volatile substances in September 2002. The committee made 16 recommendations covering a wide range of matters relating to the problem of volatile substance abuse and ways to combat it. The government expressed broad support for the committee's recommendations in its response, which was tabled in Parliament on 18 March 2003, with some recommendations to be further considered.

Among its recommendations the committee recommended that police be given search and seizure powers in relation to volatile substance abuse by children. The government supported this recommendation in its response and made it a priority to introduce legislation to implement the proposal.

The government has acted quickly on the committee's recommendation, and legislation is now before the house in the form of this bill.

Outline of the bill

The bill's sole purpose is to protect the health and welfare of children and young people. It does so by enabling Victoria Police to exercise certain powers to prevent the self-infliction of harm or further harm through volatile substance abuse. In exercising the new powers a police officer must take into account the best interests of any child or young person who is subject to those powers.

It is not the intention of the bill to bring young people into the criminal justice system. Accordingly the bill does not criminalise volatile substance abuse. No new offences are created.

The new police powers are only part of the government's response to the problem of volatile substance abuse. The other, very important part of the response will be provided by health and welfare agencies. These agencies will play a key role in supporting the police interventions in volatile substance abuse by children and young people. There will be a range of options for police to access during the course of their interventions. These will include the capacity to transport young people to appropriate drug and alcohol services for immediate treatment, respite and care; the expansion of the current police diversion criteria to include

solvent abuse; as well as the current provisions available to police under the Children and Young Persons Act 1989.

Search powers

The bill inserts new provisions in the Drugs, Poisons and Controlled Substances Act 1981 to empower a member of the police force, without a warrant, to search a person, and any vehicle, package or thing under his or her possession or control, for volatile substances and items used to inhale those substances. Those powers will be able to be exercised if the officer reasonably suspects that the person:

is under the age of 18 years; and

possesses a volatile substance or item used to inhale a volatile substance; and

is either inhaling or will inhale a volatile substance.

An officer may also search a person, regardless of their age, if the officer reasonably suspects that the person will provide either a volatile substance or an item used to inhale a volatile substance to a person under 18 years, for the purposes of inhaling.

Before commencing a search, a member of the police force will be required, unless it is impracticable, to:

inform the person of the member's name, rank and place of duty; and

if requested by the person, provide the information referred to above in writing; and

produce his or her identification for inspection by the person, unless the member is in uniform; and

inform the person:

that it is not an offence to inhale or possess volatile substances or items used to inhale them;

but that the member has the power to search for and seize any volatile substances or item used to inhale them in their possession, and may use reasonable force to do so; and

ask the person to produce any volatile substances or item used to inhale them that they have in their possession.

The bill does not create any new entry powers. It will simply allow police to conduct searches in any public place or in private premises with the consent of the occupier or, if there is no occupier, the owner.

If a police officer conducts a search and detects a volatile substance or item used to inhale a volatile substance, the officer will be required to ask the person for an explanation of their possession of the property, unless it is impracticable to do so. This information may assist the officer in deciding whether or not it is appropriate to seize the property.

Seizure powers

The bill then allows a police officer, having searched a person, to seize any detected volatile substances or items used to inhale them. The powers will be able to be exercised if the officer reasonably suspects that:

the person is under 18 years of age, and is inhaling or will inhale a volatile substance; or

irrespective of the person's age, the person intends to provide the volatile substance or item to a person under 18 years of age to inhale or use to inhale.

Health and welfare response

After police have searched a person, they will be able to take a variety of steps to initiate an appropriate health and welfare response. For example, police will be able to:

call an ambulance;

call the young person's parent or guardian or take the young person home;

notify the Department of Human Services and take the child into safe custody where the child is 'in need of protection' pursuant to the Children and Young Persons Act;

issue an 'on the spot' referral of the young person to a youth alcohol and drug service (an expansion of the existing police referral system for illicit drug users);

take the young person to a designated youth alcohol and drug service.

Factors that may be relevant to deciding which option is most appropriate include the likelihood and degree of possible harm faced by the person and which services are best placed to deal with the person. In some situations, combinations of possible options may be the most appropriate response.

If the most appropriate option is to transport that person to a drug and alcohol service, their role will be to provide respite care, treatment by an alcohol and drug clinician, further referral and access to drug treatment services, and information and education on the risks associated with inhalant abuse.

Limited civil detention power

After a police officer searches a person in accordance with the new search powers, they may apprehend and detain that person (whether or not anything was seized). Apprehension and detention will only be allowed where the officer reasonably believes that the person:

is under 18 years of age;

is inhaling or has recently inhaled a volatile substance; and

is likely by act or neglect to cause immediate serious bodily harm to himself or herself or another person.

Police may also detain a person where those conditions apply but the person has not yet been searched. This is necessary for those emergency situations in which the person is at such an immediate risk of causing harm to him or herself or others that it would be inappropriate to first conduct a search.

Detention will only be allowed to continue for so long as the above conditions are met. The person must be released if it is no longer likely that the person will cause immediate serious bodily harm to him or herself or others.

When a police officer detains a person in these circumstances, the officer will be required, unless it is impracticable, to inform the person that he or she is not under arrest for a criminal offence but is being detained for his or her own or others' protection.

Since the bill will not criminalise volatile substance abuse, it is important to specify that any detention of the person must not be in a police jail, cell or lock-up. The bill also explicitly provides that a person being detained must not be interviewed by police in relation to known or alleged offences. If an officer has grounds for arresting a young person and wishes to question him or her, then the existing law relating to arrest, custody and questioning will apply.

Release of detained young person

As soon as practicable after a young person is apprehended the police officer must release them into the care of a person:

> who the officer reasonably believes is capable of taking care of the person; and
>
> who consents to taking care of the person.

Examples of the sorts of people into whose care a detained person may be released include a parent or a guardian, or employees of appropriate health and welfare agencies such as a youth alcohol and drug service worker or an ambulance officer.

Factors that may be relevant to deciding to whom to release the detained person include the likelihood and degree of possible harm faced by the person and which people are best placed to take care of the person.

The bill does not create any new detention powers for a person into whose care the young person is released. For example, alcohol and drug workers at receiving drug and alcohol agencies will not have any powers of detention. The person will be free to leave the service at any point.

If the police officer is unable to release the person into the care of a person as set out above after taking reasonable steps to do so, the bill will enable the officer either to release the person or to continue to detain them until they are no longer likely to cause immediate serious bodily harm to themselves or others.

Seized property

The bill will require police to keep any seized or received property for seven days after seizing or receiving it and to inform the person from whom it was seized or received that he or she may apply for its return at the officer's place of duty within that seven-day period. However, given the nature of the materials, the bill also allows police to destroy the seized property or make it safe if it poses a risk to health or property. The child or young person may only reclaim the property if accompanied by a parent or guardian. If the property is neither destroyed nor claimed, it will be forfeited to the Crown.

Police records and reports

When new police powers are created it is important that proper records be kept of their exercise. The bill accordingly provides that police must keep records concerning searches, property seized, and apprehensions and detentions, and that the chief commissioner must provide information on these matters for inclusion in the annual report of operations.

Commencement and sunsetting of the bill

The bill will come into operation upon proclamation, or automatically on 1 July 2004, whichever is sooner. Commencement by proclamation will enable police and the various health and welfare agencies to finalise the operational arrangements needed to ensure the smooth and effective implementation of the legislation.

The bill will sunset two years after commencement. This will allow the operation of the new police powers to be reviewed after a reasonable period of operation.

Conclusion

This bill represents a concrete step toward getting these dangerous materials out of the hands of the unfortunate children and young people who abuse them. It represents an appropriate balance between the right to possess legal substances and the need to protect vulnerable children and young people from harming themselves.

The bill is, of course, only one part of what must be a multifaceted strategy to combat this disturbing social and health problem. The Bracks government will continue to do what can be done for the children and young people of Victoria.

I commend the bill to the house.

Debate adjourned for Hon. D. McL. DAVIS (East Yarra) on motion of Hon. E. G. Stoney.

Debate adjourned until later this day.

AUSTRALIAN CRIME COMMISSION (STATE PROVISIONS) BILL

Second reading

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I move:

That the bill be now read a second time.

This bill will implement an important commitment made by the Premier in accordance with an agreement reached by Australian government leaders at the Summit on Terrorism and Multijurisdictional Crime on 5 April last year to replace the National Crime Authority (NCA) with the Australian Crime Commission (ACC) to strengthen the fight against organised crime in Australia.

Further to that agreement, the commonwealth government has enacted legislation that establishes the ACC, the Australian Crime Commission Act 2002, which for ease of members' reference I will refer to as the commonwealth act. That legislation came into force on 1 January 2003 and the ACC is now in operation.

The ACC is a significant new force in the fight against serious and organised crime that builds upon the successful features of the NCA while removing barriers to its effectiveness. Like its predecessor the NCA, the ACC has an investigative role which is targeted at combating complex criminal activity of the kind undertaken by high-level and sophisticated criminals. Such highly organised criminals conduct their criminal operations without regard to jurisdictional boundaries, and the ACC is a crucial component in Australia's national law enforcement response to such criminal activity.

The ACC also has a new criminal intelligence role that includes criminal intelligence collection, analysis and dissemination on a national basis. This criminal intelligence role will complement the ACC's investigatory role by facilitating the conduct of effective intelligence-led investigations of serious and organised criminal activity.

The commonwealth act establishes the ACC and invests it with the powers to conduct investigations and intelligence operations into federally relevant criminal activity to enable it to fulfil its new roles. The commonwealth act also provides for new governance arrangements for the ACC, under which it is governed by a board comprised of commonwealth, state and territory law enforcement representatives. These new governance arrangements are complemented by a streamlined process for the ACC to authorise the use of coercive powers.

State and territory legislation is needed to complement the commonwealth act to ensure that the ACC is empowered fully to conduct investigations and intelligence operations in relation to state and territory offences, including state and territory offences without a federal aspect.

To this end, the ministerial intergovernmental committee on the NCA, which is now the intergovernmental committee on the ACC, instructed the national parliamentary counsel's committee to draft a model states and territories bill. The bill before the house is based on that model bill, with necessary modifications to fit within Victoria's statutory framework.

Broadly, the bill will provide for the operation of the ACC in Victoria and make consequential changes to Victorian law that are required as a result of the replacement of the NCA with the ACC.

The bill will enable the ACC to conduct intelligence operations and investigations in relation to relevant criminal activity that involves state offences, irrespective of whether those offences have a federal aspect. The ACC will have the same special powers as the NCA, including search warrant powers and coercive examination powers, and the bill will provide for the ACC to use these powers for both the ACC's investigatory and criminal intelligence roles. However, the ACC will only have access to these special powers for a state investigation or intelligence operation where authorised by the board. The bill contains a number of safeguards on the authorisation of these special powers to ensure that they are only available in appropriate circumstances.

Similarly to the commonwealth act, the bill provides for the ACC's coercive hearing powers to be exercised by examiners, who are independent statutory officers appointed under the commonwealth act.

The bill also provides for the functions of the CEO of the ACC under state law, with the CEO's key function being the coordination of ACC operations and investigations.

To facilitate the effective performance of the ACC's functions, a number of offences will be created for contravention of the bill. These offences will include failing to attend an examination or to answer questions, and failing to produce documents or things when required to do so by a summons. The offences in the bill reflect the offences contained in the existing Victorian NCA legislation, and will complement equivalent offences in the commonwealth act. The penalties for the offences in the bill are the same as the penalties for these equivalent commonwealth offences and will provide a significant deterrent to those who would seek to obstruct or frustrate the ACC's activities.

As a consequence of the replacement of the NCA with the ACC, the bill will repeal the existing state legislation for the NCA, the National Crime Authority (State Provisions) Act 1984.

The bill also contains transitional provisions to facilitate the seamless transition from the NCA to the ACC under state law and consequential amendments to other acts that are necessary because of the NCA's replacement with the ACC.

Clause 49 of the bill states that it is the intention of clauses 36, 56 and 64 to alter or vary section 85 of the Constitution Act 1975. I wish to make a statement under section 85 of the Constitution Act 1975 of the reason for altering or varying that section.

Certain administrative actions of the NCA are the subject of an existing validation under the Co-Operative

Schemes (Administrative Actions) Act 2001. This validation prevents actions being brought against the state in the Supreme Court in relation to such administrative actions. Proposed clause 64 of the bill is a transitional provision that will continue this validation once the state NCA legislation is repealed by the bill. The reason this clause intends to alter or vary section 85 of the Constitution Act 1975 is to protect the state from potential future liabilities arising from relevant past administrative actions of the NCA.

In addition, the state NCA legislation currently protects from challenge, including challenge in the Supreme Court, certain activities of the NCA on the ground of any administrative defect that exists in relation to a state reference to conduct an investigation. Clause 56 of the bill is a transitional provision that will continue the existing protection afforded to state NCA references once the state NCA legislation is repealed by the bill. The reason this clause proposes to alter or vary section 85 of the Constitution Act 1975 is to prevent future collateral challenges to NCA activities in the same way that such challenges are currently precluded.

Lastly, clause 36 of the bill proposes to alter or vary section 85 of the Constitution Act 1975 to the extent necessary to prevent actions being brought in the Supreme Court to challenge certain activities of the ACC on the basis of a procedural defect with a board determination. The reason for preventing such actions is to ensure that the ACC's activities are not subject to collateral challenge on the basis of procedural defects in the making of a board determination. This is intended to enhance the ACC's effectiveness, without limiting a person's other rights to bring a challenge in relation to the activities of the ACC once a board determination is in place.

This bill, together with complementary legislation that will be enacted in other states and territories, will ensure that Australia has in place an enhanced and comprehensive national framework to underpin the ACC's crucial activities in fighting serious and organised crime.

I commend the bill to the house.

Debate adjourned for Hon. J. A. VOGELS (Western) on motion of Hon. E. G. Stoney.

Debate adjourned until later this day.

CRIMES (FAMILY VIOLENCE) (AMENDMENT) BILL

Second reading

For **Hon. J. M. MADDEN** (Minister for Sport and Recreation), Mr Lenders (Minister for Finance) — I move:

That the bill be now read a second time.

The Crimes (Family Violence) Act 1987 provides for the making and enforcement of intervention orders. Intervention orders may be granted to protect a person from a family member in cases of domestic violence. The court can make the order if it is satisfied on the balance of probabilities that there has been an assault, or a threat of assault or similar harassing behaviour. Intervention orders may also be granted to protect people from stalking-type behaviour.

An intervention order protects an aggrieved person by prohibiting or restricting approaches by the defendant to the aggrieved person, or access to the premises where the victim lives, works or frequents. A breach of an intervention order is a criminal offence.

Prior to 28 June 2002, if the defendant did not oppose the making of an intervention order, the court could make the order without having to hear evidence about the behaviour that led to the application for the order. This provided a quick and efficient way in which the courts could make orders to provide ongoing and effective protection to victims of domestic violence and stalking.

However, on 28 June 2002 the Supreme Court ruled in the case of *Stephens v. Melis* that an intervention order made solely on the basis of consent of the parties may be invalid and therefore unenforceable.

As a result, even where two parties consent to the making of an intervention order between them, the court must still hear evidence. This has made the making of intervention orders a much longer process, as evidence may need to be heard, and a more difficult process, as defendants have the opportunity to challenge that evidence. This has significant resource implications for the Magistrates Court.

The decision in *Stephens v. Melis* has also cast doubt over the validity of past orders which were made solely on the basis of consent of the parties.

This has placed the community in a situation where it cannot know whether consent orders made in the past in this manner are invalid and therefore unenforceable.

Considering that between 1 July 2001 and 7 June 2002 alone, there were 6029 intervention orders made in this manner, which is nearly half of the total number of intervention orders made during that period, the matter has raised considerable concern in the community.

This bill addresses these issues in two ways. Firstly, it provides that intervention orders may be made solely on the basis of the consent of the parties.

Secondly, it ensures that all intervention orders granted by consent before the Supreme Court decision of *Stephens v. Melis* are valid, so that it is clear that breaches of these orders can be enforced.

I make the following statement under section 85(5) of the Constitution Act 1975 of the reasons why it is the intention of new section 25AB(1) of the Crimes (Family Violence) Act 1987, being inserted by clause 4 of the bill, to limit the jurisdiction of the Supreme Court.

Defendants who, before the commencement of this bill, may have been able to appeal to the Supreme Court against a conviction for a breach of an intervention order on the grounds that the intervention order was made solely on the consent of the parties and is therefore invalid, will no longer be able to appeal on that ground after the commencement of this bill.

This limitation is necessary in order to ensure that *all* existing intervention orders that were made before the commencement of this act on the basis of the parties' consent will, in the event of a breach of that order, not be invalid merely because of the way in which they were made. This protection needs to apply from the time the order was made regardless of when the order may have been breached.

Without this provision, those who are protected by intervention orders face the risk that, if there has already been a breach of the order, on an appeal against a conviction for that breach the order could be ruled to be invalid on the grounds that it was made based on the consent of the parties.

These amendments will bring Victoria's legislation into line with the legislation already in place in the majority of other states and its practice over many years prior to 28 June 2002. Further, this amendment will allow for the making of intervention orders to be a quicker and less complicated process.

These measures are in keeping with the government's commitment to provide safe streets, homes and workplaces by ensuring the integrity of existing intervention orders.

I commend the bill to the house.

Debate adjourned for Hon. C. A. STRONG (Higinbotham) on motion of Hon. E. G. Stoney.

Debate adjourned until later this day.

VICTORIAN URBAN DEVELOPMENT AUTHORITY BILL

Second reading

Debate resumed from 22 May; motion of Ms BROAD (Minister for Local Government).

Hon. B. N. ATKINSON (Koonung) — I wish to advise the house that the opposition will be opposing this legislation — we will vote against it. We have some significant concerns about this particular bill, and in many respects that goes to the limited amount of public consultation to which this bill has been exposed and our concerns about the intentions of the government in merging these two authorities. I use the word 'merging' advisedly, because it is the opposition's view that this is really a takeover by the Docklands Authority of the Urban and Regional Land Corporation. That is of major concern to the opposition, particularly given the respective financial circumstances of each of those two authorities and the quite different responsibilities, missions and cultures of each authority.

The legislation has been brought before the house by the government, according to the second-reading speech, to establish a single urban development and renewal agency of the government. Whilst that might seem on the surface to be a logical and sensible move, the opposition is concerned about the fact that the two authorities that are being brought together under this legislation have two quite different functions. It is our belief that those functions can be best pursued with a single-focus authority — in other words, that both of the existing authorities that undertake this work should remain as independent authorities and continue to do the work they have been doing.

The responsibilities that a merged authority would be asked to tackle are responsibilities that we believe could give rise to a potential conflict of interest, potential difficulties with the financial transparency of the authority in respect of the functions that it carries out, problems in the stewardship of the board given the quite different responsibilities, and not being in the best interests of Victorians going forward in pursuing a logical framework for development and urban renewal within Victoria.

As I said, we see this as a takeover rather than a merger, and it is interesting to note that it occurs in the context of the Urban and Regional Land Authority (URLA) having just posted, according to its latest annual report, a $34 million profit. Against that the Docklands Authority has posted a $184 million result, which is a result entirely made up of debts and liabilities. In other words, at this point in time the Docklands Authority has significant debts and significant liabilities, and there is a genuine concern in the opposition — I would suggest a legitimate concern — that there is an attempt to transfer funds to prop up the Docklands Authority's balance sheet through this particular action.

No doubt some members of the government will dispute that, but history does not bode well for those members who would suggest any alternative to this. The Urban Land Corporation, the predecessor of the URLA, is the same authority that the Cain and Kirner governments turned to when their budgets were starting to bleed red ink. They actually looked at taking over the dividends from the then Urban Land Authority and transferring the funds raised from the legitimate purposes of that authority to other undertakings and ill-fated ventures, and if it had not been for the resistance of the chief executive officer at that time, John Lawson, the government would have plundered the authority's cash resources. I dare say that authority might have struggled to have survived and continued its good work had it not been for the courage of John Lawson backed by his directors on the board at that time who said to the government, 'No, you are not empowered under our legislation. You are not entitled to take funds from this authority'.

There is no doubt that Labor both in government and in opposition has looked enviously at the funds generated by the Urban and Regional Land Authority, notwithstanding that they have been generated from its very specific undertakings, and essentially redirected them towards ensuring a continuation of affordable housing. Notwithstanding that, the Labor people in government and, as I said, in opposition have looked at this authority as a cash box and have over time seen that there was an opportunity to repatriate those funds to other purposes.

We are concerned that this legislation might well be a backdoor attempt to do exactly that: to repatriate the funds of the Urban Land Authority — which is now called the Urban and Regional Land Authority after some legislation two years ago that sought to give the Premier's mate, Jim Reeves, a job; we needed to change the name of the authority to create the spill of positions to create that job for him — and in that context this authority now represents an opportunity, it would seem, for the government to change tack, roll it into the Docklands Authority and therefore get at the cash from that point of view. That is the concern of the opposition, and, frankly, assurances of fire walls by the Minister for Major Projects simply do not wash with opposition members. At this stage, frankly, I do not think they wash with the state Treasurer either, because he or his department has argued that the merger of the two authorities ought to be done under an entirely different proposition — that separate entities ought to have been retained and perhaps to have reported to a single board.

The Treasurer advanced a very different structure for the way the Urban and Regional Land Corporation and the Docklands Authority might go forward to pursue the government's ambition in terms of the 2030 planning program but ensuring that the independence of these two authorities — and particularly the financial integrity of the two authorities — was preserved. Sadly the Treasurer seems to have been rolled in that debate. The Minister for Major Projects in the other place won the day, and we now have the position where the two will be merged into a single entity. As I said, from an opposition point of view that gives rise to significant concerns for us about the financial position of this particular authority.

We notice the government's position on the merging of the two bodies. It believes the benefits will include the creation of a single urban development arm of government with a stronger focus and enhanced capability to undertake strategic urban renewal projects across Victoria. We think that is somewhat unlikely, because we believe that at this stage both of these authorities have established and demonstrated that with their quite separate focuses and their independence they have actually both pursued very worthwhile projects and have delivered some very good results.

Notwithstanding what I said before about the Docklands Authority at this point in time having $184 million in debts and liabilities, the opposition does not suggest that the Docklands Authority has not been going about delivering an important and worthwhile project framework for what is a significant piece of urban development and urban renewal in Melbourne. Obviously that authority is responsible for an area that is slightly larger than the existing central business district, is a mixed-use precinct and is a very exciting precinct for Victoria and Melbourne.

The Docklands project has been supported by successive governments going back to the Cain-Kirner governments, and it is a project that I think has enjoyed to a large extent bipartisan support. While no doubt

there has been some discussion about various elements of the project — essentially its probity and integrity, and the encouragement of development by the system developed by the Docklands Authority in creating parcels of land that were put out for expressions of interest — it has been supported by both sides.

The approach that has been taken in the development of infrastructure and of an overall planning framework that ensures a mix of services and facilities within that precinct has been a very effective process, and as I said, it has been supported by both sides. We in the opposition do not have a criticism of the Docklands Authority in itself. We do not necessarily argue that its current debts and liabilities position represents anything other than the current stage of development works with which that authority is involved — in other words, it would be expected that its position will be considerably better as that project continues to develop.

We have no reason to doubt that the authority will not deliver a continuing successful result in this project, but we believe it has achieved that result to this point and will go on to achieve that result because it has a clear focus or clear mandate. There is a job of work to be done, and it is attacking that job of work specifically. We would argue that to lumber the Docklands Authority with the responsibilities that are applied to the Urban and Regional Land Corporation would take away some of its focus; in football parlance, it would cause it to take its eye off the ball. It will create a situation where there is a potential for conflicts of interest in the decisions that need to be made on the management of resources within this single authority based on what it needs to achieve, and that is of significant concern to us.

There is no doubt that the former Urban Land Authority, under its various names over an extended period, has been a very successful authority. It was established essentially to try to stop the boom and bust of land development in this state, which had created so many casualties among first home buyers who were looking to try to buy land and build their own homes but found that the private sector — the competitive market — was a volatile market in which people were able to plan a significant personal investment. There is no doubt that the former Urban Land Authority over time has taken some of that boom and bust out of the cycle, has created a less volatile marketplace and has provided significant benefit to the community.

The former Urban Land Authority has done a great deal more. It has pioneered a number of initiatives in building design and residential subdivision development. It was my experience in local government and in this place that in the past when you went to developers and real estate agents and asked them what the community was interested in they would invariably answer you with twenty-twenty hindsight vision — in other words, they would tell you what people bought last week and say, ‘This is the trend’.

The Urban Land Authority, under its various names over time, has led the introduction of new concepts in land development. Victoria, indeed Australia generally, owes the authority a great debt in that it has helped us to reduce lot sizes and demonstrated that smaller lots are popular with people. It has had an enormous impact on environmental design and building development, showing that consumers are interested in environmental design being incorporated in land lot subdivision, particularly for the houses that are built upon that subdivision.

The authority has also taken a significant role in demonstrating that community facilities can be incorporated in large-scale projects in a way that developers in the past might have resisted.

It has provided tremendous leadership to our community. And again it has done that because it was a single-purpose, focused authority — an independent authority charged with a responsibility — and I would suggest to the house that it has delivered on that over many, many years.

From that point of view the government’s proposal to bring the Docklands Authority and the Urban and Regional Land Corporation together is something that the opposition thinks does not make sense. They are separate in their missions, they are separate in their cultures, they are separate even in the geography over which they preside and in which they have expertise. We are concerned that bringing these two authorities together will cause both of them to be less effective in the future.

Another benefit that has been put forward by the government is a more explicit focus on the delivery of the government’s key urban and regional policy agendas, including the implementation of Melbourne 2030 and the provision of affordable housing. We think that is a tenuous benefit. It may be delivered by this government legislation, but we are doubtful. We certainly wonder what it means in the context of urban development, because much of the experience of the Docklands Authority and many of the Melbourne 2030 objectives involve high-rise development.

Clearly this is not to the same extent in the suburbs as at Docklands, but nevertheless in future the activity

centres, development centres or major precincts are expected to involve considerably higher density and higher level development. In that context we wonder to what extent this legislation was subject to any consultation with those people who are going to be most affected by what is a very substantial cultural shift in the suburbs and one that the government has not explained at either of its two outings at elections.

There is also a suggestion in this legislation of a clearer separation of ministerial responsibility for planning regulation and the commercial urban activities to be undertaken by Vicurban, which is to be the trading name, if you like, of this new authority. I suggest that that is a good result — a positive of this legislation. It is one of the key positives of this legislation because for a long time there has been criticism about the fact that as a development arm the Urban Land Authority was too close to the planning minister. There is certainly a need to separate that responsibility. That is a good thing and is certainly a benefit of this legislation, so that is recognised.

This new authority will have very wide-ranging powers and responsibilities. It is expected to be involved in residential, commercial and industrial land and mixed use development, so it is fairly significant. It is an authority that will go further than either of the two existing authorities have gone to this point, notwithstanding that, as I said, the Urban and Regional Land Corporation was given an opportunity the last time its act was revisited two years ago to start becoming involved in regional Victoria. In that situation it was anticipated by the government that that authority might well become involved in industrial land subdivision development in regional towns. Whilst that was an anticipation of that legislation, to my knowledge to this point the authority has not sought to become involved in any such project. Certainly in this expanded legislation with this merged authority there is a recognition by the government that the body could be involved in wide-ranging and very diverse types of developments.

The functions of the authority are again quite extensive in terms of the power that the authority will exercise. It will have the ability to:

> … purchase, consolidate, take on transfer or otherwise acquire land in metropolitan and regional areas for development for urban purposes ...

It will be able to carry out the development of land, either by itself or in joint ventures and partnerships. It will be able to enter into arrangements or agreements for the development of land — that is, of land that it owns. It will be able to call in a development agency — a private sector developer — to develop land on its behalf under some form of agreement. It will be able to develop land in Victoria for residential and other urban purposes. The government seeks particularly to maintain the Urban Land Authority's current mission of providing a competitive market for land in Victoria in terms of the development of that land.

It is expected to also continue the existing authority's charter in promoting best practice in urban and community design and development, particularly having regard to links with transport services and innovations and sustainable development. As I said before, that is something that this authority has been particularly successful at to this point in time.

It is expected to assist the government in the implementation of its urban development policies and strategies, particularly the implementation of Melbourne 2030; to contribute to improvements in housing affordability in Victoria; to provide consultancy services in relation to urban development, whether within or outside Victoria, or even outside Australia; to undertake or manage major urban development projects on behalf of the Victorian government; and to carry out any other functions conferred on the authority by the act. That is an interesting range of responsibilities in many ways because most of those responsibilities are in fact the responsibilities of the existing Urban and Regional Land Corporation.

There is some doubt about where the Docklands fits in in this context, going back to what the focus of this organisation is, because whilst you might consider that Docklands, for instance, is a major project area — and there is provision in this bill for declared project areas and so forth — most of the functions and purposes that are outlined really have a lot more to do with the existing Urban and Regional Land Corporation than they do with the current Docklands Authority. As I said, that represents some concern to the opposition in terms of the focus and therefore the stewardship of those existing major projects in which Victorians have such a vested interest in their success.

The new Victorian Urban Development Authority also is expected to be both a developer and a development facilitator for the purpose of declared projects. That clearly gives the potential for a conflicting role. As a developer Vicurban, as it is to be called, will continue commercial development activities of the Urban and Regional Land Corporation, which it has successfully delivered in the past. In its role as a developer it will clearly utilise the range of powers and functions that have existed within the URLC's legislation but it will

also have extended powers, particularly the compulsory acquisition powers that it draws from the Docklands legislation.

'Vicurban' seems to be an interesting name that has been adopted as the trading name for the organisation. Whilst it is to be called Vicurban and whilst the regional element that was part of the previous legislation two years ago has been dropped, the government insists that in fact the authority will continue to assist in the development of rural and regional centres, undertaking developments in locations where the availability of development sites and housing is a significant constraint. So apparently the government still expects that this authority will be involved in rural and regional centres, but clearly at this point in time it has been given a very different focus even in terms of its name.

The authority's role as development facilitator will be significant. The government expects that it will perform in an important strategic development area where it will work in areas where there is a significant market impediment to private sector initiating development — usually landlocked sites, I would suggest — and a desire by the government and the community to see that a development occurs. It would be interesting to see that extraordinary juxtaposition where the community and the government both agreed that a development ought to proceed. I am not aware of too many examples of that occurring.

Certainly there is a suggestion that the authority will in future have this development coordination role in conjunction with relevant local councils and other government departments to facilitate development in particular areas. One of the ones that came before this Parliament recently was the Dandenong Development Board Bill, which established a board, and one could envisage that the authority might well be involved at some future point of time in the Dandenong area in trying to ensure that there was a coherent development of that major regional centre.

The authority would also, according to this legislation, be involved in nominated project areas agreed to by the government. The government certainly has an ability to nominate major project areas. The Minister for Major Projects, in consultation with the Treasurer, is able to nominate key projects that the authority ought to work on.

I notice it is the government's intention to have a clear distinction between the ongoing financial structure of the Melbourne Docklands project and the commercial activities formerly undertaken by the URLC, according to the second-reading speech. As I said at the outset of my contribution to this debate, the opposition believes that really is a very big 'trust me' that the government is asking us to take on board the fact that it has forgone its ambitions of the past to get its hands on the cash box that the former Urban Land Authority has been for government and to say 'No, these two will be protected by a firewall. We will not raid this money. It will not be used for other purposes'.

But that is a very big 'trust me', and the opposition is not convinced about that. This is an authority with very wide-ranging powers that is being established, and I must say that we are concerned about the very limited public debate that has occurred about this authority and the fact that the intents and purposes of the government are not understood, in particular by local government, which is likely to be heavily involved in many of the activities of this authority as it goes forward.

Indeed there are areas where local government could proactively involve this authority, especially in circumstances where a project required urban renewal and the local government powers, especially in the area of compulsory acquisition, were not adequate to address the needs of the local community and that urban renewal project. It may be impossible because a particular site is unavailable and that is stymieing a very important development for the community. There are clearly opportunities under this legislation for a local government authority to engage this new authority and to work with it to facilitate, as I said previously, a coherent urban renewal project.

I think that is good, but I am not sure that local government has been consulted on that opportunity. Neither am I sure that local government has been adequately consulted on the fact that this authority could well have an intervention role in municipalities that the local government authorities involved do not entertain or seek. From that point of view it would have been better to see this legislation exposed to considerably more consultation before being brought before this place. The opposition's concerns about this legislation might well have been reduced significantly had that level of public debate or exposure occurred — in other words, the government might well have been able to convince us that its intentions are noble on this legislation. At this point we do not see that there has been an adequate explanation for merging these two authorities, particularly when they have such different cultures and missions.

We note that this is rather extraordinary legislation in that it guarantees the chief executive officer of one authority — in this case the Docklands Authority — a

position as head of the merged authority. To actually name a position going forward like that is not done in legislation as a rule. Again, it is not for the opposition to be at all critical of John Tabart, who is the proposed chief executive of this new authority. From the opposition's point of view John Tabart's appointment is entirely more appropriate than Jim Reeves's ever was, but it is unusual to have this anointing of a person going forward in this authority. We do think that John Tabart has done an excellent job in leading the Docklands Authority to this point. We recognise that he has served under governments of both persuasions, and I do not think that his integrity has been questioned at any time. Our concern is not with the individual but rather with the notion of carrying forward a position in this way.

We see it as incongruous that the same board would be responsible for both authorities, although the proposition that was put by the Treasurer, John Brumby, that would have maintained the independence of the two authorities reporting through to one board perhaps had more attraction in the context of at least providing a firewall and perhaps having a board with a range of expertise that might well look at the work of these two authorities in an entirely different way and make judgments that would be effective for the organisation going forward.

Our concern here with the board that is proposed — of which all the members will be appointed by the Governor in Council, with some coming from the Docklands Authority board and some coming from the Urban and Regional Land Corporation board — is this: what expertise and understanding of the markets, history and role of the urban land corporation, presuming that the Docklands Authority board is more likely to have the greater strength in the merged board, will be brought to the new board? We note that the legislation is silent on the qualifications and expertise or the sort of representation that might be brought to the new board. There is no mention of qualifications or expertise for the new board.

We see that as something of a concern. Given the important roles the new authority will have, it would seem that a range of key responsibilities ought to have been established as necessary at that board table. While other legislation that comes before this house from time to time indicates the expertise that will be available to a particular authority or organisation, this legislation is silent on that. That is a matter of some concern.

This is a takeover, as we have indicated. It seems to us that a rather extraordinary circumstance has emerged in putting these two organisations together. It is interesting to note that as part of what we claim to be a takeover the Docklands Authority was not required to provide due diligence on its financial position going forward into the new, so-called merged entity, yet the Urban and Regional Land Corporation had to undergo a due diligence process and provide audited statements of its financial position. It is rather extraordinary that one authority was not required to provide any due diligence and the other was. There has been no suggestion at any time, as I understand it, that the Urban and Regional Land Corporation has done anything that is not proper in its dealings and financial undertakings, yet in going towards the merger it was required to meet a more stringent test than the Docklands Authority was.

We understand morale among employees is low, particularly in the Urban and Regional Land Corporation. That is not surprising, because there is now a great deal of uncertainty about their work going forward. They cannot comprehend how the merged authority will work, and neither can the opposition, because of the very different cultures and missions of the two authorities. Certainly morale is very low among employees of the authorities.

As I said, we are most concerned about the financial position of the authorities. We do not believe the assurances about there being firewalls, and we do not think the state Treasurer believes them either. We are also concerned about some of the detail of this legislation, which does not require the staff of the Docklands Authority to make pecuniary interest declarations. I hope that as the merged authority proceeds the government ensures that that is changed fairly rapidly, and that these people do indicate any areas in which they may have a conflict of interest or their judgment may be questioned. This is necessary because they will be involved in a far wider range of projects. They are certainly involved in some very significant decisions on behalf of the government, irrespective of whether they act as representatives of the Crown or part of a separate authority, as provided under this legislation.

We are particularly concerned about the compulsory acquisition powers, which are wide ranging. In many ways these powers are appropriate. As someone who has dealt with planning matters over a long period and been very frustrated on occasions at the inability to bring a significant and beneficial project together on behalf of the community simply because of the difficulty in assembling the land parcel due to somebody deliberately being difficult and holding the project to ransom, I consider this an appropriate power. But it is clearly a power that should be used judiciously. It is a power that must always concern opposition parties. I can see that, in the hands of a range of

ministers over many years, some of the powers conferred under this legislation could provide a significant opportunity for wheeling and dealing. That might well be to the benefit of the community but might also pose a significant risk to the government and possibly the community. There might well be a circumstance in which the financial position of this authority deteriorates simply because of imprudent decisions.

The opposition will oppose this legislation. It does not believe that the government has put forward an appropriate structure in this legislation or that the two authorities, acting as they do at the moment, ought to be merged. When you look at their track record, you see they are delivering very good results for Victorians. There is no reason to expect that, by merging them, Victorians will benefit from any great synergies that might achieve a better result than that currently being achieved. The opposition believes that there will be a blurring of their responsibilities and that there is a potential for conflicts of interests related to these responsibilities. There are potential difficulties with the governance of this authority because of the very different missions and purposes of the two merging entities. We do not think the government has got it right on this occasion. We agree with the state Treasurer who unfortunately was rolled, apparently in cabinet.

Hon. P. R. HALL (Gippsland) — The bill before the house creates the Victorian Urban Development Authority (Vicurban) by merging two existing authorities: the Docklands Authority and the Urban and Regional Land Corporation.

I note the phrase used by the Honourable Bruce Atkinson who said he believes this is more of a takeover than a merging of those two bodies. To some extent I think he has substantiated that statement with the very strong argument he has put to the house.

The National Party concurs with much of what the opposition has said about this bill. It does not believe that the government has put forward a strong case to justify the merging of these bodies into a single new identity. Members of the National Party wait with interest for contributions from the government as to the exact reasons behind the creation of the new Victorian Urban Development Authority because there is not much in the second-reading speech to convince us that this is in the best interests of Victorians.

The second-reading speech lists three main benefits from merging the two bodies. They include, and I quote from the second-reading speech:

> … the creation of a single urban development arm of government with a stronger focus and enhanced capability to undertake strategic urban renewal projects across Victoria;

We in the National Party do not understand why that cannot be achieved with the existing Urban and Regional Land Corporation. I agree with the comments of the opposition that the Docklands Authority has a specific project which may be completed in due course, in a couple of years down the track. Then we would have a single development authority — the Urban and Regional Land Corporation — solely focused on what the government has outlined as the first benefit of merging these two bodies.

The second benefit is:

> a more explicit focus on the delivery of the government's key urban and regional policy agendas, including implementation of the Melbourne 2030 strategy and the provision of affordable housing …

Once again, how is that benefit going to be achieved? It is certainly not spelt out in the second-reading speech.

The third benefit is:

> clearer separation of ministerial responsibility for planning regulation and the commercial urban development activities to be undertaken by Vicurban.

Once again we ask how. There is no explanation in the second-reading speech as to how those benefits are expected to be achieved, how they are expected to emerge from the creation of a single new body as proposed in this bill. Government speakers may be able to clarify those predicted benefits and give us some clearer reasons as to why this legislation is necessary.

We in the National Party are left guessing as to the need for this new body, the Victorian Urban Development Authority. These are guesses because the reasons are not spelt out in the speech, but perhaps it is because the Docklands Authority is somewhat in debt while the Urban and Regional Land Corporation is in a much healthier position. Perhaps that is the reason. The Honourable Bruce Atkinson spoke at some length on that issue. He pointed out that the last annual report of the Docklands Authority showed a debt of some $184 million. In its briefing the National Party was told that the current debt is somewhere in the order of $135 million; regardless, that is still a very significant debt. The Urban and Regional Land Corporation is a profitable organisation which is currently something like $34 million in profit. One cannot help but wonder whether that is one of the reasons these two authorities are being merged — to bail out the Docklands Authority from the financial mess it is in. We hope that is not the reason.

As I said, I am just guessing here, but perhaps the real reason for the merge is to expunge the memory of the Urban and Regional Land Corporation. As we know from previous debates in this house, the URLC was created just a couple of years ago by expanding the role of the Urban Land Authority to make it the Urban and Regional Land Corporation. One reason for that was to provide a job for a Labor mate in Mr Jim Reeves. I think all Labor supporters would like to have the memory of Jim Reeves and the process which lead to his appointment and his failure to take up the position expunged from the minds of all Victorians. Certainly the upper house inquiry into that matter was illuminating. That could be a very good reason for doing this.

Hon. R. Dalla-Riva — A past friend.

Hon. P. R. HALL — I have not heard his name for a while.

Then again I can suggest a third reason for this legislation. Perhaps it is simply to add to the government's list of legislation for the current sitting of Parliament. We saw in the newspapers a week or so ago how the government is claiming to have had a lengthy list of legislation — more than ever before — brought before both houses in this current sitting of the Parliament. Perhaps this is an extra one thrown in to boost the government's statistics — because it does not appear to have a big impact.

Mr Pullen interjected.

Hon. P. R. HALL — I might be talking facetiously and I am sure Mr Pullen will explain.

The fourth reason I am guessing at is perhaps it is because of the government's love of acronyms and catchy selling phrases that we now have the Victorian Urban Development Authority. If members look at clause 6 of the bill they will note that the authority will be trading as Vicurban. Interestingly, Vicurban is spelt V-i-c-u-r-b-a-n, all one word. I could not help but think that this is another policy stolen from the National Party by the government. Who was it that went to the last election with the VicNat's symbol — V-i-c-N-a-t-s, all one word? The government have stolen from us. It was a good idea and it worked well for the National Party at the last election so the government is welcome to it.

Actually the terminology 'Vicurban' reminds me somewhat of the Jimoein Carlton Draught advertisements on television. Members may have seen Jimoein talk about 'Carlton Draught', saying 'Carlton' as if it were a bit of a secret and 'Draught' as more of a surprise, so Carlton Draught is like a secret surprise! You may say 'Vicurban' is the same sort of concept. If you say 'Vic' quickly, as in 'quick', but you say 'urban' in a more leisurely way, like a stroll, Vicurban is perhaps a 'quick stroll'! Perhaps it is what the government is thinking about.

Perhaps it is that the government likes catchy titles. I understand it would have difficulty if it had used the existing terminology — 'URLC' for the Urban and Regional Land Corporation. I wonder how you would say that — 'urlsee'. It sounds a bit sickly so I can understand that the government would not want to use that as the terminology — it could not use the 'VUDA' for the Victorian Urban Development Authority. How would you say that? It would be something like 'vooda'. That sounds a bit spooky, and I do not think people would want that. The government could have used 'URLA' for the Urban and Regional Land Authority. If you extended the end it could be 'ur la la', which might be a catchy, sexy phrase that the government could have used. It rolls off the tongue very nicely.

I am being a bit flippant with my comments during the course of this debate, but the bill invites me to treat it with some flippancy because the government has not spelt out any real reason why there is a need to disband the two existing authorities and move them into one to be called the Victorian Urban Development Authority.

I want to say one serious thing about the legislation. I am disappointed in the loss of 'regional' from the title. We will no longer have a regional authority such as we had in the Urban and Regional Land Corporation but just an urban development authority. We hope that is not a signal that urban development and development in general is being ignored in regional parts of the state, because the National Party represents those parts and it will be very disappointed if there is a lessening of the approach to development in parts of Victoria other than Melbourne.

The National Party has some concerns when looking at the purposes of the bill set out in clause 1, which states:

(a) to carry out urban development; and

(b) to develop the Docklands area; and

(c) to undertake declared projects; and

(d) to assist in the implementation of government urban development policies and strategies (including Melbourne 2030).

There is no mention about development in regional parts of Victoria, and as I have said, we have lost the

name 'regional' in the title of the urban development authority. That is of concern to us in the National Party.

I can understand why the opposition has chosen to oppose the bill. As I have said, I think the Honourable Bruce Atkinson has spelt out a sound and logical argument as to why it has come to that conclusion. The National Party sympathises with and shares some of those views. We in the National Party do not take the option of opposing bills lightly, and only if we have the strongest opposition do we take the position of opposing a bill. After all, the government is elected and has the majority in both houses of Parliament. It is only when we feel extremely strongly about a bill and believe that it will have a very negative effect on Victoria that we take the option of opposing the bill.

Despite the fact that the National Party does not believe much will be achieved by this legislation, we have taken the decision as a party not to oppose it. It will be on the government's head to demonstrate over the years that the new corporation is effective and has achieved some of the benefits that are set out in the second-reading speech. As I said, the National Party is very sceptical about those benefits, and we do not believe much will be achieved. Although the National Party has some concerns about the bill it is prepared to allow the government to have this piece of legislation, but will be watching it very closely over the next few years.

Ms ROMANES (Melbourne) — The purpose of the Victorian Urban Development Authority Bill is to establish a single urban development and renewal agency of government to be known as Vicurban.

Despite what Mr Atkinson said previously, it is very clear what the government wants to achieve — that is, to strengthen, build on and learn from the work of the Urban and Regional Land Corporation and the Docklands Authority. Vicurban will contribute to the achievement of a number of outcomes which are very important to the Bracks Labor government.

The first of these is to engage with the commercial development and property markets, to enter into commercial transactions with the private sector and continue to provide land for residential development. We know that the Urban and Regional Land Corporation has been the major provider of sites for residential land development in this state.

Another very important outcome for the government is to use Vicurban to assist in the implementation of the Melbourne 2030 planning strategy, in particular through the facilitation of well-planned, sustainable development in strategic locations. In Melbourne 2030 there is a very strong emphasis on transit cities and activity centres, and on the coordination of future development in areas in close proximity to transport routes and where other major activities like shopping centres, educational institutions, hospitals et cetera occur. So it is very important to be able to give leadership in that area.

Another important objective for the government is to promote sustainable development in the planning, building and construction sector through the demonstration of best practice in urban development and renewal. We have been increasingly seeing the adoption of sustainable development principles in the projects of the Urban and Regional Land Corporation and the Docklands Authority. I give as an example the Cairnlea estate, which is featured in the Urban and Regional Land Corporation's annual report of 2002. In Brimbank this estate will divert stormwater for reuse into parks and contribute to the improved environment in that development. Also two reserves of nationally significant grasslands will be preserved as part of the planning and proposals for Cairnlea.

Another important direction for Vicurban will be to improve access to affordable housing through price competition in the land and housing markets in collaboration with state and local government agencies and developers. This will strengthen the government's arm and also the arm of many non-government agencies that are keen to assist in the provision of affordable housing — for example, the Urban and Regional Land Corporation is developing a proposal with the Emmaus Christian community for a mixed social-private development in Bayswater — small at this stage, but a signal for what is to come and what will be a major focus for Vicurban in the coming years.

There has been mention of rural and regional Victoria. This will remain, as it did following the bill that passed through this house in 2001, a major priority for Vicurban to facilitate development for rural and regional centres. Already there are plans afoot for the Horsham saleyards development. There is currently planning being undertaken for a mixed-use area in the centre of Wodonga once the railway line is moved out of the centre. There is the development being planned with the Swan Hill Rural City Council for 1200 residential sites in conjunction with what was the Urban and Regional Land Corporation and will become Vicurban with the passing of this bill in the house today, as is the hope of the government.

The functions of the Docklands Authority and the Urban and Regional Land Corporation will continue as

appropriate to complement the overarching objectives and achievements that the government wants to see as an outcome of the formation of this new authority. For over a decade the Docklands Authority has had extensive experience in the area of urban renewal and development and it will retain its separate functions and accountability. The Docklands Authority has largely completed its development initiation work and is currently in transition to a primary focus on development management and place management. As Mr Atkinson outlined in his presentation, we have seen enormous achievements as a result of the powers of the Docklands Authority to develop and manage a particular part of western Melbourne for urban renewal. The Docklands Authority has reached a stage where more detailed planning is going ahead in the assessment of the social infrastructure that is needed across that part of the city.

The Docklands Authority will continue with its particular focus and objectives under the umbrella of the Victorian Urban Development Authority, otherwise trading as Vicurban. The role of Vicurban as a development facilitator will be strengthened by the bill before the house. In special circumstances it will have additional powers which it will sometimes be able to use to acquire land, but certainly to facilitate and assemble a land parcel in areas of declared projects such as those that may be put in place to facilitate land use and transport planning around the transit cities that are part of the Melbourne 2030 strategy.

It is extremely important for the government to have these tools at its disposal to achieve results and to facilitate and determine in Melbourne and throughout Victoria particular areas where there may be a greater focus on residential development and a better mix of commercial, residential and sometimes educational uses in areas where transport is readily available. Transport availability is a very important element in building a sustainable city and building sustainable centres through rural and regional Victoria. Often the achievement of particular redevelopments, urban renewals or changes in land use and transport planning can only be achieved by more intensive and detailed planning and with the extra assistance of certain powers to coordinate and bring together the desired outcomes.

These desired outcomes cannot afford to be left, just exposed to the possibilities of market failure or to the vagaries of development and change in a whole range of private hands which may or may not deliver some time in the distant future. It is important for the delivery of Melbourne 2030 outcomes that there are these additional powers to add to the government's tool kit in order to be able to do this detailed local planning in certain key places across the state. I look back with great regret to the time more than five years ago when the challenge of developing the difficult but important site of Pentridge in the electorate of Melbourne Province was before local government and the state government at that time. It was an important opportunity — a site of 34 hectares in the centre of Melbourne. The prison was decommissioned in, I think, 1998, and the local Moreland council that I was part of at the time was keen that the then Urban Land Corporation take up the opportunity to put in place on that site a good development in terms of design, a mix of commercial and residential and public-use purposes which would respect and enhance the important heritage left there on that prison site. Unfortunately at that stage the former ULC was not charged with the kind of objectives that the Bracks Labor government wants to see Vicurban take up and use in contributing to urban renewal in a way which delivers really good developments and results in our community. That private project at Pentridge still founders here and there, and the future security of the heritage and interface with the important parkland along the Merri Creek is still uncertain.

Mr Atkinson mentioned local government and the way it will be impacted by the new legislation and new powers of Vicurban. There are a number of new powers under part 3 of the bill which will impact on local government powers. However, the government sees these as generally enabling powers, to enable Vicurban to act on behalf of the local council where appropriate or where formally agreed in writing. The projects that the Urban and Regional Land Corporation have been engaged in in the past and the projects that Vicurban will do in the future will often be in conjunction with local government. It is very much the style and the intention of this government that they be done in collaboration and cooperation to achieve good results for local communities, not riding over the top of local councils.

The possibilities of spreading good development and of improving and strengthening the role of Vicurban as a development facilitator are what this bill is about. I remain disappointed that the opposition is opposing the bill. A lot of the opposition's concerns are largely conjecture. This is a bill that should be supported by members of this house because of the potential that it delivers for better development across the state. I commend the bill to the house.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — The opposition will oppose this legislation which seeks the takeover by the Docklands Authority of the Urban and Regional Land Corporation (URLC). When

budgets are tight and Labor governments are in power, they always seem to resort to funny money schemes.

Looking back to the last days of the Kirner government, we saw the introduction of a scheme whereby drivers licences were changed to 10-year licences. The purpose of that, in those days of cash accounting, was so that the government could charge for a 10-year licence and book the revenue in one year. So the government got 10 years worth of revenue from drivers licences and was able to book that in the one year to prop up the budget. Last week we heard an interesting story about the renegotiation of gaming licences. The government attempted to bring forward revenue from gaming licences again to prop up the state government budget.

So the proposal before the house today for the Docklands Authority to take over the Urban and Regional Land Corporation comes as no surprise. Members need look no further than the annual reports of those two organisations to see why. The Docklands Authority annual report for the year ended June 2002 records an operating loss of more than $7 million. It had a deficit in working capital of over $15 million and was technically insolvent. At the same time the Urban and Regional Land Corporation painted a very different picture. For the year ended June 2002 it recorded an operating profit in excess of $31 million and had net equity exceeding $200 million. So a simple takeover, or merger as the government calls it, with this legislation solves the problem for it. A simple consolidation of the two sets of accounts will allow the government to cover the operating loss of the Docklands Authority and address the shortage of working capital and the fact that the authority is technically insolvent.

My colleague Mr Atkinson explored those matters at some length. The area I wish to turn to relates to the purposes of this organisation and also the government structure under which it will come.

In 2001 when the Urban and Regional Land Corporation was formed to replace the Urban Land Authority, the government was at great pains to emphasise the importance of the inclusion of the word 'regional' in the name of that organisation. A number of changes have been made to the purpose clause of the legislation which established that authority. It is interesting to note that the bill before the house today has suddenly dropped the reference to 'regional'. Indeed the functions in clause 7 also contain a greater emphasis on urban development than on regional development. In fact the function of this authority in residential development now refers to 'and other urban purposes' where previously there was no such qualification.

Hon. D. McL. Davis — So much for governing for the whole of Victoria.

Hon. G. K. RICH-PHILLIPS — So much for governing for the whole of Victoria, Mr Davis. In one fell swoop we have seen the references to 'regional' dropped not only from the title of the organisation but also from its function within the legislation. Given the emphasis that was placed on that at the time the legislation was introduced, it is surprising to see that apparent change in the purpose of the organisation.

Last year I had the privilege, along with my colleagues Mr Lucas, Mr Hallam, Mr Theophanous and Mr Jennings, to serve on the Select Committee of the Legislative Council on the Urban and Regional Land Corporation Managing Director, otherwise known as the Jim Reeves affair. That inquiry investigated at some length the circumstances surrounding the proposed appointment of Jim Reeves as managing director of the URLC. As honourable members would be aware, Jim Reeves is apparently one of the Premier's best mates, although at the time I think the Premier referred to him as a past friend.

A deal was stitched up whereby Jim Reeves would leave his role as chief of staff to the Lord Mayor of Brisbane and come to Melbourne to head up the Urban and Regional Land Corporation. The only problem was that when a process was put in place to recruit a chief executive officer, following the resignation of the former CEO, the process did not throw up Jim Reeves but put forward another candidate as the board's preferred candidate. This created a quandary for the government.

Hon. D. McL. Davis — The process failed.

Hon. G. K. RICH-PHILLIPS — The process failed because it did not give the government the result it wanted, Mr Davis. We had the Premier's mate off to the side expecting to get the gig as the chief executive and the board coming up with a different answer. It did not want Mr Reeves.

We then had a contrived process put in place, where Terry Moran, Secretary of the Department of Premier and Cabinet, came in and indicated that the preferred candidate was not acceptable and that there would have to be a new process. He got together with Lindsay Neilson, the then the Secretary of the Department of Infrastructure, and Grant Hehir, Secretary of the Department of Treasury and Finance, and they put together their own process, completely divorced from the proper process the URLC board had gone through. Surprise, surprise! — what did they come up with?

They recommended Jim Reeves, the Premier's mate, as the chief executive, and completely ignored the process that the board had put in place to recruit a chief executive.

It was only when this became a public issue that the government and the Premier dumped Jim Reeves and ran for cover. As a consequence of the Jim Reeves issue we now have a situation where the Urban and Regional Land Corporation has been for almost two years without a permanent chief executive. When this recruitment process was under way in early to mid-2001, the government was at pains to emphasise that it needed to recruit a chief executive. The former CEO was leaving on 30 June and the government was keen to get a chief executive in place as soon as possible. That was one of the reasons advanced for the dodgy process put in place by Mr Moran — that is, the need to recruit a chief executive. Yet here we are two years later after the Jim Reeves appointment has fallen by the wayside and we still do not have a permanent chief executive of the Urban and Regional Land Corporation. Bryce Moore, the former deputy chief, has been acting in that role for two years, but in two years the government has not been able to make a permanent appointment.

It is interesting to see the changes the government has made in the way the board operates and the chief executive is appointed. What became apparent during the Reeves inquiry was that the board that was in place at the time valued its independence and acted independently of the government. It was clear that the government did not appreciate that. As a consequence, a bureaucrat from the Department of Human Services, Jennifer Westacott, has been appointed to the board of the URLC — one of the government's own. This legislation is an attempt by the government to rein in the board.

Clause 22 of the bill provides for the appointment of the chief executive but previously legislation required that the board could appoint a CEO after consultation with the responsible minister — at the time it was the Minister for Planning and also the Treasurer as shareholders of the organisation — but it did not require the minister's approval. As a board of a statutory authority it was entitled to appoint a chief executive. This legislation takes away the power of the board to appoint its own chief executive, and it can only appoint with the approval of the minister. This is a very real shift in the power the board will have.

Ms Romanes interjected.

Hon. G. K. RICH-PHILLIPS — Ms Romanes says it is exactly the same. Nothing could be further from the truth. Under the previous model an independent board, after consulting with the minister, could appoint the chief executive — and that is what it proposed to do. Under this model it specifically needs, as set out in clause 22(1):

> (1) The board, with the approval of the Minister, may appoint a person as the chief executive of the Authority.

It states 'with the approval of the minister'. So we could have the best qualified candidate in existence for this position and if the minister does not approve then that candidate will not be appointed.

We could almost argue that clause 21(1) is the Jim Reeves clause because if it had been in place two years ago there would have been no impediment to appointing Jim Reeves. The government would not have had to have gone through a pesky recruitment process; it could have just said 'Jim Reeves is our man; we are going to have him. He is the only person the minister will approve'. This would have ensured that two years ago Jim Reeves was appointed the chief executive of the URLC. Seeing this change in the legislation we can only wonder if perhaps —

Hon. D. McL. Davis — The Jim Reeves clause.

Hon. G. K. RICH-PHILLIPS — The Jim Reeves clause. Perhaps Jim Reeves is waiting in the wings — perhaps we will see his return some time soon.

What is also interesting about this legislation is that the existing chief executive of the Docklands Authority is automatically carried forward as the chief executive of the new urban development authority for the duration of his term as Docklands Authority chief executive. This completely removes from the new board the power to appoint the initial chief executive. I understand that for the next four years John Tabart will be the chief executive of this organisation. So the inaugural board will not have the opportunity to appoint its own chief executive and for the next four years it will be forced to work with the existing chief executive of an organisation — —

Ms Romanes interjected.

Hon. G. K. RICH-PHILLIPS — I think Ms Romanes asked what is the problem with John Tabart. I have no problem with John Tabart as chief executive, but he was appointed as chief executive of the Docklands Authority, which is a very different organisation with a very different role to that undertaken by the Urban and Regional Land

Corporation. Frankly, while Mr Tabart may be appropriate to head up the Docklands Authority as chief executive, the types of activities undertaken by the URLC are very different and may well require a different set of skills.

In setting up this organisation which seeks apparently to combine the roles of Docklands and the URLC, it would have been appropriate for the government to give the new board the opportunity to hire a chief executive with the set of skills that cover the full range of activities the organisation will undertake, rather than taking the chief executive from one organisation and expecting him to work across both sets of activities of both organisations. It would have been far more appropriate to allow the board to have independence in the appointment of a new chief executive rather than retaining the chief executive of one organisation.

The government could equally make the argument that Bryce Moore as acting CEO of the URLC should by statute have been appointed chief executive of the whole organisation, but it is not appropriate. The government is putting in place a new board and there should have been an opportunity for that new board to consider the recruitment of a new chief executive. Under those circumstances it would have been entirely appropriate for Mr Tabart and Mr Moore to apply, but for one to be appointed — —

Hon. Philip Davis — Or for Mr Reeves to apply.

Hon. G. K. RICH-PHILLIPS — Or for Mr Reeves to apply, although I do not think he was qualified, Mr Davis. That was something that came out of the inquiry last year: Mr Reeves was less than qualified for that position.

Either Mr Tabart or Mr Moore could have applied for the position had there been an appropriate recruitment mechanism. Because Mr Tabart has been given the job by statute, the opportunity for other qualified candidates has been denied.

For those reasons the opposition will not be supporting this legislation and believes it is the wrong path to take with the Urban and Regional Land Corporation.

Hon. H. E. BUCKINGHAM (Koonung) — I rise to speak in support of the Victorian Urban Development Authority Bill. This bill establishes the Victorian Urban Development Authority to: carry out urban development; develop the Docklands area; undertake declared projects; and assist in the implementation of government urban development policies and strategies. The bill merges the Docklands Authority and the Urban and Regional Land Corporation (URLC). The new Victorian Urban Development Authority will be known as Vicurban and will report to the Minister for Major Projects and be overseen by the Department of Infrastructure.

What will Vicurban's role be? Vicurban will engage with commercial development and property markets, and it will enter into commercial transactions with the private sector. Vicurban will implement the Melbourne 2030 strategy. It will promote sustainable development through a demonstration of best practice in urban development and renewal. Vicurban will improve access to affordable housing through price competition in the land and housing markets in collaboration with state and local government agencies and developers. Vicurban will also facilitate development in rural and regional centres — regardless of its name.

What are the new functions and powers of Vicurban? Vicurban will assume the functions and powers previously undertaken by the URLC and the ongoing functions of the Docklands Authority. In addition, it has a new function: to undertake and manage the declared projects on behalf of the Crown. Vicurban therefore has two roles: one is as developer, like the role previously undertaken by the URLC; and the other is as a development facilitator. As a development facilitator Vicurban will facilitate urban development and renewal projects by others, particularly in the private sector, through declared projects, as set out in part 3 of the bill, in special circumstances where additional powers are required to ensure development occurs.

A declared project undertaken by Vicurban will have access to a range of new powers. These powers are identified in part 3 of the bill and include powers to obtain land and dispose of lands, and other powers considered necessary in certain circumstances. What is a declared project? A declared project is one where there might be an impediment to the private sector initiating a proposed development, or one where the government wants to see development occur because it is part of an important strategy development in accordance with government strategy such as Melbourne 2030.

A key objective in the creation of Vicurban is to clearly separate ministerial responsibility for planning regulation. Therefore the Docklands Act retains its planning powers for the Melbourne Docklands area, and planning responsibility for the rest of Victoria will remain the responsibility of the Minister for Planning. This bill clearly defines the separation of funds between development projects, declared projects and the

Docklands project, thereby providing clear transparency for all three key activities of Vicurban.

Vicurban's objectives are: to operate a responsible and successful urban development business involving residential, commercial, industrial land and mixed use developments; and to assist the government to implement its urban and regional development strategies by providing advice and expertise. It will protect and enhance the environment by conducting its operations in accordance with the principles of sustainable development.

In conclusion, this government will continue to create affordable housing. The new authority will play a significant role in realising the metropolitan strategy through urban renewal and redevelopment. The government will utilise the skills developed by both the URLC and the Docklands Authority into a single urban development arm of government. Vicurban will have three distinct units and there will be firewalls between them. Money will not be taken from the land development side and used for the Docklands debt, as suggested by the opposition. That will not happen; it is not the intention of this bill.

There will also be firewalls between the parts to ensure that we achieve competitive neutrality and that the development arm of Vicurban will not be able to utilise the facilitation arm of the authority. The three arms of Vicurban have different powers which are set out in the bill. The government will ensure competitive neutrality and ensure financial firewalls between the three arms. This legislation, along with the green wedge legislation passed last week by this house, ensures the liveability of Melbourne and provides tools to ensure good planning and good urban growth. I commend this bill to the house.

House divided on motion:

Ayes, 28

Argondizzo, Ms	Lenders, Mr
Baxter, Mr	McQuilten, Mr
Bishop, Mr	Madden, Mr
Broad, Ms	Mikakos, Ms
Buckingham, Ms (*Teller*)	Mitchell, Mr
Carbines, Mrs	Nguyen, Mr
Darveniza, Ms	Pullen, Mr
Drum, Mr	Romanes, Ms
Eren, Mr	Scheffer, Mr
Hadden, Ms	Smith, Mr
Hall, Mr	Somyurek, Mr
Hilton, Mr	Theophanous, Mr
Hirsh, Ms	Thomson, Ms
Jennings, Mr	Viney, Mr (*Teller*)

Noes, 15

Atkinson, Mr	Koch, Mr
Bowden, Mr (*Teller*)	Lovell, Ms
Brideson, Mr	Olexander, Mr
Coote, Mrs	Rich-Phillips, Mr
Dalla-Riva, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr (*Teller*)
Davis, Mr P. R.	Vogels, Mr
Forwood, Mr	

Motion agreed to.

Read second time.

Third reading

Ms BROAD (Minister for Local Government) — By leave, I move:

That the bill be now read a third time.

In doing so, I thank honourable members for their contributions to the debate, and I thank the National Party for its support of the bill.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

STATE TAXATION ACTS (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Mr LENDERS (Minister for Finance) — I move:

That the bill be now read a second time.

I will move for the incorporation of the second-reading speech on the bill, which passed through the Assembly with some amendments regarding rates of insurance duties.

Second-reading speech as follows incorporated on motion of Mr LENDERS (Minister for Finance):

This bill makes a number of important amendments to the Duties Act 2000 and to the Pay-roll Tax Act 1971 which improve the efficiency of tax collection, increase compliance, and protect the revenue base. All of the amendments support the government's commitment to maintaining a fair and equitable taxation system.

Included in the bill are two new policy initiatives announced in the budget. These are the extension of the concession from motor vehicle duty for persons with physical disabilities who have had their vehicles modified to enable them to drive or be transported by others, and the replacement of the exemption

from payroll tax for wages paid to apprentices with a new completion bonus scheme.

This bill was amended in the other place. Certain provisions relating to duty on life insurance riders have now been removed as a result of continued consultation with representatives from the insurance industry.

Amendments to the Duties Act 2000

The government remains committed to providing targeted assistance in the form of tax relief to those in the community who are in greatest need. As announced in the budget, this bill introduces a concession reducing the duty payable on applications for registrations of vehicles, and for transfers of registrations, by persons with a physical disability where that vehicle has been modified to enable that person to drive the vehicle. This concession will be available from 1 July 2003.

The benefit of this concession will mean that the duty normally payable is reduced by the reasonable cost of the modification to the vehicle. The value of the reduction is capped at the lower of the actual or reasonable cost of the modification. The benefit of the concession cannot exceed the duty otherwise payable. The concept of reasonable cost is defined as the lower of the actual cost, or the market price, of the modification.

Providing a reduction in the stamp duty based on the cost of such modifications provides assistance to a group within the community that is not currently recognised in the motor vehicle duty provisions.

The motor vehicle duty exemption for incapacitated persons will also be expanded to include vehicles that are specially converted, constructed or modified to allow transportation of at least one occupied wheelchair. The current exemption only applies to vehicles designed solely for incapacitated persons.

The new category will cover vehicles registered by incapacitated persons, their guardians, government bodies, municipalities or charitable organisations, and will be available in respect of vehicles acquired on or after 1 July 2003. These changes are to be implemented in the form of amendments to the Road Safety (Vehicles) Regulations 1999, which is administered by Vicroads. The State Revenue Office and Vicroads are currently working on these amendments.

The bill also introduces a number of technical amendments to chapters 1, 2, 3, 8 and 9 and schedule 2 of the act. These stem from the continuing dialogue and consultation with industry groups over the Duties Act, and will ensure that existing anomalies that create a significant impediment to the certainty and clarity of the law, are overcome. These technical amendments are also intended to ensure consistency between the Victorian Duties Act and duties legislation in other jurisdictions.

In order to secure the revenue, the bill includes amendments to prevent avoidance opportunities and close off activities that result in the avoidance of duty through the use of complex unit trust schemes. The need for legislative amendment was identified following audit activity by the State Revenue Office that revealed the use of complex unit trust schemes to avoid conveyance duty on property transactions. The government announced these amendments on 7 February 2003, with effect from that date.

These schemes typically involve a range of transactions that effectively change the underlying beneficial ownership of dutiable property held by the unit trust. In this way, the current exemption from duty available in respect of the issue, transfer, redemption or cancellation of units in a unit trust is being manipulated to apply beyond the normal operation of a unit trust scheme.

To address this type of activity the bill introduces an anti-avoidance provision that empowers the Commissioner of State Revenue to charge conveyancing duty where the unit trust transaction is part of a scheme or arrangement made with a collateral purpose of reducing the duty that would otherwise be payable. The bill therefore preserves the character of the current exemption, but ensures that it cannot be used as a mechanism to avoid conveyance duty.

The bill introduces amendments to the land-rich provisions in the Duties Act, which have been targeted by avoidance schemes utilising company shares and/or unit trusts. Other jurisdictions have also acknowledged weakness in their equivalent provisions.

The 'land-rich' provisions are intended to ensure taxpayers cannot avoid conveyance duty by effecting a transfer of land via the issue of company shares and/or private unit trusts rather than by sale. Currently the transfer of shares or units in a private corporation with underlying interests in land is dutiable if:

> the corporation has land holdings in Victoria valued over $1 million; and
>
> its landholdings in all places comprise 80 per cent of the total unencumbered value of all its property; and
>
> a majority interest (more than 50 per cent) is being acquired by the private corporation or unit trust.

Two land-rich provisions, in particular, have been exploited by tax-avoidance specialists, representing a significant and immediate threat to revenue. For this reason two amendments are required. The first amendment strengthens the definition of 'related persons' so that persons are deemed to be related if they acquire interests in a private corporation and the acquisitions form, evidence, give effect to or arise from substantially one transaction or series of transactions. This will more closely align the Victorian test with the Queensland and Western Australian tests. The second amendment clarifies what is to be excluded when calculating the total unencumbered value of the property held by a private corporation. This amendment adopts the test as it existed under the now repealed Stamps Act 1958.

As a further clarification and revenue protection measure, the bill effects amendments to ensure that duty is charged on the GST-inclusive value of dutiable property. As background to this amendment, in the case of *Royal & Sun Alliance Insurance Australia Ltd v. Commissioner of State Revenue*, Royal & Sun challenged the imposition of stamp duty on GST-inclusive insurance premiums.

The Royal & Sun case only concerned insurance duty, but the commissioner has received legal advice regarding the wider implications of this case across all duty lines where duty is imposed on a GST-inclusive basis. Irrespective of the outcome of the Royal & Sun case, which is currently under appeal, counsel recommended legislative amendment across all duty lines where duty is currently, and/or has been

previously, charged on GST-inclusive amounts, to provide certainty about this issue.

The amendments in the bill expressly confirm that duty is to be, and has been since the introduction of GST, imposed on GST-inclusive amounts (excepting duty on rental businesses and the sale of livestock).

The amendments are consistent with the announcement made by the government on 2 March 2000, being that duty imposed since the introduction of GST would be charged on GST inclusive amounts (except for duty on rental business and on the sale of livestock). These amendments are deemed to operate from 1 July 2001, being the date that the Duties Act came into effect.

The bill also includes a transitional provision stating that, for the purposes of certain parts of the Stamps Act 1958, in determining the value, or consideration, or premium, paid for anything there is to be no discount for the amount of GST payable.

These amendments operate from 1 July 2000, being the date that the GST act came into effect. However, the bill expressly preserves the rights of the litigants in the Royal & Sun case, so they are not affected by the amendments.

Amendments to the Pay-roll Tax Act 1971

The government is removing the current payroll tax exemption for wages paid to trainees and apprentices and replacing it with a new scheme that will pay a bonus to eligible employers when trainees and apprentices complete their qualifications.

The new completion bonus will reward employers who take on trainees and apprentices in good faith and boost the level of completions of traineeships and apprenticeships.

The government will also provide additional funds to refocus vocational education and training programs to target specific needs in the Victorian labour force, meet increased demand for alternative vocational education and training pathways, assist parents and redundant workers retrain and improve opportunities for young Victorians to acquire skills and qualifications. The exemption will not be available in respect of new training agreements entered into after 7 May 2003 for wages paid or payable to apprentices from 1 July 2003. Wages paid under existing contracts and agreements will continue to be exempt until 31 December 2003.

As a further revenue protection measure, and to ensure certainty of taxation, the bill amends the grouping provisions in the Pay-roll Tax Act. These provisions were originally introduced as an anti-avoidance measure and as such were intended to have wide application. They were designed to address the situation where employers were exploiting the tax-free threshold by splitting their businesses into multiple entities.

Under these provisions employing entities form a mandatory group where they are related holding or subsidiary companies under the corporations legislation. Entities may also be grouped, subject to a discretion, where their businesses are commonly controlled by the same persons or if they inter-use or share employees. Each group is permitted one tax-free deduction.

In a recent case, *Muir Electrical Company Pty Ltd v. Commissioner of State Revenue*, the Court of Appeal read down the grouping provisions. The decision overturns accepted interpretation across all states and the administrative practice of the grouping provisions over the past 28 years. The State Revenue Office is currently appealing this decision, but legislative amendment is required to restore and clarify the effectiveness of these grouping provisions.

Given that payroll tax is a self-assessed tax, the grouping provisions are an area where certainty is paramount, both to enable employers to correctly calculate their payroll tax liabilities and to enable efficient and cost-effective revenue collection. The bill contains amendments to restore the effectiveness of the 'inter-use' elements in the grouping provisions. The amendments restore the original intention of the provisions.

I commend the bill to the house.

Debate adjourned for Hon. BILL FORWOOD (Templestowe) on motion of Hon. Andrea Coote.

Debate adjourned until later this day.

ATTORNEY-GENERAL AND SOLICITOR-GENERAL (AMENDMENT) BILL

Second reading

Debate resumed from 5 June; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. C. A. STRONG (Higinbotham) — In rising to speak on the Attorney-General and Solicitor-General (Amendment) Bill I note that the opposition will be supporting the bill. I would also like to quickly give a run-down on what the bill does. Believe me, this can be a very, very quick run-down because the bill has one simple amending clause, which states:

In section 4(1) of the Attorney-General and Solicitor-General Act 1972, after 'counsel' insert 'or a Senior Counsel'.

This bill, which goes on the tally sheet as another piece of legislation passed by this government, amends the Attorney-General and Solicitor-General Act to allow for the new term of 'Senior Counsel' to be incorporated in the act.

The existing legislation is written in such a way that the Governor in Council may appoint one of Her Majesty's counsel to be the Solicitor-General — in other words, to be appointed as a Solicitor-General you need to be a Queen's Counsel. Now as a result of the government moving to say that we should get rid of the term 'Queen's Counsel' and go to 'Senior Counsel' we would have found that we had no Queen's Counsel left

after a little bit of time and therefore there would not have been anybody who could be a Solicitor-General. This bill provides the change required for that purpose.

It is quite amazing that the bill, which has one clause of three lines, should be brought to this house at the current time in particular, when we are under various time constraints in order that we finish in a fairly rapid time. A lot of similar small bills, such as the Courts Legislation (Amendment) Bill and the Summary Offences (Offensive Behaviour) Bill — bills of one page or a single clause; very minor bills — have come into the house. I urge the government to use omnibus bills to deal with some of these issues.

Surely if we look at the Attorney-General's bills that have come through this house in the last few weeks we can see that a great many of them could very easily have been rolled into one omnibus bill, which would have saved the house considerable time and would have allowed us more time to debate the important issues of the day rather than microscopic bills like this. I strongly urge the government to think in terms of omnibus bills because they are an appropriate way to bring to the house a series of minor amendments. We need minor amendments from time to time, but it is a sham and a facade to make them into separate bills. It is just more spin by this government to say it is doing a hell of a lot of work when it rolls in these one-clause bills, which could easily be handled in omnibus bills.

With those few comments I support the bill, while urging the government to think in terms of omnibus bills to deal with these measures in the future.

Hon. W. R. BAXTER (North Eastern) — The Attorney-General and Solicitor-General (Amendment) Bill demeans the house for exactly the reasons that Mr Strong has just told the house. It is such a minor amendment it ought to have been incorporated in an omnibus bill, if it were brought before the house at all.

We all know why it is here: to suit the ideology of the current Attorney-General and nothing more. He wants to demean institutions wherever he can and reduce the system that we have known and the society that we have come to value, enjoy and respect to the lowest common denominator. This is part of the Attorney-General's attempt to put his stamp on his period of office as the first law officer, as he likes to call himself, of the state of Victoria by introducing this change and suggesting that somehow or other it is earth shattering. It is plainly not, and it ought to have been included in an omnibus bill as Mr Strong suggested.

It is quite galling to read articles in the newspapers, as we did a week or so ago, about this government trumpeting how hard it had worked in Parliament with some 68 pieces of legislation having been presented. We could go through many of them and we would find probably 10 or a dozen were of such little significance and so minor in nature that they could well have been incorporated in an omnibus bill, as the previous coalition government was wont to do, and not abuse the privileges and the processes of the house.

By bringing in bills as minor as this, the government exposes itself to greater criticism of the sessional orders, because it points out just how stupid the sessional orders are that we now work under and how mechanical they make the operations of this house.

For example, I am being allocated, by looking at the clock, 45 minutes to speak on this bill. I will get precisely the same amount of time later this day on the Wrongs and Limitation of Actions Acts Bill, some of the most significant legislation that has been presented to this Parliament in probably more than a decade, and yet it has been given the equivalent importance to this bill.

It points out graphically once again the stupidity of the sessional orders that this government introduced at the start of this Parliament — how inappropriate they are and that you cannot make the Parliament some sort of mechanical sausage factory that turns things out as if everything were equal. Things are certainly not equal, President. This is a minor bill and ought to have been included in an omnibus bill.

The Wrongs Act is a major piece of legislation and debate on it should not be subject to the time limits that are going to be imposed by sessional orders when we get to that debate later in the day.

I again say that I am very disappointed indeed that there is an attempt by members of the government to lower standards wherever they can. I was distressed this morning to notice that two male members of the Council could not be bothered to put their jackets on for the prayer. This is the standard we are getting in this house. I reject it, and I think it is time we pulled up our socks.

The National Party is not opposing this bill, but believes it is unnecessary and ought to have been in an omnibus bill.

Ms HADDEN (Ballarat) — I rise to speak on the bill before the house — the Attorney-General and Solicitor-General (Amendment) Bill. It is a very important bill and one I could probably spend a good

hour talking on, but I shall limit myself — or at least try to.

The bill is a small bill in size in that it amends section 4(1) of the principal act, the Attorney-General and Solicitor-General Act of 1972, to enable a Senior Counsel as well as a Queen's Counsel to be appointed to the position of Her Majesty's Solicitor-General.

Approximately two to three years ago, as a result of discussions and negotiations with the Victoria Bar Council, the Law Institute of Victoria and the Chief Justice, alterations took place so that senior members of the legal profession who had been appointed as Queen's Counsel could also call themselves Senior Counsel. That is a process that has been undertaken in the state of New South Wales for many years.

Those changes did not require legislative amendment. However, the law governing the appointment by the Governor in Council of Her Majesty's counsel to be Her Majesty's Solicitor-General does require to be amended to enable senior barristers, whether they call themselves Queen's Counsel or Senior Counsel, to have themselves considered for appointment to that very high office of Solicitor-General.

The amendments in clause 3 of the bill will overcome that inconsistency and, as I said, will enable both Senior Counsel and Queen's Counsel to be eligible to be appointed to the position of Solicitor-General.

The position of Solicitor-General is a very important one in this state. It is an appointment by the Governor in Council to advise the government on matters of law and to appear for the Crown in important court cases. The Solicitor-General is assisted by Crown counsel.

In this state 41 Victorian members of Parliament have been solicitors-general. They have all been men. There are 1479 barristers enrolled in the Victorian bar. Of those, 197 are Queen's Counsel or senior counsel; and of the 277 women at the Victorian bar, 14 are senior counsel or Queen's Counsel, which is not a very good percentage, given that women make up just over half our population.

As I said, 14 women have taken silk at the Victorian bar. One of the first was Joan Rosanove. She was a pioneering advocate to sign the Roll of Counsel of the Victorian Bar in 1923. She was the first woman in Victoria appointed a silk, Queen's Counsel, in 1965. Her daughter, Margaret Lusink, also known as Peg, became the first Victorian woman judge in 1976 when she was appointed to the Family Court of Australia.

Some famous solicitors-general — and as I said they have all been men — have come from Ballarat or have been educated in Ballarat. One famous Solicitor-General was Sir Robert Gordon Menzies, who was educated at the Jeparit and Humffray Street state schools and Grenville College in Ballarat. Another was Sir Isaac Isaacs. Another famous Solicitor-General was Alfred Deakin, who, as we know, was a member of the Federal Conventions. Sir Redmond Barry was another famous Solicitor-General of this state. There was also Sir John Mark Davies, who arrived at Geelong from England and was articled to a local Geelong solicitor. He was later admitted to the Supreme Court and went on to become Solicitor-General. Sir Henry Cuthbert was another. That is a very famous name in Ballarat. The law firm Cuthberts still exists. Sir Henry Cuthbert was born at Boyle, Roscommon, Ireland, and died in Ballarat. He served his articles in the High Court of Chancery in Ireland and practised in the Irish courts before arriving in Melbourne in 1854; he was admitted to practise in this state in the Supreme Court and practised in both Melbourne and Ballarat. He was Solicitor-General between September 1894 and December 1899.

Another famous Solicitor-General was Sir Albert Arthur Dunstan.

Hon. W. R. Baxter — Very well known in this building.

Ms HADDEN — Yes, very well known. His portrait is in Queen's Hall. There was also William John Evans, who was born in Ballarat, and his first job was as a grocer's boy; he went on to become Attorney-General and Solicitor-General.

These are just some of the famous people among the 41 solicitors-general from this state. As I said, the bill is an important one, and I could speak for some hours on the history of solicitors-general. As I said, what this bill does is overcome the inconsistency. It will also assist in widening the pool of the appropriate senior and experienced counsel who are highly regarded by their peers and who may wish to put their hands up for a possible appointment.

As we know, the last Solicitor-General was Douglas Graham, whose term ended last December so we currently do not have a Solicitor-General in this state. I am sure this bill and the amendment to the principal act will assist in that position being taken up by an appropriate and worthy Senior Counsel or Queen's Counsel.

This bill is in line with contemporary legal practice of appointing either a Senior Counsel or a Queen's Counsel to the position of Solicitor-General in this state. I commend the bill to the house.

Mr SOMYUREK (Eumemmerring) — The Attorney-General and Solicitor-General (Amendment) Bill is a very narrow bill that has as its purpose the amendment of the Attorney-General and Solicitor-General Act 1972 by inserting the words 'or a Senior Counsel' after the word 'counsel' in section 4(1) of the principal act to make Senior Counsel, together with Queen's Counsel, eligible to be appointed to the office of Solicitor-General.

In 2000 the protocols in place for the appointment of Queen's Counsel were altered. These alterations provided that senior members of the legal profession be appointed as Senior Counsel rather than Queen's Counsel. A process was put in place whereby existing Queen's Counsel could have their appointment changed to Senior Counsel. However, section 4(1) of the Attorney-General and Solicitor-General Act 1972 provides that the Governor in Council may only appoint one of Her Majesty's counsel to be Her Majesty's Solicitor-General. The unintended consequence of the changes to the protocol was that the pool from which to choose a Solicitor-General was diminished because Senior Counsel were ineligible to be appointed to the position of Solicitor-General.

This bill ensures that the most suitable candidates can be appointed to this important position. I commend the bill to the house.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

CRIMES (FAMILY VIOLENCE) (AMENDMENT) BILL

Second reading

Debate resumed from earlier this day; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. C. A. STRONG (Higinbotham) — Once again we have a bill here which goes for two pages, has three clauses, and if you were to print it on a sheet of A4 paper it would be lucky to cover one page. Once again we go through the farce of a full debate with an hour for the lead speaker and 45 minutes for the speaker from the National Party and so on, simply wasting time for more spin. It is a great pity that once again a little bill like this is not put into an omnibus bill because that is not for a minute to say that the changes this bill will make are not important and would not be supported by all members of the house, but it is a farce to bring it through as a separate bill. This is a most unfortunate habit that the government is adopting and when this habit becomes known to people — and certainly I will be doing my best to point it out to everybody who looks at parliamentary statistics — the farce will become clear.

What this bill does in its three clauses is make various amendments to the Crimes (Family Violence) Bill with particular reference to intervention orders. An intervention order is a very important feature of the law which has come into very significant use in recent times. Intervention orders are relatively new; I think they have been around for only five to 10 years. Many intervention orders are made — and they serve a very useful purpose. Their purpose is to protect members of a family from any family violence or threat of family violence that might take place. We all know that it is a very unfortunate reflection on society that more and more violence seems to take place in families — violence between spouses and, sadly, often between parents and their children. In some cases restraining orders have even been sought to be taken out by children against their parents.

The whole issue of restraining orders is about appropriate safety and an appropriate means of trying to minimise violence within a family. The restraining order restricts the movement of the person to be restrained. For instance, the restraining order may provide that such and such a person should not go onto the premises of the family, or should not go onto the premises of the family within certain times or in certain conditions. It can also provide that, for instance, a person is restrained from having contact with a particular individual to ensure that violence between those individuals will not take place.

Ms Hadden — It can also restrain the assault of a person, Mr Strong, or the attempt to assault.

Hon. C. A. STRONG — That is actually violence, and attempted violence is in fact assault. Thank you very much; you might like to refer to Redmond Barry's great dissertations on this issue.

Ms Hadden — He never married; Sir Redmond Barry never married.

Hon. C. A. STRONG — That is what I mean. You might like to refer to his dissertations on it.

Intervention orders carry a very useful purpose. What happens is that an application is made to the court for an intervention order and that application can be contested or not. For instance, if an application for an order comes forward the person to whom it is to be applied can contest that order, say that it is not appropriate and lead all sorts of evidence as to why there has not been violence, or whatever. Alternatively, that order will not be contested. In fact, the records show that at least half the restraining orders issued in recent times have not been contested. In other words, an application has been made to the court and the person who has been sought to be restrained by the restraining order has for various reasons not sought to contest the order. As I said, consent orders make up well over half the orders that have been issued in recent times.

Where the trouble arises is that on 28 June 2002 the Supreme Court ruled, in the case of *Stephens v. Melis*, that an intervention order made solely on the basis of consent of the parties may be invalid and therefore unenforceable. In other words, the court held that a consent order may be invalid simply because it was not contested, that the evidence leading to the offence that brought about the intervention order perhaps was not put in front of the court, or whatever. This meant that from 28 June 2002 there was considerable doubt as to whether these consent orders would be valid. This is a serious matter because, as another member has already pointed out, between 1 July 2001 and 7 June 2002 — in other words over a period of only 12 months — some 6029 intervention orders were made by consent. So it can be clearly seen that if these consent orders were called into question and found to be unenforceable it would be a very serious matter.

This bill simply regulates that situation. It says that notwithstanding the fact that an order has been made by consent it will be a valid order. It allows the court, if it so desires, to call for evidence, even in the case of a consent order. This provides an added safeguard so that if the court for whatever reason believes that it needs more information it has the ability to request it and consider that information before it makes an order. Normally contested orders will run as usual.

Basically the bill regulates that provision. It allows for consent orders from now on. It allows for consent orders that were made prior to the court case of 28 June 2002 to be validated, and it has savings provisions that essentially stipulate that this bill will not have any impact on the proceedings known as *Stephens v Melis and Others*, which caused the problem. There are also savings provisions that say that any proceedings for the breach of an intervention order that were dismissed before this bill was introduced on the grounds of that case will also run — in other words, if there was an action to dismiss an intervention order as a result of that court case that is also saved by these provisions.

The bill is relatively clear and simple. It is also appropriate, but it is a pity that we must go through the charade of dealing with it as a separate bill rather than its being part of an omnibus bill. The opposition does not have a problem with the bill because it preserves the concept of intervention orders, which is a very important part of our legal system. I support the bill.

Hon. W. R. BAXTER (North Eastern) — The government ought to be condemned for being so tardy in introducing this legislation. It is now 12 months since the court ruling cast doubt on the validity of consent and intervention orders and the government should have acted promptly during the spring sitting of Parliament last year to make clear what was intended when Parliament enacted the legislation in the first place and validated the orders that had been made in good faith by consent without the hearing of evidence. For the house to be doing this in the last week of the sitting, when members of the Legislative Assembly have already decamped for the winter recess, speaks very poorly of this government's priorities.

This was a matter out there in the community that was in doubt. It should have been clarified as a matter of urgency and not in the death throes of this sitting. I condemn the government for its tardiness.

Of course I do not oppose the bill. Clearly this matter needs to be clarified. The orders need to be validated and the way forward into the future needs to be made perfectly and absolutely clear. I think the bill will do that.

The fact that we have some thousands of intervention orders out there in the community presently current is a sad commentary on the state of our society. It really is quite alarming that we have so many families and couples, whether married or otherwise, who get into such holts with each other that they have to resort to getting an intervention order to keep them apart. I think it stems back to declining discipline, particularly self-discipline, in our community. It is very sad indeed that people have insufficient capacity to conduct themselves with enough self-discipline that they cannot realise that engaging in assaults or harassing a partner or an ex-partner is totally inappropriate behaviour.

I think to a degree it reflects upon modern parenting skills. It seems that a view held by many parents is that children should not be disciplined for misdemeanours. We are paying a very heavy penalty now that we are not teaching children self-discipline. We have a school system where teachers appear to have lost a good deal of the control they once had over classes and where students are much more able to do what they like, what they think is okay, and what they can get away with — whether it is acceptable behaviour or not — and we are beginning to reap the whirlwind of that decline in community standards and discipline.

We are seeing it in our court system every day. I never cease to be alarmed and amazed when I sit in my local Magistrates Court, as I do on occasion, or read my local newspapers and see the number of intervention orders being issued, and more particularly and more alarmingly the number of intervention orders which are being breached by one or other of the parties thereto.

It is a sad indictment on our community. We have to turn our mind to it and ask ourselves: why is it so, and what action can be taken to turn our society around and back in a direction where people can conduct themselves with sound, proper and acceptable relationships with other people, particularly those persons with whom they are or have in recent times been in close association or relationship?

Younger people will take their cue from what older members of the community do. Intervention orders, as valuable as they are, should not become accepted as a usual way of behaving or a device that can be brought to bear as a matter of course. In my view intervention orders should not exactly be a matter of last resort but they should not be something you rush to at the drop of a hat the minute something goes wrong.

We have to inculcate in our community a belief that people can work things out for themselves without involving the police or the courts — the law. It seems to me that at the moment among some people in our community there is an unwillingness to try to work things out — it is more a rush off to the courts to get some sort of intervention order against the alleged culprit and resort to solving differences in that way. I do not think that is a long-term solution.

As a community, we should give much more attention to how we encourage people to live together peacefully and in harmony. It is clear that, as a result of the court case in June last year, there is some doubt about the validity of intervention orders currently in place. It is incumbent upon the Parliament to rectify that, and therefore I support the bill, but I wish the government had acted more speedily, because these sorts of things should not be allowed to hang around in doubt for one moment longer than is absolutely necessary.

Hon. KAYE DARVENIZA (Melbourne West) — I rise to speak in support of the Crimes (Family Violence) (Amendment) Bill, which deals with matters that have been clearly outlined by previous speakers, who raised a number of important social issues dealing with family violence, threats of violence and stalking and ways that we as a society and a community can better manage these sorts of problems. I agree with many of the sentiments expressed by previous speakers. However, we live in a society where there is a need for intervention orders because of the violent and threatening behaviour that exists. This bill addresses that problem and clarifies the issues in the community where at the moment there is some confusion.

The bill amends the Crimes (Family Violence) Act 1987 following a Supreme Court decision in *Stephens v. Melis and Others* in June 2002 which cast doubt on the validity of intervention orders made by consent. The decision effectively means that courts can no longer make intervention orders solely on the ground of consent of the parties but must independently satisfy themselves that on the balance of probabilities there has been an assault, threat of an assault or similar harassing behaviour before such an order can be made. Consequently these proceedings will take up far more time and be far more difficult for the Magistrates Court. The Supreme Court decision has also cast doubt on the validity and subsequent enforceability of intervention orders which were made solely on the ground of consent.

Given that more than 6000 intervention orders were made between 1 July 2001 and 7 June 2002, considerable concern has been raised in the community. Hence we have this bill before us, which proposes to amend the Crimes (Family Violence) Act to ensure that intervention orders can be made by consent without having to hear evidence and that all intervention orders granted by consent before the decision in *Stephens v. Melis and Others* are valid, so it is clear that breaches of those orders can be enforced.

This is a good bill, and the amendments are in keeping with the government's commitment to promote safety in the home and in the community by creating a quick and efficient process for victims to seek the protection of an intervention order and by ensuring the integrity of existing intervention orders. There is a need for clarification and there is concern in the community, and this bill gives that clarification and addresses the issues of concern. I commend the bill to the house.

Hon. R. DALLA-RIVA (East Yarra) — I have pleasure in contributing to the bill and in doing so thank previous members for their contributions and their openness and honesty about a sensitive issue that affects our community.

In doing so, I note that the Honourable Kaye Darveniza in her contribution referred to this bill addressing the issue of stalking. I think it is important to put on the record that in the other place there was actually a bill called the Crimes (Stalking and Family Violence) Bill but, because the government could not quite get its act together in terms of defining the word 'stalking', it split the bill and then brought forward only the Crimes (Family Violence) (Amendment) Bill which we have before the house today. It would have been good to have been debating the issue of stalking; it is disappointing that again we seem to have the legislators struggling to come to grips with their role as a government — to ensure that legislation before the house is appropriate and reflects the community's needs.

Having said that, it is important to acknowledge that this bill relates to matters involving a court case that went to the Supreme Court — we have been through the detail of that. This was in June 2002, and I hate to remind the government, but it is now June 2003 — one year since this issue was raised. I understand that it could have brought it to the attention of Parliament some time last year. Like most issues the government looked into it and eventually got around to it.

In the meantime numerous intervention orders have been placed through the court system. Unfortunately this government's indecision creates a lot of uncertainty, particularly on an important issue such as this. It reflects upon the government's capacity and attitude in the way that it deals with Parliament and its responsibilities in this important place. The Honourable Bill Baxter has indicated his disdain for the attitudes and approach of this government, and I would also like to put on record my concern at the way in which this house seems to be progressing.

But back to the bill. For some statistical relevance I went through some research from the Domestic Violence and Incest Research Centre, which is based in Victoria. It is interesting to note that in 2000–01 Victoria Police received 21 622 reports of incidents of family violence. And yet, if you look at the Department of Justice's 2000 report, you will see there were actually 21 817 applications for intervention orders. So there are more intervention orders than incidents reported to the police.

We know that a lot of people do not want to report domestic violence to the police. I know from my own experience working in Broadmeadows on the van it was pretty rough on the odd occasion, and you would find — especially if you were on the afternoon shift on a weekend — that you would actually be travelling from one domestic dispute to another to another. It made you realise just how insidious and bad family violence can be. This was just prior to intervention orders coming into law. So I support intervention orders; I think they are an appropriate mechanism to deal with family violence. To indicate just how bad domestic violence can get, a 1998 report by Carcach and James reported that almost four out of five homicides had a male offender and female victim who knew each other. So it can have a very extreme result and, indeed, can on some occasions result in murder.

The Liberal Party supports this bill. We are disappointed that it has taken so long, as I indicated. We wish it a speedy passage and hope, over a period of time, family violence is addressed more broadly than this bill has today.

Ms MIKAKOS (Jika Jika) — I will be brief in my contribution. I want to remind members opposite who have accused the government of being tardy in introducing this legislation that it did in fact introduce almost identical legislation last year except for the cyberstalking provisions in a previous bill, which the government has split off from this bill to be introduced in the spring sitting. That bill was introduced and had its second reading in the Legislative Assembly before the election last year but lapsed due to the election.

The government has clearly acted in an appropriate timeframe to introduce a legislative response to the *Stephens v. Melis* Supreme Court decision to allow magistrates to continue the previous practice of allowing intervention orders to be made with the consent of all parties concerned. The previous speaker for the government, Ms Darveniza, has adequately covered the intention of the legislation. Sadly family violence is a common occurrence but this government in no way accepts the situation, and I am looking forward to future legislation to introduce a family violence division of the Magistrates Court to allow sufficient expertise to be developed among magistrates to deal with those kinds of situations, which was one of the government's election commitments. For those reasons I support the bill.

Motion agreed to.

Read second time; by leave, proceeded to third reading.

Third reading

The ACTING PRESIDENT (Hon. J. G. Hilton) — Order! The question is that the bill be now read a third time. I am of the opinion that the third reading of this bill requires to be passed by an absolute majority, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

The PRESIDENT — Order! In order that I may ascertain whether the required majority has been obtained, I ask those members who are in favour of the question to stand where they are.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

Sitting suspended 12.59 p.m. until 2.03 p.m.

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Victorian Communities: interdepartmental finances

Hon. PHILIP DAVIS (Gippsland) — My question without notice is directed to the Minister for Commonwealth Games. Why are cheques for timber industry exits being drawn on the Commonwealth Games department?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I am not aware of any such case. If that is the case, I would seek to have that explained and have it addressed.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — What other, non-games activities are being funded out of that Commonwealth Games department appropriation?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I welcome the member's question. I do not believe there are any other programs — nor that program — funded through the Commonwealth Games unit. If that were the case, I would be particularly surprised, and I would also have those issues addressed accordingly.

Basslink project: funding

Ms ARGONDIZZO (Templestowe) — I refer my question to the Minister for Energy Industries. Given this morning's newspaper reports about the Basslink project, can the minister inform the house of whether taxpayer funds are involved in the project?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — The report in the *Herald Sun* today, which quotes an unidentified and unsourced report claiming that taxpayers could be forced to bail out Basslink, is nothing but scaremongering by the National Party. This bogus report put out by the Leader of the National Party in the other house, Peter Ryan, is quoted in the *Herald Sun* despite the fact that Mr Ryan refused to name the source of the document.

Let me firstly say that the claim that taxpayers will have to pay for Basslink is completely and utterly false. This is a private sector project, and the private sector has taken all the risks associated with the project. Mr Ryan knows that to be the case and the National Party knows that to be the case, but it did not stop them from putting out this false information. Mr Ryan's comments are nothing more than an attempt to damage the private company constructing Basslink and the Victorian economy.

This project will provide 550 construction jobs in Gippsland. It will add 600 megawatts of clean, green capacity from the Tasmanian hydro system, and it will allow Victoria's excess power to go down to Tasmania. It is a very important and innovative project for this state. Neither the author of this bogus report nor the National Party has the guts to put this report out for public scrutiny. In fact, Mr Ryan, when he was questioned this morning on radio, admitted that the report was written by a competitor of Basslink! May I say, not only was it written by a competitor, but when Mr Ryan was told:

> Therefore they'd have a vested interest in saying that Basslink is not viable and be negative about it —

he conceded:

> They would have a vested interest. That is so.

But that did not stop them. What a disgrace!

Hon. D. K. Drum — Are you reading this?

Hon. T. C. THEOPHANOUS — Yes, I am quoting your leader. Do you want me to quote him again? I am reading from the transcript of this — —

Honourable members interjecting

Hon. T. C. THEOPHANOUS — What a disgrace! Either this report is a bogus one and has been prepared by the National Party in a desperate attempt to make it somehow relevant or it is a report which, according to the Leader of the National Party in the other place, was written by a competitor that does not want to put the report out publicly so it can be scrutinised. With this report the National Party seeks to undermine an important project for Victoria, the company that is involved and the 500 jobs that were going down to Gippsland. All these things are occurring as a result of the National Party's efforts.

The only publicly available independent report which has been produced about this project is the one produced by the University of Tasmania, and it concluded that the project was good for jobs and good for the Victorian and Tasmanian economies. If this so-called report, the other report, ever sees the light of day, I would be very surprised. If the Leader of the National Party thought it would stand up to scrutiny then he would release it instead of paraphrasing it.

Victorian Communities: interdepartmental finances

Hon. PHILIP DAVIS (Gippsland) — I direct a question to the Minister for Commonwealth Games. Why are cheques for employment programs being drawn on the Commonwealth Games department?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I welcome the member's question. The answer to this question is the same as the answers to the previous questions — that is, I am not aware of any allegations or of any actions from my department in relation to that. If that were the case I would seek to have them remedied and have those associated reprimanded accordingly.

Can I caution the member: if he is going to make accusations like this he should ensure he can substantiate them, that these are not untruths and the record of his party in relation to supplying untruths should not be — —

Hon. Philip Davis — On a point of order, President, the minister well knows, and your rulings have been consistent on this, that he should not debate the answer to a question.

The PRESIDENT — Order! I uphold the point of order. The minister was straying away from answering the question. I ask him to get back to answering the question and to wind up his answer.

Hon. J. M. MADDEN — As I was saying, I am not aware of any such instances. They would be dealt with accordingly, and I would make sure that any allegations of that nature could be proven to be true. I suggest to the opposition that it ensures those allegations can be proven. I would be eager to see any information on those issues supplied to me accordingly.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — My supplementary question relates to the same issue: could the minister explain why cheques for construction contractors at Federation Square are being drawn on the Commonwealth Games department?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — If the member has any information in relation to this, then I am happy to receive it so that thorough and proper processes are in place to ensure that those issues are investigated accordingly.

Community care: reform

Mr SCHEFFER (Monash) — I refer my question to the Minister for Aged Care. I refer the minister to an article in this morning's *Age* by Baillieu Myer entitled 'Community care cries out for fixing'. The Myer Foundation is calling on the leadership of the federal government to urgently reform our system of community care. Could the minister inform the house of what steps the Bracks government is taking to contribute to this important debate?

Mr GAVIN JENNINGS (Minister for Aged Care) — I thank the member for his question; obviously he is an avid reader of the opinion pages of the *Age*. There is only one article on today's opinion pages of the *Age* which has a shelf life greater than a day, and it is the substantive one the member has drawn attention to — that is, the contribution of Baillieu Myer, which follows on from the great work on ageing issues that has been undertaken by the Myer Foundation on behalf of the people of this nation.

He has contributed to a seminar that is being held in Canberra this week and has written the opinion piece that appeared in today's *Age* entitled 'Community care cries out for fixing'. He argues that programs that underpin aged care across the nation are a mess and need fixing. He draws attention to the fact that there are

too many government programs, that they are not coordinated and that there needs to be clarification and simplification of the overlap between the commonwealth and state jurisdictions.

It is the view of the Victorian government that that is indeed the case. As recently as May this year the Victorian government responded to a consultation paper put out by the commonwealth government to address these urgent issues. We are clearly of the view that there is not adequate coordination and integration of programs. I shall give a number of examples: the home and community care program, which affects about 210 000 Victorians each and every year and is delivered in partnership between the state government, the commonwealth and local government in each state, is a significant program of the order of about $420 million when you add in all the effort that applies across those jurisdictions. Yet there is no coordination with the delivery of community care packages and the provision of residential care beds within the state. The concern of the Victorian government is that we might be seeing some financial sleight of hand from the commonwealth in trying to shore up the shortfall of 5500 residential beds in Victoria by moving funds out of home and community care and community care packages.

The commonwealth government issued a consultation framework which indicates that it is willing to ensure that there is appropriate provision between those programs, provide for appropriate regional access, streamline assessment procedures and have a one-stop-shop for service delivery. We would support that approach.

The issue the opposition clearly does not want to listen to is that the question of the quantum of resources that are available to the sector has not been addressed in the consultation framework, and unfortunately the commonwealth time and time again has shown that it is not prepared to look at the financial obligations needed to meet the quantum of demand we assess is affecting the community throughout Australia.

In its submission in May the Victorian government asked for the equalisation formulas to be weighted to provide appropriate balance between community and residential care so there would be no erosion of the home and community care funds that come to Victoria. This Friday discussions will be held at the health ministers forum in Sydney to discuss how we should prosecute these matters into the future and to reach a new long-term home and community care agreement. The Minister for Health will be discussing these matters with other health ministers, and at the end of this week it will be time to move this debate forward.

Basslink project: pylons

Hon. P. R. HALL (Gippsland) — My question without notice is to the Minister for Energy Industries. Last week before the Tasmanian Parliament's public accounts committee it was revealed that the Basslink project would now cost $780 million as opposed to the original figure of $500 million. I remind the minister that his government allowed the use of pylons for this project on the basis that the additional cost of undergrounding, which on Basslink's own reckoning was between $50 million and $90 million, would make the project economically unviable. I ask the minister whether, given that this project now appears to be viable at any cost, the government will instruct Basslink to put the Victorian section of the project underground.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I thank the honourable member for his question. I have to say I am surprised that he asked me a question on Basslink, given the performance of his leader this morning in putting out documents without even being prepared to say where they were from and then being caught out on the radio. When asked whether the document might have come from a competitor of Basslink, he was forced to answer that that was correct, that in fact it did come from a competitor.

Hon. P. R. Hall — On a point of order, President, the minister is not being relevant in his response, given the fact that my question made no reference whatsoever to any report that appeared in this morning's newspapers. It referred specifically to evidence given to the Tasmanian Parliament's public accounts committee. I submit to you that the minister should be brought back to order to answer the question.

Hon. T. C. THEOPHANOUS — On the point of order, President, I believe I was in fact being responsive to the question. The issue that the honourable member raised with me by way of not only a question but also a substantial preamble to the question relates to the issue of Basslink and its viability. In my response to the member I am simply outlining the fact that the National Party has put out a report in such a way as to undermine that project and that therefore it is relevant — I would say very relevant — to the question that has been asked of me as to the overall cost of Basslink.

The PRESIDENT — Order! The minister has spent about 45 seconds of the 4-minute time allocation he is allowed for his answer. I remind ministers that in

responding to questions they should not stray away from answering the question and start to debate it. I ask the minister to respond to the question at hand.

Hon. T. C. THEOPHANOUS — The Basslink project is very important to Victoria. It is exciting for a number of reasons. It has the capacity to bring into the Victorian system 600 megawatts of power from the Tasmanian hydro system and in that sense to add 600 megawatts of clean, green power to our system at required and strategic times.

When the Victorian system is over capacity it will be able to send back to Tasmania 300 megawatts of power and thereby supplement that system. It is possible to use some of that power at times of very low demand in Victoria when power is being produced and simply being put into the ground. That power can be used to help pump some of the water back into the dams for later use. This is therefore a very important and strategic project for both Tasmania and Victoria. It will form an integral part of the national electricity grid and the national electricity system, which has been supported by Victoria.

But the one thing about this project that is absolutely true is that it is a private sector project. It is exclusively funded by the private sector not by the government. It is a project which the private sector has sought to fund and to operate on the basis that it believes it can make a profit from that installation. It believes it can make a profit by being in a competitive environment and charging for the transfer of electricity across those wires down to Tasmania or from Tasmania into Victoria. So it is a private sector project funded by the private sector, and the private developer is responsible for the cost of the project, not the Victorian government.

The decision in relation to undergrounding has been made by this government and has been made on the basis of the cost — the additional cost — that is involved in putting the wires underground. That is the whole purpose of it. What the National Party is not prepared to say is that it will be prepared to commit $100 million of public money in order to put it underground.

Let me tell the house something: the people putting the project in place are not prepared to spend that extra $90 million or $100 million, so the only other place it can come from is from state coffers. If we had $100 million extra let me tell you, President, we would rather put it into health and education for this state.

Supplementary question

Hon. P. R. HALL (Gippsland) — The minister is quite right when he says that this is a private sector project, but it is a project that required Victorian state government approval for the planning process. This government gave approval for the Basslink corporation to utilise 180, 45-metre overheard pylons for this project, much against the wishes of the people of Gippsland. It is true that this project is now $280 million over budget and that it would cost an extra $50 million to put it underground. This government says that the project would be unviable if it had to be put underground. The last figures simply do not make sense.

I simply ask the minister by way of a supplementary question: why will he not instruct Basslink now to put that section in Victoria underground?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — It is not up to the government to instruct Basslink to put the wires underground. Basslink has agreed to build the project on the basis of planning permits which it currently has and which put a significant section of it above ground. There is only one way for that to change, and the National Party knows it — the only way would be for the government to come up with the extra $90 million involved. That is the only way for it to occur. As I have said before, this government would rather spend that $90 million on health, education, creating jobs and community safety in this state.

Victorian Communities: interdepartmental finances

Hon. PHILIP DAVIS (Gippsland) — I direct a question without notice to the Minister for Commonwealth Games. Has the minister ever attended the internal audit committee of his department?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — As I have said in answer to previous questions, if there are issues that the opposition has concerns about in relation to any of the procedures within my department and it can substantiate any of those issues, I welcome the information, and I can deal with it accordingly.

Hon. Philip Davis — On a point of order, President, the minister for some reason has decided not to answer the question that was put to him. He was completely unresponsive to the question, and I will repeat it for the minister's benefit: has the minister ever attended the

internal audit committee of his department. I ask you to rule that he has been unresponsive.

The PRESIDENT — Order! The honourable Leader of the Opposition would be aware that I cannot direct the minister to answer any questions. He has responded to the member's question, and if the member is not happy with that I cannot force the minister to answer it.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — Quite obviously this minister does not know what is going on in his department. He has just told us in response to three questions in a row that he does not know. I ask: in relation to what specific action the minister has indicated he will take, what in fact he will do to advise the house in relation to his ignorance of these issues?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — We have appropriate procedures within the department on a range of management issues, and if the member of the opposition can substantiate any allegations in relation to these issues I am happy to receive that information and deal with it accordingly through the appropriate processes.

Consumer affairs: seminar scams

Ms MIKAKOS (Jika Jika) — I refer my question to the Minister for Consumer Affairs. Can the minister share with the house what action the Bracks government is taking to alert potential investors to scam wealth creation seminars?

Mr LENDERS (Minister for Consumer Affairs) — I thank Ms Mikakos for her ongoing interest in matters of protecting consumers. President, as you and the house will know, we see periodically in newspapers full-page ads and smaller ads about get-rich-quick schemes — we see them all the time. I am aware that several seminars are being promoted in Melbourne which claim to teach consumers how to become millionaires within five years. These promoters generally target inexperienced and vulnerable investors. Perhaps that is something Mr Shane Stone should be going to — given what we heard happened at the Liberal Party convention!

Nevertheless, these wealth creation seminars are run by people without any qualifications in financial investment or the property market and the attendants are asked to sign a disclaimer acknowledging that the accuracy of the information provided is not guaranteed. It is really important for consumers to be cautious and to consider how promoters could possibly help them make millions if they do not have financial qualifications. Consumers should consider whether it is worth their money and time to attend these seminars when the quality of the advice is absolutely questionable.

Mr Gavin Jennings interjected.

Mr LENDERS — My colleague says no, and the answer is no. Participants are subjected to very intense and long seminars where they are pressured to sign up for loans, consultations with wealth creation specialists, pricey seminars and educational materials.

Consumers who want to learn the basics of investing would be better off if they went to seminars run by recognised agencies, such as the Australian Stock Exchange or the Securities Institute of Australia.

As we all know, the fair trading legislation that passed through this place recently gives Consumer Affairs Victoria additional enforcement powers, which include outlawing unfair contracts and forcing businesses to substantiate too-good-to-be-true claims. This should send a warning to these disingenuous seminar operators.

We have increased the maximum penalties for breaches of the main fair trading offences like misrepresentations and misleading and deceptive conduct from $60 000 to $120 000 for companies and from $24 000 to $60 000 for individuals. Consumer Affairs Victoria investigators are attending investment seminars to check for illegal conduct and will continue to warn consumers to be cautious when accepting advice and parting with their money.

There have been calls for national regulation of people providing property investment advice, and it is expected that this will be a topic for discussion at the forthcoming Ministerial Council on Consumer Affairs.

My advice to consumers and everyone in the house on these dodgy areas is: if it looks to good to be true, it probably is — and beware.

Small business: Victorian Business Line

Ms ROMANES (Melbourne) — My question is for the Minister for Small Business. When small businesses approach my office seeking advice about all levels of government one of the suggestions I give is that they use the Victorian Business Line or business web sites to get the answers they need. Can the minister advise the Council how the service is performing and if any changes have been made to it recently?

Hon. M. R. THOMSON (Minister for Small Business) — I thank the honourable member for her question, because it is important that members ensure that people who are making inquiries about business assistance and what is available to help them make business decisions get accurate and impartial advice. Using the Victorian Business Line is one way of ensuring they get accurate and impartial advice. I am pleased that the member is taking advantage of the services the government provides to businesses in her electorate.

In contrast to the federal government we are looking at ways we can continually streamline the support we offer small business to cut down on unnecessary running around for small business in trying to get access to that advice. The business line is proving to be a very important tool in making sure there is that sort of one-stop access to advice from government. We will advise on not only Victorian government support but also other tiers of government support.

What we would like to see happening is better coordination between the federal government, the state government and local councils in the support we provide to small business to ensure we are complementing programs between jurisdictions and that we are making the most of each of our budget allocations to supporting small business. Unfortunately the federal government does not seem to be all that interested in coordinating our support process, but we will attempt again to look at ways in which we can better coordinate the services we provide.

The Victorian Business Line complements our web site — that is, the Business Channel — and also our business centres, which operate in Ballarat, Dandenong, Geelong, Melbourne, Mildura, Moonee Ponds, Shepparton, Traralgon, Vermont, Wangaratta and Wodonga. We have recently extended the hours of the business line. We realise that businesses cannot make phone calls between the hours of 9.00 a.m. and 5.00 p.m. because they have to conduct their businesses, so we have extended the hours the business line is open. The new hours are from 8.00 a.m. to 8 00 p.m., Monday to Friday and from 9.00 a.m. to noon on Saturday, thereby giving businesses access to the business line at times that are more convenient to them. Access to our web site information is open 24 hours a day, 7 days a week.

The business line receives something like 250 to 300 calls a day; that is not an insignificant number. Up until the end of April over 43 000 calls had been received on the business line, which is ahead of the target for this year. It is an integrated service and it gives access to our business licence information service, which is very important for new intendees in business and those interested in finding out the requirements they need to meet their business obligations on behalf of government. It could include information on registering a business name through Consumers Affairs Victoria or local licensing that may be required through planning arrangements. All that information is available to the kind of business that an individual may be seeking information about. The information is tailored to the type of business and also to the council area. For instance — —

The PRESIDENT — Order! The minister's time has expired.

Small Business Commissioner: budget

Hon. B. N. ATKINSON (Koonung) — I direct my question to the Minister for Small Business. Last week the minister told this house and issued a press release which stated that the budget allocated for the Small Business Commissioner for 2003–04 is $2 million, yet she told the Public Accounts and Estimates Committee at its hearings the week before that the budget for that year, being 2003–04, is $1.9 million. Did the minister mislead this house last week or the PAEC the week before?

Hon. M. R. THOMSON (Minister for Small Business) — I misled neither the house nor the Public Accounts and Estimates Committee. The budget for the Small Business Commissioner is $2 million. The allocation that we were talking about — $1.9 million — was that which was allocated to the Office of Regulation Reform in relation to the funding of the Small Business Commissioner.

Supplementary question

Hon. B. N. ATKINSON (Koonung) — I note the inconsistency of the minister in answering questions, and I particularly note the cut to the budget for the Small Business Commissioner, no matter how the minister tries to readdress it. How can the minister contest the observation by Brian Donegan, executive director of the Australian Retailers Association of Victoria, that the government is not a supporter of small business in Victoria, which it claims to be?

Hon. M. R. THOMSON (Minister for Small Business) — That is not a supplementary question, President. The member for Koonung can quote Brian Donegan about a comment that he may have made recently in a newspaper, but the member should go back to quotes where Mr Donegan has welcomed the

introduction of the Small Business Commissioner and has welcomed moves by the state government about a number of measures that he sees as benefiting small business.

Sport and recreation: community facilities

Hon. J. H. EREN (Geelong) — Last week the Minister for Sport and Recreation advised the house of actions he had recently taken to improve aquatic facilities across Victoria. I ask the minister to inform the house of how he has improved sport and recreation facilities in south-western Victoria.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I welcome the member's interest and his question about sports facilities and opportunities in south-western Victoria. President, we know the opposition parties are divided — they stand for nothing — and we know they do not care. In stark contrast we as a government are governing for all Victorians and getting on with that job.

I am pleased to announce that as well as the funding opportunities that have been recently announced as outcomes of the Better Pools program for 2003–04, I have also recently announced the outcomes of the Community Facility Funding program, particularly across south-western Victoria. The region has been able to acquire funding for 23 projects under this program to the value of more than $4 million.

An important highlight of these projects is that they represent a tremendous partnership between local communities, local government and the Bracks Labor government. The funding includes $600 000 to the Greater Geelong City Council for the development of a multipurpose facility at Barwon Heads, announced two weeks ago by my colleagues in this house Mr Eren and Mrs Carbines and the member for South Barwon in the other place.

Other election commitments for the south-western region, which have been part of our election commitments, include $100 000 to the Moyne Shire Council for the Port Fairy pool development, $180 000 to the Greater Geelong City Council for the Leopold indoor neighbourhood centre, as well as $40 000 for the Ocean Grove shell reserve feasibility study. These are just some of the examples of our government getting on with the job, governing for all Victorians.

We are pleased to govern for all Victorians. In stark contrast the opposition parties pretend to care, but we know that they do not. They pretend to stand for something, but they stand for nothing. When I look at the opposition frontbench it is more obvious than ever that it is consistently and perpetually divided.

QUESTIONS ON NOTICE

Answers

Mr LENDERS (Minister for Finance) — I have answers to the following questions on notice: 224, 232, 233, 271, 272, 342 and 412–22.

MEMBERS STATEMENTS

Insurance: reform

Hon. ANDREW BRIDESON (Waverley) — Last week I received a very important piece of correspondence from the Mental Health Council of Australia, and it is worth putting some of that correspondence on the record.

Mr Keith Wilson, who is the chairman of the Mental Health Council of Australia, wants to know from the Bracks government why it plans to discriminate against people experiencing psychological injury. Mr Wilson has publicly stated that the government clearly devalues and discriminates against people experiencing psychological impairment. Mr Wilson says that to claim for any psychological injury under the government's plans people will need to reach a threshold of more than 10 per cent impairment, whereas people with a physical injury need only register more than 5 per cent. Psychological impairment occurring as a consequence of a physical injury cannot be claimed at all. If a worker develops depression or anxiety as a result of a severe physical injury, no compensation will be available to that worker.

Further, Professor Philip Boyce, president of the Royal Australian and New Zealand College of Psychiatrists, has echoed the Mental Health Council of Australia's concerns and condemns the proposals. Dr Grace Groom, who is the chief executive officer of the Mental Health Council of Australia, has said the proposed legislation before the Parliament:

> … is blatant discrimination against people with mental health problems.

I urge each government member opposite me to think very carefully — —

The PRESIDENT — Order! The member's time has expired.

Nazmi Kaya

Mr SOMYUREK (Eumemmerring) — At the conclusion of the centenary year, the commonwealth government created the Centenary Medal to honour living persons who have made a contribution to Australian society or government.

I congratulate the long-time president of the Australian Turkish Association, Mr Nazmi Kaya, on being awarded the Centenary of Federation medal, as announced by the Prime Minister on 21 April this year.

I have known Mr Kaya all of my life, and ever since I can remember he has been a community activist working selflessly and tirelessly to assist members of the Turkish community in need. Since migrating to Australia in 1970, Mr Kaya has been active in almost every community group set up by the Turkish community in the south-eastern suburbs of Melbourne. After years of service to the community, Mr Kaya thoroughly deserves to be recognised with this medal. Once again I congratulate Mr Kaya not only on receiving this award but also on the years of hard work he has performed for the community on a voluntary basis.

Road safety: speeding fines

Hon. R. DALLA-RIVA (East Yarra) — I would like to place on record my continuing concern about this government's reliance on gaining revenue through speeding fines. In the *Age* of Thursday, 5 June, a Mr James Weir wrote that his 66-year-old father-in-law received a speeding fine for driving at 65 kilometres in a 60-kilometre-an-hour zone. And guess where the speed camera was set up? It was set up at the bottom of a kilometre-long hill in light traffic.

This is a government that is reliant on revenue gained from illegal activities in this state. It is a sham, and I am continually made distraught by the fact that this government relies on speeding fines to fund its surplus. If it were not for the revenue the government expects from speeding fines Victoria would be broke. Victoria would be broke if it was not for this government's money-grabbing, deep-in-your-pockets grab for funding. This is what people in the community are saying. Read the papers. The government is just an absolute sham in terms — —

The PRESIDENT — Order! The member's time has expired.

Ballarat: Queen's Birthday honour recipients

Ms HADDEN (Ballarat) — I wish to congratulate the four deserving people from Ballarat who were honoured in the Queen's Birthday honours list on 9 June. Jan Allitt, Jim Gay and the late Geoff Oliver were awarded medals of the Order of Australia, and Ballarat police sergeant John Moloney was awarded the Australian Police Medal for distinguished service.

Mrs Jan Allitt was recognised for her tireless voluntary service to the Ballarat community, including the Ballarat Anglican diocese, Anglicare, neighbourhood watch and the guiding movement.

Jim Gay was recognised for his two decades of committed service to the hardware industry, as well as to the local community through the Wendouree Apex Club, the Ballarat Cemetery Trust and the board of the Queen Elizabeth Centre.

Geoff Oliver was posthumously recognised for his public service to the Ballarat and Pyrenees wine region, the Ballarat Queen Elizabeth Centre and the Ballarat and Clarendon College council.

Sergeant Jack Moloney was recognised for his 30 years of police service, including working with youth, especially organising the Cops 'n' Kids cancer camp in Ballarat for the past eight years. So I offer hearty congratulations to these four very deserving people in Ballarat who were honoured in the Queen's Birthday honours list last weekend.

Mitcham–Frankston freeway: tolls

Hon. A. P. OLEXANDER (Silvan) — I rise to acknowledge growing community anger in the outer eastern suburbs of Melbourne regarding lies told by the Bracks government to voters before the last state election about tolls on the Mitcham–Frankston freeway.

The government's decision to break its promise of no tolls by creating Australia's largest tollway will have many serious consequences for my community, not the least of which will be the severe financial burden on outer eastern families and the enormous collateral traffic congestion and management problems for local councils.

Tonight my community will meet to discuss these problems at Maroondah council's Karralyka Centre. I expect more than 500 concerned residents to attend to have their say on this damaging policy of the Bracks government. I will definitely be joining my community to discuss these issues, as will my federal colleagues for

Deakin and Casey, along with the leader and deputy leader of the state opposition.

I call on local Labor members of Parliament — Dympna Beard, the member for Kilsyth in another place, and Carolyn Hirsh from Silvan Province — to act responsibly and attend the meeting to explain to the community why their government has broken its word and will impose new tolls. I call on Dympna Beard and Carolyn Hirsh to put community ahead of politics and join the people's campaign to reverse Labor's tollway decision.

Karen De Lange

Hon. J. G. HILTON (Western Port) — In October last year there was a particularly serious accident at the intersection of Bentons Road and Moorooduc Highway in my electorate. Three cars were involved and one car contained three generations of the De Lange family. Karen De Lange, whose daughter was driving, lost her father some three months later as he never totally recovered from his injuries. Karen devoted herself to improving the road conditions at the intersection — lobbying the local councils and approaching state and federal representatives, including my office.

Vicroads has now agreed to commence work at the intersection which, it is hoped, will significantly reduce the number of accidents. The situation will be reviewed in six months and further action taken if considered necessary.

I was happy to assist Karen, but more particularly I would like to commend her on the action she took to try to ensure that other people do not have to endure the trauma she experienced. This is yet another example of people devoting themselves to working for the good of the community. Karen wanted something good to come from her own tragedy. Such motivation is both inspiring and humbling.

John Laurie

Hon. W. R. BAXTER (North Eastern) — I invite the house to note in yesterday's Queen's birthday awards the fact that Mr John Buxton Laurie was made a companion in the general division of the Order of Australia. This is a most meritorious recognition of one of our most eminent engineers. I want to congratulate Mr Laurie on achieving this recognition.

In 1992 or 1993, as roads minister I invited Mr Laurie to assume the chairmanship of the then new Melbourne City Link Authority. This was a big call for Mr Laurie because as a senior and managing partner in the worldwide firm Maunsells it meant he had to give up that position in order to undertake the task that I requested. He did so, and he was keenly involved in the very tense and protracted negotiations which led to the Melbourne City Link agreement and he then delivered the project in concert with Transurban and its work force.

As we all know, City Link is a world-class facility and infrastructure and has some world-first features, including the electronic tolling. I want to commend and thank Mr Laurie for the tremendous contribution that he has made to Australia but particularly to the state of Victoria, and especially his contribution in ensuring that the City Link was built on time and on budget.

Lee McIntosh

Mr VINEY (Chelsea) — I rise to offer my support and best wishes to Lee McIntosh, a member of the Frankston community who has for 23 years worked with young people and their families. Lee was instrumental in setting up the Frankston needle exchange and syringe program. She was manager of the youth and family services department of Frankston City Council and worked in a similar role at Peninsula Community Health. More recently she has been working for the Department of Human Services in Dandenong.

Two weeks ago her story was reported in the Frankston *Standard Leader*, describing her battle with breast cancer. Lee is someone many people in the Frankston community respect and this article, in which she talked about the needs of people like herself who are battling this disease, shows her as very brave. The article is typical of the bravery Lee has shown, not only with this illness but in all of her extensive community work.

I, for one, wish to pass on my view that for someone who has given so much to the community, it is time for members of the community to provide her with the support she needs now, and I wish to join with many others in offering her all the best.

Tourism: government support

Hon. ANDREA COOTE (Monash) — Recently I visited the Victorian Caravan, Camping and Touring Super Show at the Caulfield Racecourse. I was very impressed with the range of caravan and camping equipment on display and I commend the Victorian division of Caravan Industry Australia for a very professional event. About 50 000 visited the show and these people are planning to travel throughout regional Victoria and Australia by car and by caravan.

After seeing the huge Tourism New South Wales display of the various New South Wales tourism regions and the options they provide, a display from the New South Wales National Parks and Wildlife Service, and a display from Tourism Tasmania, I went looking for Tourism Victoria. But Tourism Victoria was not present. Tourism Victoria and Parks Victoria were not represented at the Victorian Caravan, Camping and Touring Super Show.

Some of Victoria's regional tourism associations and shires had stands to display their own regions independently, and they did an excellent job. I particularly commend Bright and a number of the areas that at that time had been badly affected by the bushfires. Indeed they put on excellent displays, welcoming Victorians to come back and see their regions.

At this time when international travel has been negatively affected by uncertainty, when tourists are desperately needed in Victoria and when this government has done so little to address the size of this issue, I condemn the Minister for Tourism and Tourism Victoria for their lack of support for Victoria's tourism industry.

The PRESIDENT — Order! The member's time has expired.

St Kilda Community Cup

Mr PULLEN (Higinbotham) — Last Friday night I had the pleasure of attending the St Kilda Community Cup football match between the Victorian Amateur Football Association and the Southern Football League at the Moorabbin Oval which is in my electorate. The St Kilda Football Club hosted the match. More than any other club it has reaped the benefits of players from the Southern Football League and amateur clubs. The game was also supported by the cities of Kingston and Bayside.

This grassroots game was of a very high standard in the cold, wet and windy conditions and the amateur side came from behind to kick five goals in the last quarter to win 7.11 to 4.6. The best players for the amateurs were Steve Buckle, from St Leo's Emmaus; Richard Hosking, Collegians; Liam Ryan, University Blues; and Paul Edwards, Therry Penola. The stand-out players for Southerns were captain Hagan Haimona, Chelsea Heights; Ben Cranage, Balwyn; Mark Shalders, Cheltenham; and Matt Crofts, Clayton.

Sponsors of the evening included the Springvale Returned and Services League, Worldwide Sportscover Insurance, Carlton and United Breweries, Leuko sports medicine, Club Warehouse, Lyon Sportswear, Footy Pak, Village Graphics, Cyan Press, McKinnon Sports Medicine, the Quit campaign, the Australian National Credit Union and Bendigo Bank.

Hon. Bill Forwood — You can't do ads for all your mates!

Mr PULLEN — Around 1000 people attended the match, which was broadcast by local community radio station 88.3 FM commentators Daryl Pitman and Ian Bennett, with special comments from Tom Brain. Highlights will be shown on Channel 31 at 9.00 a.m. next Saturday. The only sour note was the poor standard of catering provided by St Kilda. The workers did their best but only had sausages and onions in bread plus grog for sale. They ran out of napkins, ran out of bread, ran out of sausages and finally ran away themselves.

The PRESIDENT — Order! The member has run out of time!

Australian Labor Party: federal leadership

Hon. BILL FORWOOD (Templestowe) — On the weekend I had the pleasure of attending the Liberal national convention in Adelaide, and I must say what a stark contrast it was to draw a distinction between the national convention of the Liberal Party and what is happening in the poor old Australian Labor Party. Because it was on Friday that Mr Crean and Mr Beazley — Mr No Ticker Beazley — decided they would bring on the event for next Monday. Since then we have had the most unedifying performance of 'Let's see who can be on whose side'.

So far on my count the old Silver Bodgie's been out saying that he is on the side of Mr Beazley, and old Whitlam has come out in favour of Simon Crean, as of course has the poor old former Prime Minister, Mr Keating. But Peter Costello used a wonderful line about the dysfunctional ALP in relation to this when he referred to the sons of two ex-Whitlam ministers fighting over the right to implement the Whitlam agenda! This party has got to be 25 years out of date, or even more. It is, of course, extraordinary — —

The PRESIDENT — Order! The member's time has expired.

Van Xuan An

Hon. S. M. NGUYEN (Melbourne West) — I would like to offer my condolences to the family and friends of Mr Van Xuan An, known as An Van, who

recently died after a long illness. Mr An Van sadly passed away on 17 May. He was born on 21 August 1959 at Qui Nhon, Vietnam.

I would like to refer to an article by Kerry Wakefield published by the *Age* 20 years ago on 17 March 1983. It states:

> Mr An Van, 24, edits a Vietnamese magazine —
>
> Hoa Nien —
>
> is prominent in Buddhist, Catholic, boy scout —
>
> trang doan Lam Son —
>
> and other youth groups … and is spoken of as a young Vietnamese leader.
>
> His story is typical of the drive to self-improvement which characterises many young Vietnamese. Mr Van, however ... must spend 21 hours a week on a kidney dialysis machine.

The article was quite correct. He worked tirelessly for the last 25 years — from the day he arrived from an Indonesian refugee camp — for the Vietnamese community, as well as in the general Richmond community in which he resided.

I was fortunate to have worked with Mr An Van for the past 20 years. We formed the united Vietnamese Students Association of Victoria and the Vietnamese Community Association, Victoria chapter. We organised the Victoria Street Lunar Festival in early 1990, the Tet Festival in Footscray Park from 1983, the annual Moon Festival for children, many youth camps every year for young people living in Victoria and many fundraising events to help the poor children in Vietnam. He did many other things for the community at large.

It is a fitting tribute to this wonderful man that the Vietnamese community will honour him by organising a camp in his name. He was a man who will be dearly and sadly missed by his family members, friends and Vietnamese community members.

The PRESIDENT — Order! The member's time has expired.

Apprentices and trainees: payroll tax

Hon. B. N. ATKINSON (Koonung) — I want to place on record my concern about the impact on small business employers of the government's decision in the recent budget on the exemption from payroll tax of apprentice wages. I refer particularly to the plumbing industry, which has a vital need to train young people, as indeed do many other trade areas, given a looming skills shortage right across the construction industry.

I am advised by the plumbing industry that the payroll tax commitments imposed upon the industry under the budget at a rate of 5.35 per cent as of 16 May 2003 will cause plumbers over a four-year period to pay an extra $5380 in the plumbing award area or $6650 where there are plumbing enterprise bargaining agreements (EBAs), not including site allowances.

The government rebate which has been offered under this scheme and which is payable at the end of the apprenticeship will fail to actually pay for the total cost these employers will have to bear. In fact it represents around 30 per cent of the total payroll tax that is paid in the case of award employees and less under an EBA. Therefore, many of these employers will be in a difficult position in meeting community need by employing further apprentices, which are going to be vitally needed by the community into the future.

Depression: farmers

Hon. J. H. EREN (Geelong) — Once again I put on the record that I am pleased to be a part of the Bracks Labor government — a government that cares about all of the communities of Victoria equally and yet again illustrates its commitment to regional and rural Victoria.

This government recently announced funding to assist a study that would tackle the big problem of depression among battling farmers. We will contribute $50 000 to study depression among farmers and their families battling drought and the hardships inherent in the rural economy. We will also fund research into how best to diagnose and treat depression in people with an intellectual disability.

The research projects are among 25 separate depression research projects being funded to the tune of $2.1 million through the Victorian Centre of Excellence in Depression and Related Disorders as part of the Bracks government's commitment to reduce the impact of depression in the Victorian community. Depression can have a major impact on farmers and their families and this research by the Centre for Rural Mental Health, Bendigo Health Care Group and Monash University will endeavour to identify triggers and develop strategies to overcome it.

Farmers and their families have had to come to grips with drought, bushfires, fluctuating rural commodity prices, their long-term future on the land and a host of other pressures. Research into these pressures and their

impact on depression will help to develop initiatives to address the issue and assist farmers and their families get through difficult times.

This research funding was part of the Bracks government commitment to $3.5 million a year over five years to the National Depression Initiative, Beyond Blue. This includes $1.3 million to establish and operate a centre of excellence under the auspices of Beyond Blue. This is yet another indication of the government's commitment to mental health and combating depression in our community.

Point Gellibrand Heritage Coastal Park: information station

Hon. KAYE DARVENIZA (Melbourne West) — I want to let members of the house know how delighted I was to attend with the Premier last Friday a launch at the Point Gellibrand Coastal Heritage Park. This is a beautiful part of the coast and a lovely park with a great deal of potential. The initiative that was being launched on Friday in the midst of a howling gale that prevented us from spending much time at Point Gellibrand was a range of information stations now situated throughout parks to provide visitors with information on the important and significant history of the area.

The government is proud and pleased that this area will continue to be part of a coastal park. The previous government was keen to sell the land off to developers. When the Bracks government was elected in 1999 it promised to look at this land carefully and consider the locals' request for it to be developed as a coastal park.

Ecohouse project, St Kilda

Mr SCHEFFER (Monash) — Last Thursday, on World Environment Day 2003, I attended with the Minister for Environment, John Thwaites, the opening of a further stage of the Ecohouse that is located at the St Kilda Botanical Gardens.

The Ecohouse is the former gardener's residence, an unremarkable 1960s house that has been transformed through careful and imaginative thinking into a fantastic demonstration of sustainable design and living. The Ecohouse is now able to supply its own solar energy — —

The PRESIDENT — Order! Could the honourable member take a seat for a moment? We must do a calculation to ensure that we do not breach sessional orders and allow more than 15 members to speak. I did a count, but there were some changes so we are just checking. Mr Scheffer will not have his 90-second members statement today. This is my fault because there were some changes to the order and I calculated that he could speak.

Hon. Bill Forwood — On a point of order, I thank you, President, for drawing attention to this situation. I feel sorry that Mr Scheffer has found himself in this situation and I point out again how stupid the current rules are. It is appropriate for the house to note that Mr Scheffer has been put in this position not because of an action by you, President, but because of an action by the Leader of the Government, who has brought in artificial mechanisms designed to make life difficult for the opposition.

The PRESIDENT — Order! There is no point of order.

Hon. Bill Forwood — Further on the point of order, it is not possible for *Hansard* to be expunged and the words Mr Scheffer put in will, of course, stay in.

The PRESIDENT — Order! Mr Forwood's comments are correct. We stopped Mr Scheffer as soon as it was drawn to my attention that we were one over the limit agreed by the house.

Hon. Bill Forwood — Further on the point of order, given that Mr Scheffer is three-quarters of the way through, does he get the opportunity to do it again tomorrow?

The PRESIDENT — Order! The answer is yes.

AUSTRALIAN CRIME COMMISSION (STATE PROVISIONS) BILL

Second reading

Debate resumed from earlier this day; motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries).

Hon. J. A. VOGELS (Western) — I am pleased to contribute to the debate on the Australian Crime Commission (State Provisions) Bill. Firstly, let me say that the opposition supports the bill and recognises the need to provide the Australian Crime Commission (ACC) with the legislative regime necessary for it to operate within Victoria and undertake its important law enforcement duties in a coordinated, multijurisdictional manner.

The bill follows model legislation developed to complement the commonwealth Australian Crime Commission Act 2002 and provides for the operation of the Australian Crime Commission within the

jurisdiction of Victoria in relation to state offences. The bill's provisions are virtually identical to those contained in the former National Crime Authority act, with the exception of a slight change in penalty amounts to mirror the commonwealth act.

The ACC was formed on 1 January 2003 through the enactment of the commonwealth Australian Crime Commission Act 2002. The ACC replaces the National Crime Authority (NCA), following a meeting of Australian government leaders in April last year at the Summit on Terrorism and Multijurisdictional Crime where the Prime Minister and all the premiers agreed to the creation of the ACC to improve law enforcement efforts against organised and serious crime across Australia.

While the NCA had been relatively successful, it was recognised that an organisation that combined investigatory and criminal intelligence roles would improve the effectiveness of the fight against serious and organised crime, which is increasingly becoming more sophisticated and borderless in nature. The ACC combines the investigative functions of the NCA with the criminal intelligence functions of the former Australian Bureau of Criminal Intelligence and the former Office of Strategic Crime Assessment.

The ACC's investigatory powers are virtually identical to those which applied to the NCA. It has jurisdiction to investigate relevant criminal activities, as defined in the Australian Crime Commission Act 2002, against commonwealth, state and territory laws, including offences perpetrated across state and territory borders.

As the NCA did, the ACC will employ multidisciplinary teams of lawyers, seconded officers from partner law enforcement agencies, financial investigators, intelligence analysts and support staff to bring together the wide range of skills and expertise required to effectively combat today's increasingly sophisticated and entrepreneurial organised crime activity.

The ACC board, consisting of 13 voting members, including all state police commissioners and the federal police commissioner, must authorise all investigations and the use of special coercive examination powers. The maximum penalty for contravention of the act is five years jail and a $22 000 fine.

The category of serious and organised crime that can be investigated by the ACC covers a wide range of offences and mirrors the offences the NCA could investigate. These include drug importation, cultivation, manufacture and trafficking, and associated money laundering; theft; fraud; tax evasion; bribery; extortion; and violence. In addition the ACC will be able to investigate cybercrime and firearms offences, particularly in relation to the trafficking of firearms.

I will briefly outline the main features of the bill. It repeals the National Crime Authority (State Provisions) Act 1984 and provides for both the investigatory and criminal intelligence functions of the ACC. The ACC will only be empowered to investigate or undertake intelligence operations in relation to relevant state offences defined as being serious or organised in nature.

Federal offences are handled by the commonwealth act. It provides for the functions and powers of the ACC, the ACC board and the chief executive officer. It maintains powers including special coercive examination powers provided to the former National Crime Authority and enables those powers to be used for the ACC's investigatory and criminal intelligence functions. It provides for other intergovernmental committees to oversee and monitor the ACC, and it provides penalties for contravention of the act in line with the commonwealth act.

As I said at the outset, the opposition supports this bill and the formation of the Australian Crime Commission. The world is a very different place than it was just two years ago, and our law enforcement agencies must be provided with the necessary powers and the resources with which to ensure that the Australian community can live safely. I wish the bill a speedy passage.

Hon. W. R. BAXTER (North Eastern) — I am pleased to indicate that the National Party supports the Australian Crime Commission (State Provisions) Bill. The National Party has long held a strong belief that those who commit criminal acts deserve to be apprehended and punished. It has always held the police force in very high regard, and on many occasions I have had reason to congratulate the members of the Victoria Police for their success in apprehending criminals — some for offences of a petty nature and some for more serious offences such as capital crimes, major burglaries, fraud and the like.

Obviously crime crosses state borders and increasingly, with globalisation, national borders. We need an efficient mechanism to take the fight right up to those more sophisticated persons in our community, both home-grown and foreign, who see an opportunity to manipulate our laws to their gain. While the National Crime Authority, since its establishment in 1984, has undertaken its work with reasonable efficiency, clearly with the increasing sophistication being employed and

with new technology — cybertechnology — it is obviously necessary for powers that might have seemed in 1984 to be far-reaching, and in fact some people would have thought overreaching, to now be made available. That is understandable when one contemplates the extraordinary developments in technology in the intervening 20 years.

It is obviously appropriate that some upgrade take place. Whether it was necessary to abolish one authority and create another, I am not sure. I do not make a judgment on that; I am not in a position to make a judgment on that. I am happy to say that this legislation has been through a sieving process of considerable intensity both at the commonwealth level and in various state jurisdictions around the nation. It is complementary legislation that will be enacted similarly in all states, and I am happy to accept that sufficient safeguards have been looked at so that we can be reasonably confident that it is not unduly trampling on civil liberties and that it provides a reasonable balance between the rights of individuals and the need the community has to provide our investigators with sufficient resources, clout and investigatory powers so they can pursue the various individuals and organisations that would seek to undermine the whole fabric of our society.

With the issue of drugs, we had a graphic example off our southern shores recently with a ship from North Korea. It is just one indication of the sorts of issues and problems that are likely to confront us in the future. I am not in a position to know the detail of the apprehension of that particular crime, but obviously some very good intelligence work was done somewhere along the line. That ship was being watched, and after an attempted drop of drugs the offenders were apprehended on our shores, albeit with the tragic loss of a life. Subsequently the ship was seized and I understand the crew is currently incarcerated, pending further court hearings. This is an indication of the sorts of issues that will confront the community in the future.

I do not know what will be the answer to computer fraud and the use of this marvellous system we now have that can communicate instantly right around the globe — one can do one's banking on it, as I regularly do, with a good deal of confidence, can purchase over the Internet and the like. It is an extraordinary piece of technology, which the community is clearly benefiting from. It offers the community great advantages, great cost savings and tremendous opportunities for communication, bringing people into the loop — so to speak — disseminating information in a way that was never possible before simply because of the physical problem of doing it, to say nothing of the cost of doing it. It can now be done at very little cost indeed. But clearly that will open the door to the smart alecs in our community — the smart operators — to manipulate it to their own ends. It will take a lot of work by this new commission to ensure that it is on top of it, if it is possible to be on top of it.

One thing I have always noted about the criminal mind is its extraordinary inventiveness. You close off one loophole and criminals seem to be able to discover another. Clearly we need a very alert work force and organisation equipped with the powers needed to constantly be — as far as is possible — one step ahead of the criminal mind, and if not ahead, certainly less than half a step behind.

I do not need to canvass the provisions of the bill at any length. They are in the second-reading speech, Mr Vogels has addressed them to an extent and they are easy to follow. I simply wish the new commission well. The only warning I would sound is that there has been some evidence in the past with authorities like this that have powers well beyond the normally accepted powers given to a police force that on odd occasions apparatchiks become so involved and so taken up with their own importance or the importance of the work they are doing that they get a bit out of hand and pursue individuals well beyond what is reasonable. We might have seen an incidence of that once or twice with the old National Crime Authority. I implore the new chief executive officer and board of this commission to keep a sufficiently tight rein on the organisation so that they will not have any — for want of a better word — rogue operators within their staff who make an unreasonable pursuit of people without sufficient reason to pursue them.

Having made that remark I hope it will be kept in mind, but wish the new commission all the very best. We need its protection; we look forward to its protection; and we will be relying on it for protection.

Ms MIKAKOS (Jika Jika) — It is with great pleasure that I rise to speak in support of the Australian Crime Commission (State Provisions) Bill. This bill arises as a result of an intergovernmental agreement reached by the Australian government leaders at the Summit on Terrorism and Multijurisdictional Crime on 5 April last year. The specific agreement reached at that time was that the National Crime Authority would be replaced by an Australian Crime Commission, to continue the work that the NCA had been doing for many years now in fighting organised crime in Australia.

Crime is becoming a lot more complex today as a result of changes in technology, particularly the rapid take-up rate in the use of the Internet, which has allowed great opportunities and accessibility for Australians, particularly those members of the community who live in regional Australia, but has also provided criminals with opportunities to conduct their fraudulent activities. We need to ensure that our crime fighters are adequately equipped with the powers and resources to tackle these changes and developments in crime, and the legislation before us, which is part of a national package of legislative reform, does exactly that.

This bill is based on a model bill developed by the previous Intergovernmental Committee of the National Crime Authority. The federal Parliament has already passed its counterpart legislation, which came into force on 1 January. I understand other jurisdictions are either in the process of passing similar legislation or have already done so. The bill seeks to ensure that the Australian Crime Commission (ACC) is able to conduct its operations in a seamless way across all Australian jurisdictions.

Clause 5 sets out the many functions of the ACC, but essentially there are two key functions. One is to investigate serious and organised crime, and the other is to undertake intelligence operations into serious and organised crime. The bill contains an extensive definition of serious and organised crime, which includes such matters as theft, fraud, tax evasion, money laundering, currency violations, illegal drug dealings, illegal gambling, obtaining financial benefit by vice engaged in by others, extortion, violence and so on. The bill seeks to introduce two new aspects to the definition to do with firearms and cybercrime which were not previously contained in the National Crime Authority legislation.

As I indicated previously, the take-up rate for the Internet is of great benefit to Australians, but it also provides offenders with opportunities to engage in fraudulent and criminal activities. It is for that reason that cybercrime and firearms are included in the extensive definition as part of the national agreement that has been previously discussed in this house to do with gun control measures.

The bill seeks to establish new governance arrangements for the ACC. It will be governed by a board comprising commonwealth, state and territory law enforcement representatives and headed by a chief executive officer whose key function will be the coordination of the ACC's operations and investigations. The bill also provides for the ACC to conduct intelligence operations and investigations in relation to criminal activities that involve state offences irrespective of whether those offences have a federal aspect.

The Australian Crime Commission will have similar powers to those that the National Crime Authority was able to exercise, including search warrant powers and coercive examination powers. It does have some very broad and special powers that the NCA was able to exercise in order to give it this added, special role of being able to investigate very complex and serious crimes, and organised crime in particular.

There are, however, a number of important safeguards that are put into place in this legislation — for example, the ACC will only have access to special powers for a state investigation or intelligence operation where the board authorises it to conduct such an investigation. The board will be empowered to authorise the use of special powers when a specified threshold test is met, and the authorisation of special powers by the board will be subject to a number of additional safeguards in the form of special requirements for the composition of the board, special voting requirements and the power for the intergovernmental committee of ACC ministers to revoke the authorisation of coercive powers.

The bill also provides for the ACC's examination powers to be exercised by examiners who will be independent statutory officers. The powers of these ACC examiners are the same as those currently available to hearing officers under the state NCA legislation. Similarly to the commonwealth act the bill provides for the ACC's coercive hearing powers to be exercised, as I indicated, by these examiners. In this respect our bill replicates the federal bill.

The bill also establishes a number of offences, such as failing to attend an examination or to answer questions and failing to produce documents or things when required to do so by summons. The penalty provisions for these offences are quite severe in order to be a significant deterrent to people seeking to frustrate the activities of the ACC. The penalty provisions are equivalent to those penalties that are applicable under the federal legislation. The bill also seeks to repeal the National Crime Authority (State Provisions) Act 1984 in order to bring about the replacement of the NCA with the ACC.

The final thing I want to touch upon is that the bill seeks to put in place an appropriate constitutional framework for the ACC to be able to operate across all jurisdictions. It is necessary that the ACC be given specific powers in order for it to be able to investigate

matters under state law and in order to ensure that those matters have proper validity.

In conclusion, this is an important piece of legislation. I believe it has all the appropriate safeguards. When we put any particular powers in the hands of these types of bodies it is appropriate that we have proper checks and balances in place to ensure that those powers are not subject to abuse. I believe the agreement that has been reached nationally and the model bill that was developed and is now here before us today in this Parliament seek to achieve that appropriate balance between giving appropriate powers to be able to fight organised and other serious crime in this country and also having appropriate safeguards to ensure that any defendant is able to properly defend themselves in our courts. I think it has been demonstrated on many occasions in this Parliament that the Bracks government is seriously committed to fighting crime. It is pleasing that the crime rate in this state has come down to the point where Victoria is now the safest state in the country.

The Minister for Police and Emergency Services in the other place, the Honourable André Haermeyer, should be congratulated on that. He has been committed to increasing our state police force and resources in every budget that has been handed down by the Bracks government. Legislation and resources have been put into place that tackle the threat of terrorism as it may relate to Victoria. The legislation we are debating today is one further layer to that level of protection that will ensure we can adequately tackle organised crime and other serious crimes in this state. I commend the bill to the house.

Hon. R. DALLA-RIVA (East Yarra) — I am pleased to contribute to the Australian Crime Commission (State Provisions) Bill. It is important that we support the bill, and the Liberal Party certainly supports it. I am one of the few members of this Parliament who has worked as an investigator within the National Crime Authority, so it is with great pleasure that I contribute to the debate on this bill. But I also express a tinge of sadness that the National Crime Authority, which has served Victoria and Australia well over a number of years, has drawn to a close. I compliment all governments — state, territory and federal — on ensuring that this model legislation has been developed forthwith so that we can continue the fight against organised crime.

I must answer the assertions made by Ms Mikakos that the alleged low crime rate in Victoria was as a result of the work of the National Crime Authority. That we have a lower crime rate because of the National Crime Authority is really drawing a long bow because clearly the National Crime Authority, now the Australian Crime Commission (ACC), is designed to work against organised crime and not the kind of crime Ms Mikakos has alluded to in terms of local domestic investigations. I can say that first hand having worked with the National Crime Authority.

Ms Hadden interjected.

Hon. R. DALLA-RIVA — Ms Hadden would not know what it was like. It was certainly a privilege to work in that type of environment because you worked across a multitude of different jurisdictions. There were police officers and, dare I say it, barristers and solicitors and investigative accountants from a diversity of different areas, not necessarily from one state. It was great to work across a multidisciplinary environment because it brought in different law enforcement perspectives. I remember working on a case that had South Australian, West Australian, Australian Capital Territory and Victorian police officers, barristers and investigative officers. I cannot say what the cases were because obviously — —

Hon. Bill Forwood — Why not?

Hon. R. DALLA-RIVA — Even under privilege I could not say, Mr Forwood. I recall — and I note that the new bill contains the same provision — that when you walked into the place you were required to sign a form saying that you would not disclose parts of the investigation.

Seriously, the fact is that you are investigating organised crime. That also involves the protection of witnesses. I note that the bill covers those particular areas as well. That is important because often the only time you would actually get to find out what was going on within organised crime rings and syndicates, was when dealing with witnesses and the like, and they would not give any detail unless they were afforded some form of protection. That also included examinations, and I know Ms Mikakos touched on that in her contribution to the debate. It is important to ensure that the examination of witnesses, or suspects, can be undertaken without them remaining silent. It also gives the opportunity for protection. That is important in the overall investigation.

Before the National Crime Authority (NCA) finally closes its doors it is important to put on record the work of the national task forces, such as BLADE, which worked to combat a South-East Asian crime syndicate. Its work led to a substantial number of imprisonments. The annual report of the NCA, which is a public

document, referred to sentences of imprisonment of up to 11 years and in some cases 16 years. Many people were charged. The Swordfish task force was established to combat money laundering; Freshnet to combat established crime networks; Cerberus to combat the Italo-Australian criminal network; and Panza to deal with the outlawing of motorcycle gangs. It is important to acknowledge the good work undertaken by the NCA as it comes to a close in Albert Street, East Melbourne, and the ACC commences operation in Latrobe Street.

The bill combines good work in law enforcement. The ACC has replaced the National Crime Authority, the Australian Bureau of Criminal Intelligence — which I dealt with on a number of issues — and the Office of Strategic Crime Assessment. Collectively they will provide a better, more efficient law enforcement facility and a better outcome for the future.

A press release of 26 May relates to the ACC's focus. It is important to acknowledge the principal issues that the new chief executive officer of the Australian Crime Commission, Mr Alistair Milroy, will be dealing with, such as firearm trafficking; South-East Asian organised crime; the continuation of established criminal networks and special investigations; continuing investigations into money laundering and tax fraud on the commonwealth; amphetamine and other synthetic drug investigation; vehicle rebirthing; identity crime and card skimming. They are some of the investigations it will undertake.

It requires a uniform approach. I welcome the ACC as being a great law enforcement agency. I welcome the bill and wish it a speedy passage to help in the detection of organised crime not only in Victoria and Australia but throughout the world.

Mr SOMYUREK (Eumemmerring) — I am pleased to have the opportunity to speak in support of the Australian Crime Commission (State Provisions) Bill 2003. This is important legislation with respect to fighting serious and organised crime in the 21st century. The bill is based on a national model bill arrived at through the ministerial intergovernmental committee and drafted by the parliamentary counsel committee. I understand all the states and territories will enact legislation based on this model bill with necessary local amendments.

The purposes of the bill are to make provision for the operation of the Australian Crime Commission in Victoria; to repeal the National Crime Authority (State Provisions) Act 1984; and to make consequential amendments to the various acts.

The Australian Crime Commission was formed on 1 January this year through the enactment of the commonwealth — —

Hon. W. R. Baxter — On a point of order, Acting President, Mr Somyurek seems to have acquired an extra lectern for the purpose of making it easy for him to read his speech. He is clearly reading it word for word. It is time that members in this place understood they can resort to notes but not slavishly read a speech. The fact that a lectern has been provided appears to me to reinforce the view that the honourable member is reading the speech word for word. The usual standing orders ought to be upheld.

Mr SOMYUREK — On the point of order, Acting President, I do not have a desk and I need to put my notes somewhere. I am not reading word for word; I am merely referring to my copious notes.

The ACTING PRESIDENT (Hon. J. G. Hilton) — Order! The member is entitled to use copious notes. He may continue his speech.

Hon. Philip Davis — On a further point of order, Acting President, going to the substance of the matter just raised by Mr Baxter, I am interested in the ruling from the Chair in relation to the discretion which members are apparently now afforded in relation to furniture in this place.

There was some deliberation, as I recall it, before the sitting started this year between the leaders of the parties and the President in relation to what furniture would be available to members for speaking and their accommodation. If the Chair is going to rule that it is entirely in the province of individual members to determine what furniture they will use, where they will use it and how they will use it, I cannot see that there is going to be very effective management of the chamber. I therefore ask you, Acting President, to indicate to the member that it is disorderly for him to be unilaterally determining to move furniture around the chamber.

Mr SOMYUREK — On the point of order, Acting President, I did not act unilaterally. I actually sought permission from the President to have this lectern here.

The ACTING PRESIDENT (Hon. J. G. Hilton) — Order! I will refer that point of order from the Leader of the Opposition to the President and ask for her ruling. The member may continue.

Mr SOMYUREK — The Australian Crime Commission was formed on 1 January this year through the enactment of the commonwealth Australian Crime

Commission Act 2002. The ACC replaces the National Crime Authority in accordance with an agreement made by Australian government leaders at the summit on terrorism and multijurisdictional crime held on 5 April 2002.

The NCA was created by the National Crime Authority Act in 1984 in recognition of the need for a specialist law enforcement agency to combat organised crime. The NCA was given special powers to collect and provide admissible evidence to the appropriate prosecuting authority in each state and territory and in the commonwealth. The ACC will retain the NCA's function of investigating serious organised crime on a national basis and will combine it with the function of collecting criminal intelligence and conducting intelligence operations, which was formally carried out by the erstwhile
Australian — —

Hon. W. R. Baxter — On a point of order, Acting President, I request that you invite Mr Somyurek to give you an assurance that he is not reading his speech word for word.

The ACTING PRESIDENT (Hon. J. G. Hilton) — Order! The member is aware that he should not slavishly read his speech but that he is allowed to refer to copious notes. I ask for his assurance that he is referring to copious notes.

Mr SOMYUREK — I am referring to copious notes.

The ACTING PRESIDENT (Hon. J. G. Hilton) — Order! The member may continue.

Mr SOMYUREK — Serious and organised crime that can be investigated by the ACC mirrors that investigated by the former NCA with two additions, those being cybercrime and crimes involving firearms. These offences outlined in the bill include illegal drug dealings, money laundering, currency violations, bribery and extortion.

The ACC is to be governed by a board which will be comprised of all state and territory police commissioners, the commissioner of the Australian Federal Police and five other law enforcement officers. The chief executive officer will be responsible for the ACC's day-to-day administration.

Clause 8 of the bill sets out the key functions of the board. They are to authorise the ACC to conduct investigations and intelligence operations and to authorise the use of special powers in relation to those investigations. These special powers include coercive examination and search warrant powers. Under clause 8 there are procedural requirements that provide safeguards on the use of the special powers under the bill. Clauses 8(2) and 8(3) specify relevant threshold tests that must be satisfied before the board can authorise the use of special powers.

Clause 8(4) sets the parameters of the investigation or operation by specifying the detail that must be contained in the written determination of the board authorising the use of special powers. Clause 8(5) requires the chair of the board to provide a copy of the determination authorising the use of special powers within three days of the determination being made. That is an important clause with respect to the intergovernmental committee's oversight function.

These checks and balances and safeguards ensure the right balance between the extensive powers given to the commission and the rights of the citizen — although I do concede that there is a body of opinion in the community which argues that civil liberties are being eroded with the introduction of this legislation, particularly in relation to the ACC's coercive examination and search warrant powers. However, I believe most Australians have now come to terms with the fact that we cannot isolate ourselves from the rest of the world, and that means perhaps attenuating some aspects of our — —

Hon. Bill Forwood — On a point of order, Acting President. The member has given us an assurance that he is not slavishly reading; but I believe he has a written speech in front of him. My belief would be that the only way of verifying his assurance is for him to hand over the speech he has got in his hand and compare it with what is in *Hansard*. Then we will know once and for all whether or not he is slavishly reading.

I am not suggesting that I do the job; I would be quite happy for you to do it. But as far as I am concerned, the member has given an assurance that he is not slavishly reading, yet I believe he has in his hand a typewritten speech.

Mr Lenders — On the point of order, Acting President, the question of whether Mr Somyurek is referring to copious notes or is slavishly reading a speech has already been raised. He has given you an assurance that he is reading from copious notes. I think the issue is closed. Mr Forwood is proposing something absolutely new in this place: that somehow or other notes be handed over and matched with the *Hansard* record. If that is a path Mr Forwood proposes to go down, I would say it is a complete transgression against

what has normally happened in this house. You have ruled on this matter, and the matter is closed.

The ACTING PRESIDENT (Hon. J. G. Hilton) — Order! On the point of order, my understanding is that there is no compunction on the member to hand over his notes to be compared with *Hansard*. He has given me an assurance that he is not reading his speech, and I have accepted that assurance. He may continue.

Mr SOMYUREK — For the sake of preventing serious and organised crime and for the sake of our collective security, I commend this bill to the house.

Motion agreed to.

Read second time; by leave, proceeded to third reading.

Third reading

The ACTING PRESIDENT (Hon. J. G. Hilton) — I am of the opinion that the third reading of this bill needs to be passed by an absolute majority. I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

The ACTING PRESIDENT (Hon. J. G. Hilton) — I am of the opinion that the third reading of this bill requires to be passed by an absolute majority. So that I can ascertain whether an absolute majority has been obtained, I ask members to stand where they are.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

FISHERIES (AMENDMENT) BILL

Second reading

Debate resumed from earlier this day; motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries).

Hon. PHILIP DAVIS (Gippsland) — The Fisheries (Amendment) Bill is a small bill which deals expressly with an administrative change. I want to make some very brief points. Firstly, the changes which are sought to be put in place by this bill are changes that relate to the reorganisation of a government department. The previous Department of Natural Resources and Environment (DNRE) which was in place preceding the last state election had responsibility for the full suite of all our resource, conservation and environment policy issues and had administrative functions for the principal areas of activity in agriculture, fisheries, minerals and petroleum, land management, the management of our state forests and the oversight of our parks system amongst others.

Importantly the community sentiment was that DNRE had become unwieldy and unresponsive to the needs of the citizens of Victoria, so on 19 July last year the then Leader of the Opposition announced on behalf of the Liberal Party that the Liberal Party would create a new department of agriculture and resources which would take on the divisions including agriculture, fisheries, minerals and petroleum, forestry and water resources. At the time the government berated the Liberal Party's policy position. Indeed in an article of 24 July last year published by the Herald and Weekly Times Ltd a government spokesman was quoted as follows:

> And now he turns around —

referring to the Leader of the Opposition —

> and says he wants to carve up DNRE, which on its own … will cost a lot of money.
>
> This just shows the Liberal Party doesn't have anything to offer in the way of policy.

I found it breathtaking hypocrisy that the government, shortly after the election and having criticised the Liberal Party's election policy on this matter, would immediately adopt that policy on the appointment of new ministers. I issued a press release on 9 December in which I congratulated the government on this policy decision or administrative change, but I also pointed out at the time what breathtaking hypocrisy it really was.

I do not intend to belabour the point, having made it, that we always thought over the last year or so this initiative would be of benefit to the administration of natural resources in this state, that it would deliver better outcomes in public policy and that it would also simplify an administrative focus.

We welcome the proposition albeit it is a simple administrative change — so simple, as confirmed by officers who briefed the opposition, that there would be no meaningful consequence should this legislation not pass through the house these sittings. All the bill does is propose to allocate to the new secretary to the Department of Primary Industries the responsibility for

the administration of the Fisheries Act. That is the effect of the bill.

Notwithstanding that effect, although the administrative arrangements that are currently in place are somewhat complex, there would be no significant or material impact if this bill did not pass. The bill is, in itself, simple. It is simply machinery of government and I do not propose to waste the time of this house by further debating it. The Liberal Party supports the bill.

Hon. P. R. HALL (Gippsland) — The Fisheries (Amendment) Bill has come about because since the last election the government has decided to change the name of the Department of Natural Resources and Environment (DNRE) and split it into two new departments — namely, the Department of Primary Industries (DPI) and the Department of Sustainability and Environment (DSE).

Whenever that happens or whenever there is a change in the name of a government department, it causes some confusion in the community. People often wonder which particular areas of responsibility fall within those new departments and under the carriage of which minister those areas will fall. I must admit that I experienced the same difficulty in respect of this change in the structure of the department — that is, not being sure where the fisheries area fell, whether it was under the DPI or the DSE. The same applied with, for example, timber and commercial forestry operations; one wonders which of those matters fall under which of the two departments. One area has been clarified for me today. We are now told that fisheries comes under the DPI.

That is essentially what the bill is about. It makes the secretary to the Department of Primary Industries the responsible officer in respect to fishing operations of all sorts, with the Minister for Agriculture in the other place being the responsible minister for fisheries.

When we talk about fisheries we talk about it in the broader sense — both recreational and commercial fishing. They are two extremely important industries for the state of Victoria. They should never be underestimated — for example, it has been estimated from a 1996 survey that about 841 000 Victorians participate in recreational fishing each year.

The survey also says that that number of people contribute a total revenue of $3.85 million to the economy of Victoria through recreational fishing licence revenue. A lot of extra economic activity is generated through the pursuit of recreational fishing in people buying equipment for recreational fishing and people holidaying and staying at accommodation facilities as part of a recreational fishing activity. An estimated $1.265 billion per year is generated by recreational fishing alone, and that is an enormous contribution to the total Victorian economy.

It is about time the government looked at those figures and perhaps did some research again into the impact of recreational fishing because the survey figures that I quoted come from a 1996 survey, which is some seven years old now. The information needs to be updated, particularly in light of the fact that we now have recreational fishing licences in Victoria.

I am told that in the period 2000–01, 224 812 recreational fishing licences were sold. I am not sure how that figure correlates with the fact that an estimated 800 000-odd people are involved in recreational fishing. Obviously some of those people do not need licences if they are over or under a certain age. Nevertheless there needs to be some correlation between those two figures and updated research into that would be helpful.

The commercial fishing industry is also an important industry to Victoria. The total landed value of Victorian catches is approximately $88 million worth of fish and fish product. In addition, another $50 million worth of catches is landed in Victoria from commonwealth-managed fisheries.

Perhaps even more importantly, when they buy a fish product from a fish shop or from a supermarket, most Victorians expect to see a fair range of local product available for sale. However, local fresh fish product comprises less than 50 per cent of the stock available. The majority of the fish that we see in retail outlets are landed in places other than Victoria — that is, they come from interstate or overseas. We need to take into account and look into the fact that there is pressure on the wild-catch industry.

The commercial fishing industry is under a great deal of pressure. It is a bit like the timber industry, for example, where sometimes political decisions have got in the way of managing that resource in the way it should be.

I take the house back to the debate we had not long ago on marine national parks. That had a significant impact on the areas available for commercial operations, as well as on recreational fishing. There is no doubt that many of the prime commercial fishing sites in Victorian waters have been squeezed out and taken away from the commercial sector because of the creation of marine national parks. That has put a lot of added pressure on the existing resource in other areas where people are

still trying to catch fish. Having more fishers trying to catch fish in a smaller area puts extra strain on the resource.

There are about 90 commercial fishing licences for bays and inlets in Victoria. There were more than 200 not so long ago, but under the Kennett government a voluntary buyback of bay and inlet licenses reduced the number of licences by just over half. More recently the Bracks government decided to exclude another seven bay and inlet licences in the Mallacoota Inlet, where there were four licences, and in Lake Tyers, where there were three up until 10 April this year. That decision was taken by the government prior to the last election. It was more a political decision than anything else.

There is a challenge for the government to work with the commercial sector and with the recreational and tourism sector to develop recreation-only fishing zones, but we should do it such a way that everybody's views are taken into account and some agreement is reached rather than without consultation making unilateral decisions just to buy out or take away licences.

The rock lobster industry is another one that has been under some pressure with the introduction of quotas. The seafood industry safety plans will also put a bit of extra financial pressure on some of those smaller fishing operations. The fact that licence fees will be increased annually with indexation applied in the last state budget also puts a bit of pressure on this particularly important industry.

So there is a lot of pressure on the commercial fishing industry in Victoria. If we are not careful about it and if the government does not show support for that industry, a greater percentage of what we buy from retail outlets could be fish imported into this country and there could also be stock that is taken in other states and brought into Victoria.

There is absolutely no doubt that this government needs to concentrate more on and encourage greater growth in the aquaculture industry. There are over 200 commercial licences in the aquaculture industry now and they produce over 2500 tonnes of fish per year. So it is a growing industry, but it is growing rather slowly. If you look on a worldwide basis, the wild harvesting of fish in 1995 produced 100 million tonnes while aquaculture produced 20 million tonnes. By 2000 the corresponding figures were: wild harvest, 87 million tonnes; and aquaculture, 42 million tonnes. So worldwide a greater proportion of the demand for fish was being met by aquaculture ventures. But Victoria has lagged sadly behind all the other states. Six years ago in Victoria we accounted for just under 4 per cent of Australia's production. Just recently that figure was something like only 2.7 per cent of Australia's production, so proportionately we are not keeping up with the rest of Australia and Australia is not keeping up with the rest of the world. With the fact that consumer demand for fish product is continuing to increase — it is seen as a very healthy product to consume — the pressure on the wild resource is getting more and more and therefore it will need to be replaced by aquaculture ventures. But once again there needs to be a greater focus by governments on supporting that growing aquaculture industry if we are to meet the need for fish for consumers in the future.

I make those comments about fisheries in general. Both recreational and commercial fishing are important industries to this state. Yes, this bill brings about a change in which minister is responsible for actually in charge of it. I say to the Minister for Agriculture: it is an important industry; work carefully with it. It is an industry that we need and an industry that we need to continue to protect, nurture and develop in a way that ensures that our future needs are accommodated through that industry.

So, Mr Acting President, with those few words, I am prepared to indicate that the National Party has always been a strong supporter of the fishing industry and is prepared to support this bill before the chamber this afternoon.

Hon. J. H. EREN (Geelong) — I rise to speak in favour of this bill, which arises from the machinery-of-government changes implemented in December 2002. The functions of the former Department of Natural Resources and Environment were split between the new Department of Primary Industries and the Department of Sustainability and Environment.

The Conservation, Forests and Lands Act 1987 established the Secretary to the Department of Natural Resources and Environment as a body corporate. The body corporate is provided with various powers which apply in respect of a number of acts, including the Fisheries Act. The body corporate has the power to delegate and to appoint authorised officers with powers relating to infringement notices and other enforcement powers.

Following the machinery-of-government changes, the Secretary of the Department of Sustainability and Environment is the body corporate under the Conservation, Forests and Lands Act 1987. This bill proposes to ensure that the Secretary of the Department

of Primary Industries (DPI) can directly exercise relevant statutory responsibilities and powers under the Fisheries Act and the Conservation, Forests and Lands Act as intended by the machinery-of-government changes.

This bill also seeks to amend the Surveillance Devices Act so that the secretary of the DPI can carry out functions under that act to facilitate the use of surveillance devices in respect of fisheries investigations and to ensure that the secretary of the DPI is responsible for providing an annual report of activities under the Surveillance Devices Act.

The bill also makes consequential amendments to Department of Primary Industries acts to update references to the former Department of Natural Resources and Environment. Some members may ask why it is necessary to pass this legislation now. I would answer that although it is possible that the appropriate delegations could minimise the impact of changes on the day-to-day administration of the Fisheries Act, that approach is administratively cumbersome, and it also fails to provide clear lines of accountability for fisheries management, given that the new administrative arrangements do not intend to provide the Secretary of the Department of Sustainability and Environment with any responsibility for fisheries management.

I do not want to dwell on this too much, therefore I commend the bill to the house.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

LIVESTOCK DISEASE CONTROL (AMENDMENT) BILL

Second reading

Debate resumed from earlier this day; motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries).

Hon. PHILIP DAVIS (Gippsland) — It is a delight to be on my feet for two bills in a row and be able to say the opposition supports the government. Of course generally the government perceives that we are here to obstruct, delay, harry and frustrate its program, but I can say that we are trying to assist the government to deal with important legislation with all expedition.

Unlike the earlier bill on fisheries, I regard this bill on livestock disease control as important. The reason I do so is that it deals not only with the very important livestock industry but also with amendments relating to plant health and plant products. I will briefly go to the purposes of the bill.

The bill amends the purposes and objectives of the Livestock Disease Control Act to provide for preventing disease as well as controlling it. It extends offences relating to storing, collecting or feeding swill to pigs to include material that has been in direct contact with material originating from placental mammals. It makes it an offence to knowingly supply material originating from a placental mammal to be fed to pigs.

The bill provides that police officers and emergency services workers can be appointed as inspectors as a class in the event of a quarantine or restricted area. Victoria can certify an outbreak of exotic disease that occurs in any part of Australia, and court proceedings that could hinder the response to the disease are prevented. Further, the bill makes changes to the Sheep and Goat Compensation Fund. I think I will leave the last matter until the end of my contribution, because it is fairly significant in itself. I wanted to talk particularly about controlling exotic disease.

This bill is important for a number of reasons. I have been privileged to have had the opportunity to visit the United Kingdom at a time coincidental to the British government's management of its extraordinarily difficult challenge with foot-and-mouth disease, which broke out, I think, in February of 2001.

I was visiting the UK in June, July and August 2001 and I was really overwhelmed — that is the way I would express it — by the difficulties of managing that foot-and-mouth disease outbreak which cost the British economy billions of pounds. More than 6 million animals were destroyed. For anyone who has worked a lifetime with animals as I have, I have to say that it was a matter of great distress to see the work of lifetimes of generations of farmers who had cared for and nurtured their stock, destroyed in such a fashion for the want of, frankly, an effective disease control program. Though there had been a major exotic disease outbreak in the UK in the early 1960s, and there was necessarily an exhaustive debriefing in relation to protocols following that event, the fact of the matter was that the scope of this outbreak was simply beyond the comprehension and understanding of contemporary managers of livestock — and I am referring to managers not just on farm but animal health officers in government health departments and so on.

In the end the British government needed to bring in the army to play a significant role in response to that outbreak. What was instructive for me, visiting at that time, was that there were many Australian veterinary officers, both private and government departmental officers, who were seconded or who thought it a useful part of their professional obligation to offer themselves to the UK government to assist with that program, and I had the good fortune to meet with quite a number of them. I will come to that in a moment.

When I was first in London I met with the National Farmers Union and had an extensive briefing from the NFU about the perspective of the management from the farmers' side of it. Subsequently I had various meetings with government officers. In particular I visited Carlisle which was, if you like, the epicentre or main area of the outbreak; something in the order of more than 50 per cent of the total cases were identified within the management zone based at Carlisle. They were working there in teams of vets, many of whom were Australian. I certainly came back from the UK with a clear impression, as expressed to me by the Australian veterinary surgeons, many of whom were from Victoria, that we needed to look very sharply at our management practices and protocols and put in place a more vigorous regime to response to any potential outbreak of foot and mouth particularly but exotic disease generally.

So I was pleased when last year, in September 2002, on a national basis with state participation, a project was run called Exercise Minotaur. The purpose of Exercise Minotaur was to run a hypothetical foot-and-mouth disease problem-solving exercise which engaged all the decision-makers who would inevitably be involved in such an exercise should it become a reality to put in place a response.

So there was a hypothetical, where the details of the outbreak were disclosed progressively and obviously the necessary resources were hypothetically marshalled to deal with the outbreak. In fact I had the opportunity to talk to some departmental officers from Victoria — people I know who have been working for the department for many years — who were engaged in and went to Canberra to be part of that project. I think they felt great confidence in their ability to respond, but obviously they were concerned about some aspects that should operate more tightly.

I understand there has been a serious debriefing and a report has been written, which is not yet published as I understand it — I certainly have not been able to get a copy of it to this point — which analyses Exercise Minotaur. I look forward to seeing those results publicly.

Some conclusions were drawn from the exercise which have led to the proposals contained in this bill. They are not unreasonable proposals, and as I have briefly outlined them when speaking on the principal purposes of the bill I will not recite them. Essentially they deal with the fact that Victoria participated in the national foot-and-mouth disease outbreak simulation, Exercise Minotaur, in September 2002. The legislation seeks to address improvements required to legislation to protect livestock, plants and plant products from diseases that were identified during that exercise. These improvements will optimise Victoria's response in the event of a major outbreak of an exotic disease such as foot-and-mouth disease — an outbreak which might be on a par with that which devastated England in 2001.

The recognition of the measures to limit potential disease spread through pig swill is important, given that cross-species contamination as a result of pig swill was believed to have been the cause of the 2001 foot-and-mouth disease outbreak in the United Kingdom. Clearly, Victoria has an obligation to respond quickly and effectively to contain and prevent any disease outbreak to minimise the economic and social impact of that disease.

It is certainly the case that Exercise Minotaur has been the catalyst for these amendments, but we should not rely just on Exercise Minotaur; we need to be constantly vigilant in relation to the consequences of exotic diseases. To put that in perspective, the outbreak of foot-and-mouth disease occurred in the United Kingdom in February 2001 and by the time it had been eradicated — that is, in September 2001 — more than 6 million animals had been slaughtered, over 4 million for disease control purposes and over 2 million for welfare reasons. The direct cost to the public sector was estimated to be over £3 billion and the cost to the private sector was estimated to be over £5 billion. At that time the exchange rate was in round figures 1 for 3, so we are talking about its being at that time in Australian dollars in the order of a $9 billion cost to the public sector and a $15 billion cost to the private sector.

That would be just an extraordinary cost to the economy. What the cost does not identify, and I want to lead into my remarks about ovine Johne's disease with this comment, is the impact on the community — on individuals and on society — as a result of these disease challenges for our farming districts. In the case of foot-and-mouth disease virtually the whole of the English countryside in areas which were predominantly

in the north and to a lesser degree in the south ground to a halt.

The tourism industry was completely devastated because it was impossible for people to move around freely. International and domestic tourism was significantly affected because it was not possible to enter land that was normally accessible to tourists. There were restrictions on traffic and vehicles had to undergo decontamination procedures. In the areas I visited, northern and central England, particularly in the Lake District, tourism had come to a standstill and I seemed to be the only visitor. I was there on a working trip, but I was about the only visitor in any of the small towns I travelled to.

The impact on farming families was tragic. I visited during June and July, and I recall having dinner with a couple who had not been able to physically leave their farm since the outbreak occurred in February. Food and other supplies were handed over a fence and passed through a decontamination process to reduce the risk of foot-and-mouth disease affecting their property.

It is hard to imagine what it would feel like to be a prisoner in your own home. I do not wish to talk about home detention, but I dare say I have seen it in action. The difference is that these people were not allowed out on day release. They had to make a decision that they would not put the welfare of their animals at risk by leaving the property and bringing back any diseases.

I saw the difficulties encountered in a dairy farming district where milk tankers were moving around from farm to farm and people had to go to extraordinary lengths to reduce the risk of cross-contamination. Everybody had to wash themselves down, change their clothes and put on different waterproof gear and be disinfected. They also had to wash down the trucks before entering the next property.

The logistical arrangements were extraordinary, and I can well understand why the cost was in the order of A$25 billion between the government and the private sector. There was lost production because people had to destock. Over 6 million animals were slaughtered and production ceased. Some compensation arrangements were in place, but financial compensation never makes up for the loss to a farming family of animals which in an intensive farming environment mean a great deal more than individual animals might to an extensive grazing enterprise in a large pastoral area in a country like Australia where perhaps the intimacy in terms of animal welfare is not quite so intense. I saw a good deal of the social impact of foot-and-mouth disease and I do not want to ever see it visited on Australian farmers.

I have seen first hand the consequences of the impact of disease on farming communities. I refer expressly to a further provision in this bill relating to ovine Johne's disease (OJD). I have seen the social consequences of a community being inflicted with an animal disease that has required that community to face the dilemma of individual and collective decision making about how to manage the disease leading to the eradication of large flocks.

We first saw ovine Johne's disease identified in Victoria at Ensay in Gippsland, in the Tambo Valley. I am quite sure that in retrospect we would not now claim that that was the first outbreak of Johne's disease, but it was certainly the first formally identified in Victoria. Subsequently stock in many other parts of the state were identified as being infected with Johne's disease. For those who are uninformed, Johne's disease is an incurable wasting disease of the gut. Ovine Johne's disease is the form that affects sheep and/or goats and bovine Johne's disease affects cattle.

When OJD was identified in the Tambo Valley in 1996 a representation was made to the government of the day by the Victorian Farmers Federation to put in a place a program of control and eradication. The then government responded affirmatively. That response involved establishing an eradication program based on some compensation provisions.

While I do not intend to recite the history of that arrangement, in relating the impact of exotic disease on farming families it is important to relate the social devastation. When you have a district which has a heritage based on a system of agriculture, such as the Tambo Valley and the area south of Sale between Longford and Woodside where a significant number of flocks were identified as being infected and were ultimately destocked, the change in the land use practice is quite traumatic. For people who may have been dedicated to breeding, selecting and growing fine wool sheep for generations to find that their flock was diagnosed with OJD and that the only practicable option for them was ultimately to destock left many families — I do not just mean the farmers in those family units but the whole of the family — devastated.

One of the hardest things I have ever done in my job as a member of Parliament was to address a meeting of about 100 of these families one day in relation to their concerns about the way that program was being managed. I have to tell the house that I would not want to have to meet other families in circumstances like that.

In speaking on this bill I need to declare a personal knowledge and interest in it. It is a fact that my own farming property was one of those farms which was ultimately diagnosed with OJD. It was my private veterinarian who, at our request, did some post-mortems on a couple of sheep which were showing ill thrift and which proved by analysis to have OJD. The result of that was the necessary further review of the health of the flock to determine whether all of the sheep were potentially at risk.

The net result of all of those investigations was that we concluded ultimately that the most sensible thing for us to do regrettably, although we could not find anything in the breeding flock that proved positive to ovine Johne's disease, was to destock the farm. That was a very difficult decision because it meant the end for the time being of a situation we had invested a great deal of emotional energy in developing. Those observations are not news to many members of this place because they have heard me refer to this on earlier occasions. However, it does allow me to understand in a way that I am not aware any other member of the house could possibly understand the impact on those individuals who are affected, because I have been there.

Mr Smith and Mr Stoney are two members of the house who were involved in the inquiry of the Environment and Natural Resources Committee, which looked at these issues, and they could testify to what a draining experience it was for them to deal with those families who were affected.

The evolution of the management of this disease is that there are changed management arrangements in place now compared to what there were during its initial outbreak. I guess that is a reflection of the fact that the disease was more widespread than it was initially thought some seven years ago when this policy response was first proposed. In retrospect many of us would say the initial policy response was not appropriate, but we can only say that in hindsight. Had the industry and government decision making at the time achieved the objective — which was a very quick ring fence and eradication of the disease — we would well be able to say what a good policy response it was. History is a great teacher, and we now know that different arrangements are required to effect a proper management of the disease because it is a disease that crosses state borders and that has implications which, quite frankly, veterinary science does not yet properly understand. We are still learning about management of the disease as time goes by.

The bill deals particularly with an aspect of the management of ovine Johne's disease and specific changes to the Sheep and Goat Compensation Fund which make the fund more financially accountable and responsive in relation to compensation for a wider range of diseases. In particular it puts the machinery in place to give effect to the agreement between the industry and the government which was achieved last year and which was to deal with the debt of the fund, which was approaching $16 million. The government made a policy decision to forgive the debt and to change the basis on which the fund operated.

The way the fund had been operating was that after a proper authority and reference to the Sheep and Goat Compensation Advisory Committee, payments from the fund could be made in relation to the policies which led to compensating people who were involved in the eradication and control arrangements. If there were any deficiencies in the fund — it operated on an imprest-type system — the fund continued to draw against Treasury advances to meet the expenses of the fund only so long as those expenses were incurred on the agreed basis of the policies. The consequences of that were that the fund kept accruing a liability which was significantly in excess of the ability of the Sheep and Goat Compensation Fund levy to ever disburse, certainly not in my lifetime, unless the levy was significantly increased per head of livestock to an amount which would be very difficult to sustain.

By industry and government agreement it is not possible for that fund to incur additional significant liabilities without the approval of the Treasurer. In other words, a proposal has to be formally authorised by the Treasurer to enable the fund to make advances beyond what are, in effect, the income and assets of the fund. In that way the fund has been brought under better financial control. On the basis that this is a proposal brought together and properly agreed to by industry and government we believe that is a sensible arrangement.

The pastoral group of the Victorian Farmers Federation (VFF) raised some concerns with me about the operation of the bill. Having had a look at the detail of the bill and the Livestock Disease Control Act together, I am satisfied that it is not possible for the Sheep and Goat Compensation Fund to be operated unilaterally by government. In other words, industry needs to be consulted on the levies and payments from the fund, because the structure of the operation of the decision-making tree is that matters must be referred to the industry advisory committee, which is dominated by industry representatives. So I believe the concern — which I understand was referred to the Minister for Agriculture, myself as the shadow minister for agriculture and resources, and the members for Swan Hill and Benalla in the other place — is dealt with.

I discussed that with the VFF on a couple of occasions and expressed my view that in the second-reading debate we should make it clear that we believe the joint operation of the bill and the act will mean that the industry has to be consulted in all matters relating to the raising of levies and expenditure from the fund and that, therefore, a liability cannot be incurred on the part of the industry without proper consultation.

I do not want to belabour the point, but this issue of dealing with the control, quarantine and disposal of livestock as part of industry management arrangements for the better welfare of animals and, more importantly — or equally importantly — for the maintenance of access to markets, is very critical. But it has the thorny spikes of a dilemma in terms of public policy because of the broad impact it will inevitably have on the families affected, whether by ovine Johne's disease, as we have experienced in Victoria over the last nine years or — what I see as a more challenging threat — foot-and-mouth disease, which I saw at work in the United Kingdom. I regard myself as being privileged to have had a look at the government's response to the foot-and-mouth disease in the UK in 2001.

I hope the measures that are contained in this bill to give more teeth, if you like, to the operation of the Livestock Disease Control Act will help us to defer and defray, if you like, any cost to the community — not just the economic cost but the social cost, which is equally important. I certainly would not like to see Australian or Victorian families effectively prisoners in their own home for fear of spreading that disease, as I did in the United Kingdom. So without further ado I urge speedy passage of the bill.

Hon. B. W. BISHOP (North Western) — I rise on behalf of the National Party to speak on the Livestock Disease Control (Amendment) Bill. I would like to touch on the broad purposes of the bill, which seek to amend the Livestock Disease Control Act 1994 and the Plant Health and Plant Products Act 1995 to facilitate prompt action in the event of an exotic disease outbreak and to remove government liability for the Sheep and Goat Compensation Fund.

As is its usual practice the National Party has consulted widely on this particular bill. It does so on every bill, but this bill is of great importance to the National Party due to its effect in setting up a structure in the event of an outbreak of an exotic disease. The National Party supports the bill; it sees it as a good bill that puts in place the structure I have just spoken about.

I have been in agriculture all of my life, and agriculture has been a wonderful contributor to Victoria — to its economy, to its wealth and wellbeing — and I suppose you could say the same in relation to all of Australia. We have had our tough times in agriculture. We are having tough times now with the drought that has held sway over most of our land for the last four or five years in some cases and certainly the last two years in many. At this stage it is important to say that many city people may have a view that the drought has ended but I assure them that it has not. The drought is still holding sway over much of Victoria, and certainly the stock feed and grain industries are waiting with great expectation for the good rain that we have not had for some time.

If Victoria is to achieve $12 billion in agricultural food exports by 2010 we need to protect our great reputation for agricultural products domestically and overseas. They are very highly respected in a clean, green process which gives us access to markets and better prices for our products, particularly on the international market, but it comes at a price, which is regulation across many areas of agriculture. Whether we like it or not we must have that regulation to protect our reputation in relation to the cleanliness and good health of our products, be it on minimal residue levels, on the Australian Quarantine and Inspection Service controls in relation to our exports, on our trace-back programs or on our quality control programs. They are all regulations, and with many others they all play a part in protecting our domestic food as well as food that goes off to the export markets.

We are fortunate that Australia is an island because we can put in place some strong policies in agriculture to protect our shores. But outbreaks of disease do occur in agriculture, and I was listening quite intently to the Leader of the Opposition when he talked about the foot-and-mouth disease outbreak in the United Kingdom. There were huge losses of about £8 billion probably equating to $12 billion to $15 billion in Australia. That is an enormous amount of money out of agriculture. But it is not only the amount of money, it is also the dramatic effect on farming families, farming areas and farming communities throughout the United Kingdom.

It is topical in Australia too because in the wheat industry we have had an outbreak of the wheat mosaic virus, which will probably be here for a long time. By all reports it was previously contained in research plots which we think were at Horsham and Bendigo, but it has now been found in a wide range of areas on farms, roadsides and public land as well.

We do know it is in other cereals and grasses as well. So from all the reports of the wheat mosaic virus it looks as if we are stuck with it. We certainly hope in this country that our different climate will reduce the impact of this particular disease on our crops. Some of the commentators say that it may only have a 1 per cent loss in relation to our yields in particular crops, but that is still a huge loss as it comes straight off the top of whatever profit margin may be there.

Agriculture is extremely important in Victoria. We have got about 35 000 farms; we have probably got between 60 000 and 70 000 farm families and direct employment of 45 000 people on farms and in agriculture, and no doubt thousands of others employed in service industries across the state, so agriculture is important. It is worth having the right, tough regulations in place to ensure that we protect our commodities into the future from the attack of exotic diseases.

As I see it, the bill performs two major tasks: one is the provision of better risk management in relation to incoming diseases that might challenge our country; the second is a rapid response capacity for exotic animal and plant diseases. I suppose there also a third point — that the bill removes government liability for compensation overruns and allows the Sheep and Goat Compensation Fund to compensate for other diseases as may be appropriate from time to time. This arrangement in relation to the Sheep and Goat Compensation Fund came out of an industry negotiation and agreement between the Victorian Farmers Federation (VFF) and government, with the government liability to underwrite the fund removed as part of the arrangement that the government took care of the $16 million fund debt that was in that process.

Some concerns were raised with the National Party on the wider use of the fund, which is also provided for in the bill. This issue was raised relative to adequate industry compensation if the fund were used for something else. We think that request and that query were fair enough, but as the advice we have received in relation to that indicates that any decision to widen the use of the fund would be based on advice from the compensation fund advisory committee we believe those concerns raised with us have been addressed, because the advisory committee has a majority of agricultural people sitting on it.

Another concern that we raised in relation to the briefing and the bill itself was the important issue of when other states and territories would come on board. We think that is most important, firstly, in the first tranche of the exercise of preventing diseases coming into our country, and secondly, in having a rapid response program in place. I can remember serving on the Environment and Natural Resources Committee, which produced a report called *Weeds in Victoria.* One of its recommendations was that if a weed was identified as likely to cause tremendous problems we be able to put a strike force or a task force into the particular area to wipe out the threat immediately so that we would not have any further difficulty with it.

I think those things are really best managed from a totally national approach. We urge other states and territories to come on board as soon as possible. We see enough difficulties in Australia with across-the-border anomalies and deficiencies so I think that adds even more weight to the argument for having a national approach in relation to that, particularly in relation to achieving uniformity.

As I said, I listened to my colleague the Honourable Philip Davis relate his experiences with foot-and-mouth disease in the United Kingdom. I commend to the Parliament the contribution of Dr Bill Sykes, the member for Benalla in the other place. Dr Sykes is of course a veterinarian, and he went over to the United Kingdom. I certainly advise members with any interest in this subject to read his contribution in the other house.

The management of foot-and-mouth disease in the United Kingdom certainly tugs at your heartstrings. It makes for good reading and helps in understanding both the emotional and the monetary effects of foot-and-mouth disease in the United Kingdom. An exotic disease could have similar effects in Australia, which is why we need good, tough and strong rules in place.

Be that as it may, of course Australia is different from the United Kingdom. At the northern end of our country there are huge properties and there are plenty of carriers that could spread exotic disease, be they wild pigs, horses or buffalo. An outbreak of exotic disease from the north would certainly take some managing; it would be tough. When we come down through Australia and get into closer settled areas I suspect it might be easier to manage — not that I am sure about that, it may well not be — and easier to control any carriers and do the quarantine jobs.

During the consulting process on the bill some questions were raised about whether we had enough resources — for example, do we have enough vets on the ground in Victoria and Australia, be they private or government department vets? I am sure that the secret to the adequate control of an exotic disease attack on

this country would be, firstly, to spot it quickly and to stamp it out quickly before it explodes everywhere. It is important that we are assured that we have the resources of enough vets.

As we work through these pieces of legislation on animal health in Australia it is all very well to have the best-laid plans, but we must have the resources and people to make those plans work. I suspect that the first of the two necessary stages would be adequate animal health officers on the ground. We cannot just make them appear magically so we will need strong resources of them on hand. Good testing facilities would be necessary to ensure we can quickly grasp what the disease is and how to manage it. All those areas would need strong backup in the case of a disaster.

I note also from the briefing on the bill, and from my reading of it, that we can appoint inspectors such as police, State Emergency Service and Country Fire Authority officers to do tasks in the event of a disease outbreak. They have very strong powers which are set out under clause 8 of the bill. Those powers might include rather run-of-the mill tasks such as controlling traffic, monitoring livestock movements or enforcing quarantine moves. That is all good solid stuff and would be absolutely necessary. It will mean everyone can put their shoulders to the wheel.

However, when we look at division 3 — and I will not go into great technical detail on this — it can be seen that these people are given wide powers. We believe they will need some training because they may well be expected to test, treat and vaccinate animals. That training might be necessary to provide the horsepower of the people on the ground. If so, that is okay; the bill is about putting those structures in place. The training might involve a short course so that they know what they are doing, for their own protection as well as everyone else's.

I conclude the National Party's contribution on this bill by saying that it believes it is a good bill. It puts up the framework. I make the point that it should be a national approach given that Australia is an island. We can certainly manage things better if the outbreak of exotic disease is looked at from a national perspective. Given the speed at which exotic diseases spread, such as the instances in the United Kingdom where in three or four weeks foot-and-mouth disease was evident from one end of the place to the other, we need to be crystal clear and professional in the way we go about the management of outbreaks in this country.

In conclusion, the National Party supports and commends the bill to the house. We hope and pray that we never have to implement exotic disease measures in this country.

Hon. J. A. VOGELS (Western) — I am pleased to have the opportunity to speak on the Livestock Disease Control (Amendment) Bill. I read the contributions of the members for South-West Coast and Benalla in the other house who have for many years been veterinary surgeons in rural Victoria. They both made an excellent contribution because they understand what is happening with diseases and exotic diseases. It was very good to read their contributions in *Hansard*.

We all know the importance of the bill and agriculture to Victoria. Last year the gross value of agricultural product in Victoria was $88.3 billion. In that year Australia exported $7.6 billion worth of food overseas, which will increase to $12 billion by the year 2010. It is obviously very important to the state.

Some 35 000 Victorian farmers directly employ 100 000 or more people in value adding to their products. Value adding in the dairy industry is probably one of the main employment drivers of rural Victoria.

Mr Viney — You're going well, John!

Hon. J. A. VOGELS — I know you're watching me like a hawk, but that is okay — I don't mind. When a dairy farmer, of whom there are about 10 000, milks his cows in the morning that milk product goes to the factory and is turned into all sorts of consumer products we use every day, and that value adding is fantastic for the whole of Victoria.

If an exotic disease, such as foot-and-mouth or mad cow disease, broke out it would in one fell swoop devastate Victoria. If we think the drought has had a huge effect on Victoria at the moment, which it has, an outbreak of exotic disease would be such that the drought would pale into insignificance.

The Honourable Barry Bishop said an exotic disease outbreak in wheat has been discovered in Australia. We are told that it will probably cost the Australian economy about $200 million — although at this stage it will affect only about 1 per cent of crops, that 1 per cent will take $200 million off the price of wheat. Luckily that wheat virus will not affect Australia's exports but some other exotic disease could be more devastating.

Last year a number of my colleagues and I visited the quarantine facility at Geelong. We were given an excellent insight into how that facility is beginning to plan for an exotic disease outbreak or even a suspected outbreak. It was great to go to the Geelong facility.

We also went to Tullamarine where customs officers took us through how they deal with what is coming into Australia, which was also interesting. It was great to see how customs officers have upgraded their skills to detect exotic diseases throughout the world. Then we went to the ports where people are also much more involved in understanding, watching and monitoring what comes into Australia. To its credit the federal government has put an extra $600 million into the budget to upgrade our customs and quarantine facilities. The state government, to its credit, has put $24 million into its budget this year for the same reason — to help us get on top of this problem.

The only problem I have with the bill is clause 8, which allows members of the police force or persons employed or engaged by emergency services, such as the State Emergency Services, the police, Country Fire Authority officers and lifesavers, to be declared inspectors in the case of an exotic disease outbreak. I would have no problem with this if these people were monitoring livestock movements or engaged in road traffic control if there were an outbreak of exotic disease, but allowing police officers, CFA officers and lifesavers to perform the functions and exercise all the powers of inspectors under division 3 of the act does concern me. They will have the power to test, vaccinate, treat, take samples and destroy livestock. To me, a lot of these people are very well meaning, but they would not know one end of a cow from another. Just because someone is an emergency officer, a CFA officer or a lifesaver does not mean that they can be empowered to decide whether cattle should be destroyed. It is ludicrous, and the minister should look at that.

If there were an outbreak — I hope to God there never is — it would make much more sense to give those powers to farmers because they deal with these situations every day of the week. They treat cows, take blood samples, give injections and put animals down if necessary. I ask the minister to look at that.

Before I conclude, I will comment on a brochure on the National Livestock Identification Scheme (NLIS) which has been circulated to all farmers. It states:

> The NLIS is needed to protect and enhance Victoria's reputation as a supplier of safe wholesome beef and dairy products.
>
> Food safety, product integrity and traceability are non-negotiable requirements for food commodities, including beef and dairy products, in domestic and export markets.
>
> The NLIS needs to be fully implemented to enhance our ability to quickly and successfully contain a major food safety or exotic disease incident.
>
> Japan, the European Union, New Zealand, Canada and several other South American countries already have [implemented], or are currently implementing, cattle identification schemes similar to the NLIS.

The one point that really concerns me is this:

> Cattle sent directly to an abattoir by the breeder, and bobby calves consigned to a Victorian saleyard or scale operation for the purpose of sale for immediate slaughter, are exempt from the requirement to be identified with an NLIS tag.

I know very well that many bobby calves are sent to saleyards and scale operations to be sold for slaughter and they do not need tagging, but I also know that many farmers and people who go to those saleyards think they have sold their bobby calves for slaughter when in fact they are picked up by farmers and taken out to another farm somewhere to be reared and sold in two or three years time. That concerns me. At the Camperdown saleyards, say a month ago, bobby calves sold for slaughter were worth $30 or $40 a head, but buyers were paying $100 a head for heifer calves which were only three or four days old. Obviously those heifer calves were not going to slaughter. They must have been bought by somebody who intended to rear and breed with them and do other things with them later on. It concerns me how they could be traced.

In conclusion, the Productivity Commission undertook a review of the economic impact of the foot-and-mouth outbreak in Australia. The findings were that a moderate-sized outbreak in Australia would cost the Australian economy $13 billion in one year. That is an enormous amount of money, and it is why this bill needs to be passed. I commend the bill to the house.

Ms ROMANES (Melbourne) — The Livestock Disease Control (Amendment) Bill is a very important bill. It seeks to amend the Livestock Disease Control Act 1994 for the protection of public health by monitoring and controlling diseases transmissible from livestock to humans; and to amend the Plant Health and Plant Products Act 1995, which provides for the monitoring, controlling and eradicating of plant pests and diseases.

I am well aware of the importance of those two acts and of the objectives they set out to achieve. It was in this chamber about two years ago in the 54th Parliament when the importance of protection of public health and protection of our livestock and plants from disease, and the importance of those actions to protect our domestic and export markets, was impressed upon me when we dealt with a bill at the time which addressed the need for the correct labelling of meal for certain animals at risk of bovine spongiform encephalopathy — which only Mr Bishop will know is mad cow disease.

At that time this whole issue of disease and its spread, and the widespread harm it could wreak on our population, our livestock, our plants and our economy was raised. In the meantime we have also seen, in 2001, the outbreak of foot-and-mouth disease in the United Kingdom. It was as a result of that outbreak and the desire to learn key lessons from the outbreak of foot-and-mouth disease in the United Kingdom that during September 2002 Victoria participated in a national foot-and-mouth disease outbreak simulation called Exercise Minotaur. There were about 1000 participants from throughout the country in that simulation project, and about 100 evaluators. International observers participated and it was a complex simulation exercise.

It was designed to map the way an outbreak of disease would affect the livestock industry and to track how we might cope with that if it were to happen in the future. In fact it was considered that the exercise achieved most of the objectives set for it, and it set a new international benchmark.

There were some very important outcomes from Exercise Minotaur — namely, the importance of a whole-of-government approach to emergencies, such as was undertaken in Victoria in response to emergencies like the recent bushfires; the importance of active involvement of industry in the planning, training and response activities; the need to build on the awareness which has been created of the impact which emergency animal diseases can have on the whole community; the need to work towards greater role clarity in emergencies for people, committees and structures; the need for further training to expand the current manpower capacity and capability, which has been alluded to by other speakers; and the need for improvements to Victoria's livestock disease control legislation. That is all effected through the bill.

The key elements of the bill before the house emanate from the problems that were identified and the ways to address them that came through Exercise Minotaur.

Acting President, the proposals, as you mentioned earlier when you were speaking, relate to the need to have a rapid or immediate response to any outbreak of disease such as foot-and-mouth disease or mad cow disease, in Victoria or in another state. It highlights the need to make sure that any delay — even of hours — in taking action is minimised, because it could result in the epidemic spread of disease, adding significantly to the impact and costs of any eradication response.

In fact that was one of the problems that occurred in the United Kingdom. To be effective, early notification requires the making of a section 85 statement, as it proposes an extension to the current limit on the jurisdiction of the Supreme Court in respect of preventing injunctive proceedings.

The bill proposes amendments to ensure that the secretary can appoint any suitably qualified person as an inspector and to ensure that police officers, other emergency services officers and Country Fire Authority officers are given the authority and the protection in their roles to be able to enforce restrictions on livestock movement and the movement of people and vehicles in and out of declared infected areas so as to stop or limit the possibility of the disease spreading. The bill also makes similar amendments for the speedy appointment of inspectors under the Plant Health and Plant Products Act.

The bill will also prevent swill feeding of pigs to minimise the spread of foot-and-mouth disease, swine fever and other diseases by prohibiting a person from storing, collecting or feeding any material originating from a placental mammal to pigs. It also prohibits feeding pigs any material which may have been in direct contact with and contaminated by mammalian material, not just the mammalian material itself. These are very important ways in which the act is strengthened.

The bill also builds on the changes made by the government to the ovine Johne's disease control program, which was put in place in February 2002. The bill contains amendments to sections 79B and 79C of the Livestock Disease Control Act 1994, which will ensure that the Sheep and Goat Compensation Fund is subjected to greater financial accountability by preventing special appropriations and enabling compensation funds to be used to address sheep diseases other than ovine Johne's disease.

As I said, this is a very important bill. There is a need for an increasing focus on the prevention of diseases rather than merely on responding to outbreaks. While both acts provide for disease prevention these amendments being proposed through the bill before the house today more clearly spell out the desire for greater attention to prevention of disease rather than a mere response to outbreaks. The bill seeks to rectify any lack of clarity or omission in this regard.

I am merely a city person, and the three speakers from the country have outlined the provisions in this bill in more detail and in a more expansive way than I have, so I do not need to say much more. But even as a city person I recognise how critical such bills as the one we are dealing with this afternoon are to our primary

industries, to the health of our population, to our livestock, to our plant community and to the very welfare and economy of our whole country. I have much pleasure in commending the bill to the house.

Motion agreed to.

Read second time.

Third reading

Hon. M. R. THOMSON (Minister for Small Business) — By leave, I move:

That the bill be now read a third time.

On behalf of the Minister for Energy Industries I thank honourable members for their contributions.

The ACTING PRESIDENT (Hon. B. W. Bishop) — Order! As I am of the opinion that the third reading of this bill requires to be passed by an absolute majority, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

The PRESIDENT — Order! The question is that the bill be now read a third time. I am of the opinion that the third reading requires to be passed by an absolute majority. I ask those members in favour of the question to stand where they are.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

WRONGS AND LIMITATION OF ACTIONS ACTS (INSURANCE REFORM) BILL

Second reading

Debate resumed from earlier this day; motion of Mr LENDERS (Minister for Finance).

Hon. C. A. STRONG (Higinbotham) — In rising to speak on the Wrongs and Limitation of Actions Acts (Insurance Reform) Bill I commence by putting on the record that the opposition will not be opposing the bill. This is not because we think the bill is any great shakes in any way because in fact the bill is a considerable mess. It is late, it is unfair, it is half-baked and in so many ways it has not been properly thought through. In many ways the bill is typical of Bracks government legislation and in many ways it is unworkable in its present form. However, it is the government's bill. Let the public and the industry judge it on the basis of the bill. I have no doubt that this bill will be found wanting and that it will come back for many, many amendments to fix it up. It is worth dwelling a little on why the bill is such a mess.

The bill is a mess because the government has been dragged kicking and screaming to introduce this legislation at the very death knock of this sitting and at the very death knock of the end of the financial year, and because it has been dragged kicking and screaming at the last minute to introduce this bill it has not allowed sufficient time for proper consultation. The bill has been rushed in here at the last minute.

Because the government has allowed insufficient time for consultation many parts of the bill are a mess and will have to be patched up. There are many holes in the bill that proper consultation would have turned up, would have allowed the government a chance to fix up and would have made the bill a lot more workable and effective. Nevertheless the bottom line is that at the very last minute — and the government has been putting it off for as long as it was able to — the bill has been brought in, warts and all.

Because the government has not allowed sufficient time for consultation it has not convinced many people that the legislation will work. As far as the opposition was concerned the government refused to release any figures that would allow it to make an assessment of whether the thresholds are at a sufficient level to work. I know from my consultations with members of the industry that they are not sure the limits that have been set will be workable or not. The government's lack of consultation and lack of transparency in putting its figures on the table for people to look at has been a problem.

The government's lack of consultation has also been a problem within its own party and supporters. Had the government made the case for the need for the bill more effectively its union mates would not have been virulently outspoken against the bill and it may not have had the same level of attack from its labour lawyer colleagues. The government has not made the case — it has not left itself time to make the case — and although it could well be argued that it would never have been able to convince the unions or the labour lawyers, it would have at least given itself an opportunity to spell out all the details so at least those people could understand why these actions were being taken.

There is a contrast between this and the approach taken by the opposition when it was in government. When the former government brought in measures like this it allowed extensive consultations across all parties. Although all parties were not necessarily convinced they understood where the then government was coming from and had all the data available to assess the government's position.

It is a great pity that this government has allowed insufficient time for consultation. It is also a great pity that the government has chosen not to make the data available that would allow a proper analysis of its proposals, not just by the opposition but by the unions and the labour lawyers. It is a pity because this is a very important bill and one cannot underestimate its importance. It diminishes rights, and as well as diminishing rights it allows society, business and commerce as we know it to continue. So it is very much a balancing act, and I think all sensible people would see it as a balancing act. It is a great shame that the government chose not to be fair, honest and transparent in showing to all the stakeholders how it went about the process of weighting the various factors in this very difficult balancing act.

Let me turn briefly to why this bill is necessary. The whole area of insurance — public liability, professional indemnity et cetera — has been in crisis for the last 12 to 18 months. There are various reasons proposed as to how this crisis came about. There is the HIH collapse, there is 11 September, and there are all sorts of reasons proposed. I do not intend to canvass those because they are not really the issue. The issue is there is a crisis which has impacted on all of Australia, and of course it has also impacted on Victoria. But today we are really only interested in the impact on Victoria.

I will run briefly through some of those constituencies that have been impacted. Doctors have been impacted to a very great extent. They have been calling on the government for months and months to do something. They wrote to the government in November 2002 pointing out that the bill that the government passed last year — the Wrongs and Other Acts (Public Liability Insurance Reform) Act 2002 — really made no impact at all on their position and that unless the government acted doctors would be giving up practices that in any way had a risk about them. That meant that doctors would either pay exorbitant insurance rates or not be able to get insurance, and of course they would not be covered for various long-tail claims.

So the government has been aware, as I say, since at least November that the previous act that it had brought in was not doing the job and there was a job that still needed to be done. Small businesses have been vocal for many months, telling the government that they cannot get insurance or alternatively insurance has gone up 300 per cent, 400 per cent, 500 per cent, driving people out of business or interstate to get insurance. We have tourism operators who have been very adversely affected, and that has had quite a significant impact in regional Victoria where a lot of these tourist operators work. We have heard the Honourable Graeme Stoney talking at some length about the effect on tourist operators in his area.

We have many community groups that go out there and fundraise at fetes, at various shows and other fundraising-type events. As many of those organisers were unable to get insurance they could not hold their fetes and other fundraising activities. I received — and I presume the government did as well — a letter from the Duke of Edinburgh's Awards organisation, a tragic letter really, highlighting how this awards scheme, which does absolutely outstanding work throughout the world, had had enormous increases in premiums. It was basically saying that unless it could get effective cover at a reasonable rate the Duke of Edinburgh's Awards scheme in Victoria just simply would not be operating — it would close up. That would be a tragedy. There are many people who have been very adversely affected over the last 12 to 18 months.

I think it is worth putting on record also that many of the professions, including for instance the accounting profession, have been very adversely affected. The CPA Australia press release of March says:

> CPA Australia received responses to its survey on PI insurance market failure from 1200 public practice members. The survey was conducted in mid-February to address CPA Australia's current regulation of members in respect to their PI insurance.

It goes on to say:

> 26.6 per cent of respondents had withdrawn or were intending to withdraw certain high-risk services such as audit or financial planning in the next 12 months due to the increasingly high costs of PI insurance and policy exclusions
>
> 12 per cent of respondents specifically identified the withdrawal or winding down of audit services.

These are very serious issues, not just for the small businesses concerned. The release goes on to highlight that audit services may be withdrawn. As many of us would probably know, many of those audit services are conducted by auditors as members of community groups and voluntary organisations, and they do pro bono work.

The DEPUTY PRESIDENT — Order! It is very hard for Hansard and for me to hear, so I ask members to keep their conversations down or go outside.

Hon. C. A. STRONG — Thank you, Deputy President. So it is having a very significant impact on the community and business.

If we look again at the whole area of engineering, for instance, the Association of Consulting Engineers Australia, in association with the Institution of Engineers Australia, conducted various surveys on how professional indemnity was impacting them. They found, for instance, from their surveys, and I quote from a paper dated 3 March:

> Increased premiums (250 per cent average increase over the last year, with highest reported 1000 per cent)

So how can people really operate a business with that level of increase? The second point they make is:

> Increased requirements for the insured to absorb the first level of loss, or excess (250 per cent average increase over the last year, with highest reported 1250 per cent)

As well as that, they go on to say that the scope of work that many of these professionals could undertake was severely cut back. They said that 43 per cent of their professionals had the scope of work that they could undertake reduced. They highlighted what I think is a very important issue:

> Restrictions on availability of services, with some perceived 'high-risk' categories becoming difficult or impossible to insure include services with a high community impact, e.g. community facilities, building services and certification, fire services, water treatment, geotechnical investigations, security systems, research and development —

and other high-risk areas like water testing for legionnaire's disease and asbestos removal.

For all the people who do those important works, even with huge increases in excess and huge increases in premiums, the insurance companies just simply refused to cover them for this type of work — even with, almost without exception, these companies having no adverse claims against them for many, many years.

So the crisis was there. What has the government done in the past 12 to 18 months? I think the record clearly shows it has done very little. It has indulged itself in a blame game: it has been the federal government's fault; it has been rushing off to meetings all over Australia; it is waiting for the federal government to do this or that, and so on. We have heard this from the government so often. It is all a blame game.

And then last year, in 2002, the government brought in the fairly feeble bill, the Wrongs and Other Acts (Public Liability Insurance Reform) Bill which really has had no effect at all on the crisis — it is on the record that it has had no effect at all on the crisis. It was going to bring in, and introduced in the Assembly, the Personal Injuries Procedures Bill, which I think was thought a little too extreme coming up to the election so the government pulled it. So the government has really done little, and what have we had since the election? We have had more blame game, more talking and very little action.

Now, in the face of the fact that all the other states have acted and in the face of the federal government having in place everything that it needed to get into place, there simply is nobody left to blame, and the government has acted. Thank goodness it has acted, because as I said, if it had not we would have been faced with more businesses closing and moving interstate and more doctors simply abandoning great swags of practice, and we would certainly have been faced with doctors withdrawing their services in rural Australia where by the nature of the extent of their practices doctors have to cover all areas and cannot just specialise in what are perceived as low-risk areas. We now have this bill, and I am glad we do. This is an absolutely critical piece of legislation, albeit a balancing act.

What does this bill seek to do? A little bit of background is worth while here. When we look at the whole area of public liability damages there are basically two types: damages that can be claimed for economic loss, such as loss of wages, medical costs and the like; and general damages, which covers pain and suffering, loss of amenity and enjoyment and so on. We all know — but once again it would have been nice if we had had more facts and figures from the government to back it up — that the problem area seems to be the small claims. These smaller claims for general damages — that is, for less than $10 000 — make up the overwhelming majority of general damages claims, so this is the area where attention is required.

Further, an action can be brought for general damages before this bill becomes law under either the state jurisdiction or the federal trade practices legislation; therefore, changes are required at both the state and federal levels. The federal government is currently putting through the federal Parliament all the acts in the federal jurisdiction to modify the Trade Practices Act so that the various pieces of legislation put in place by the states and ultimately by Victoria will stand and it will not be possible to bring an action in the federal jurisdiction to override state legislation.

Given all that, what does the bill do? What the bill seeks to do is to set what is called the significant injury threshold, which is a lower claims limit. Unless one passes this significant injury threshold a claim for general damages cannot be made. There is already a higher level threshold which was set by the government last year in its Wrongs and Other Acts (Public Liability Insurance Reform) Act**,** and when I said earlier that this previous act did not really do much because it set a cap on general damages of $371 000, that was not the issue. The issue is the lower level of claims at which the threshold needs to be set, and that is what this bill does. It establishes a threshold for physical impairment of more than 5 per cent, using the American Medical Association (AMA) guidelines; it sets a psychiatric impairment level; it sets a hearing loss level; and it seeks to ensure that any general damages for loss of foetus or loss of a breast are not subject to this threshold. The government keeps making the point that not all your rights are taken away because you can still sue for economic loss. But as all the commentators quite rightly say, very few people will take action for economic loss for the smaller claims so that is really just another bit of nonsense spin.

The bill introduces proportional liability for economic loss. This is a very positive and necessary thing, which I think will be applauded by many professions. It also reduces the statute of limitations periods for claims: from 6 years to 3 years from date of discovery in a general sense; for minors, those under 18 years, the period will be 6 years from the date of discovery; and a stop period of 12 years from the date of discovery will apply to all claims. However, there is one very big let-out clause there — that is, that the courts have the discretion to extend the 12-year stop limit, and nobody knows what the effect of that will be.

What does all this mean, and why is it that so many of the things the government has done with its lack of consultation have caused very great concern? There are certain things: as I said before, the bill sets a threshold for physical impairment of plus 5 per cent, but it sets a threshold for psychological impairment of plus 10 per cent. Why is this? I refer to a press release from the Mental Health Council of Australia headed 'Mental health groups decry proposed discriminatory Victorian legislation'. It says it is discriminatory and asks why there is a threshold for physical impairment of 5 per cent and a threshold for psychological impairment of 10 per cent. The press release states in part:

> Mr Keith Wilson, Chair, MHCA said this proposed legislation clearly devalues and discriminates against people experiencing psychological impairment. There is no legitimate reason for any government to view physical injury as of greater importance and significance than psychological injury.
>
> We know from the global burden of disease study and other major studies that the level of disability caused by major depression is equal to blindness … Mr Wilson said. But in the case of this legislation, if someone develops depression or anxiety as a result of a severe physical injury then they cannot be compensated —

at all. It goes on to say:

> 'How can the Victorian government put forward legislation that flies in the face of such compelling evidence?…

You have to say that that is not a bad question. Once again, if there is an appropriate reason why the government has done this it would have been appropriate to have brought that reason out during the consultation period so that people could understand it.

There is also great concern about the 5 per cent threshold for injury and particularly the statute of limitations for young people. Once again I would like to quote from something the government should have referred to. It is a letter produced by a group called Youthlaw, which is the Young People's Legal Rights Centre. It says that the statute of limitations changes are probably in breach of the United Nations Convention on the Rights of the Child, which states, and I paraphrase: for this purpose the child in particular be provided with the opportunity to be heard in any judicial and administrative procedures affecting the child, either directly or through a representative or an appropriate body, in a manner consistent with the procedural rules of national law.

In other words it is saying that children should have the right to represent themselves rather than be represented by a parent or guardian when they are five or six years old. The letter goes on to say that the bill clearly trespasses on these fundamental rights, and the only appropriate protection for children and young people is that they not be subject to the limitations period which begins before they are aged 18 on the basis that that is when they can present themselves to such a tribunal.

Clearly rights are being taken away. There is a balancing act involved in establishing why this is happening and whether it is just. One only has to reflect on the full-page advertisements that were taken out against the government three or four weeks ago by the labour lawyers highlighting how this bill takes people's rights away. The advertisements also highlighted the double standards of this government that said it would replace rights in workers compensation legislation but turned around in the next breath and removed them in respect of the insurance liabilities issue. It is just hypocritical.

Many members would have received correspondence on the issue of the justice or otherwise of the 5 per cent threshold. One document in particular that they would have received was the document entitled *Last Chance — to Stand up for Injured Victorians*. This document highlights some very interesting issues. In many cases these are painful issues, and most members will recall reading the first page of this document that shows some graphic photographs of a young boy who was mauled by a dog outside his Port Melbourne home. He received 150 stitches and had his left eye reconstructed. Three years later he still had facial scarring. He had been assessed by an accredited medical expert under the *AMA Guides* as having a permanent impairment of 1 per cent or 2 per cent. Under this legislation he would not be able to claim any compensation for pain and suffering. The photographs quite clearly show that there was some healing, which is not surprising for a young person, but there was clearly very significant trauma attached to the event. Although the scarring was nowhere near what it was at the time the dog attack took place, it was still very significant.

This goes to the issue of how these *AMA Guides* are to be interpreted. The documentation that I have says:

> … injuries such as broken limbs, sprains, cuts and abrasions that may eventually heal may not be embraced by the concept of significant injury, there being no permanent impairment ...

This is a classic example of that. It goes on to say that:

> injuries resulting in permanent facial disfigurement may not be embraced because there may be no permanent impairment to the requisite degree or satisfying the arbitrary thresholds ...

What it is saying is that if you have some injury that heals so the permanent impairment is less than the 5 per cent in the *AMA Guides*, it does not matter how severe the trauma was, it is bad luck. The issue we have to raise is: how just is that? As I said, it is a great pity that the government did not allow itself sufficient time in consultation to make that case.

One of the other things that many people have taken objection to and which I think is really a disgrace — it is spinning out of control — is the handout distributed by the government with its press release. It highlighted in a table where the 5 per cent cut-off would come in. It set out in spin terms typical of this government to highlight that less than 5 per cent impairment is a minor injury and therefore setting the cut-off at that level is not a significant diminution of rights.

I think it is worth putting on the record what some medical specialists — almost all medical specialists — have had to say about these government figures. I quote from an article in the *Age* of 22 May headed 'Medical specialists say government has figures wrong':

> Medical specialists have branded the Bracks government's table detailing which injuries people can sue over in its reform of liability laws as widely misleading.

Those of us who sit on this side would expect nothing less. It goes on:

> A review of the government's examples by Frank McDermott revealed that 27 of the 39 examples, or more than 70 per cent, were wrong.
>
> Professor McDermott, co-chairman of the consultative committee on road traffic fatalities, told the *Age* yesterday that those who had drawn up the list were wrong.
>
> 'They just got it wrong,' said Professor McDermott …

I think they got it wrong but it is no accident that they got it wrong. It is typical of the spin that we hear from members opposite trying to minimise the truth when it does not suit them. As I said, the key issue is that they should have faced up to these issues. They should have tried to take the community with them or at least ensured that the community understood where the government was going on these issues and why.

The 'Last chance' document also makes the point of asking why is there not some sort of fairness clause. The truth of the matter is that some of these cut-offs are extremely arbitrary — by their very nature they cannot help but be arbitrary. Some sort of fairness clause would allow those people whose injuries are on the boundary or which clearly warranted consideration but are knocked out by some finessing of the rules to be heard. There should be a fairness clause. The 'Last chance' document says, and I think it is a highly appropriate comment:

> The fairness clause is a way that you can reduce the severe impact of the bill on the most vulnerable members of our community.
>
> Even if you support the bill you can make a difference to the people who will be most severely affected by it by supporting a fairness clause.

Once again I think the issue of a fairness clause should have been argued and debated by the government. Many members received submissions and have expressed concern about how the bill will work. The issue of medical panels is something that is embedded in the whole process. The bill says that if a medical certificate that says that the person passes or does not pass the 5 per cent threshold is questioned, it will be adjudicated by a medical panel and not by any legal process. The bill makes some interesting comments about medical panels. It clearly says that such panels will not be bound by the rules of practice as to

evidence; that they must act informally without regard to technicalities or legal forms; that they are able to operate in private behind closed doors; and that people who are called before the panels are required to answer. Medical panels can demand the supply of all documents in the possession of the claimant that relate to the medical questions; they can get the claimant to submit to re-examination; and the doctor who issued the original certificate that is under question can be forced to come before the medical panel to justify what he or she did or did not do.

It is a fairly draconian system without any significant safety nets. Although medical panels have a reasonable history in the Transport Accident Commission and Workcover areas, moving them into the public liability insurance area is a major step. The point has been made by many people that the use of medical panels when the claimant is a doctor — that is, when some sort of medical claim is involved — involving adjudication by his peers in the medical profession could be a conflict of interest. Once again these issues were not appropriately canvassed. There has been no attempt by the government to take the community with it and that is a great pity.

Submissions have been received on the question of causation regarding the medical panels. The medical panels have to say that a particular injury was caused by the event for which the claim is being made. The legal standard for causation is different from the scientific or philosophical standard. The High Court held in *March v. Stramare (E. and M. H.) Pty Ltd* that generally speaking sufficient cause or connection is established if it appears a claimant would not have sustained the injuries complained of had the defendant not been negligent. That is a different standard of causation compared with the scientific standard of causation, which is much more severe. So there is also the issue of causation that goes to the medical panels which once again, unfortunately, has not been dealt with appropriately by the government.

What type of impact is this bill going to have out in the real world where there is an insurance crisis? The truth of the matter is that nobody is 100 per cent sure at this stage because, as I said, this is a bill which has been rushed through at the last minute. There has been insufficient time for all those involved to make an appropriate assessment of whether, or the extent to which, it will work. The extent to which premiums will stay the same, go up or go down is unknown.

If we look at some of those who are most affected — for instance, doctors — we find that many in the medical profession who had made up their minds to quit the profession, because of the lateness of this bill, could not unwind their commitments and are now leaving the profession. But generally, as I understand it from talking to the medical defence organisations, they see the situation as somewhat improved. From talking to them I have learnt that the major reason they see it as having improved is that the federal government has stepped in to deal with what they call the 'blue sky' issue — that is, claims over and above the level of their insurance cover — and also what is called the 'long tail' issue. So the solutions to the doctors' problems are more about what the federal government has done than about what this government has done.

Hon. J. H. Eren interjected.

Hon. C. A. STRONG — As my friend opposite is fond of saying, shame on the federal government! It has solved the problem — shame on it! If it had been left to this government to solve, then the problem would not have gone away.

A group called Community Care Underwriting Agency, which has been underwriting insurance policies for community groups throughout Australia for some time now, is on the record as saying that until the Victorian government did something it would not be writing policies in Victoria. I understand that group will now be writing policies in Victoria, and I think that is a very good sign. The whole area of adventure tourism is still a little bit up in the air. From what I understand, insurance operators are now prepared to look at this area. I do not think anybody knows what the effect will be on tariffs.

The whole area of professional indemnity is still one that leaves much to be desired. I indicated earlier the extent to which the professions — be they architects, engineers, accountants and so on — have been very adversely affected by the question of professional indemnity insurance, whether they can get it and the huge tariff increase.

The proportional liability parts of the bill are a positive, but as I understand it those provisions of the bill are not going to be proclaimed, pending more discussions, more procrastination, more of what this government is good at — which is not actually doing anything. That is of concern, and certainly the insurers I have spoken to are very pessimistic about the whole issue of professional indemnity insurance, which is an incredibly important area.

The professions are also looking for professional standards legislation and the federal government has indicated that it would be prepared to support that. Such

legislation exists in other jurisdictions, particularly in New South Wales. To the minister's credit the government has agreed to bring in professional standards legislation. Of course we do not know when this legislation will come in, what form it will be in, whether it will be effective or whether it will be put off until the last possible moment again so that professions will be bleeding and bleeding until they are almost dead before the government steps in and does what other jurisdictions have already done.

The whole professional indemnity area looks a bit bleak and I urge the government not to swing the lead or shillyshally in this area. It is an area of enormous importance because many professional groups, to the extent that they are able to, will move interstate and that would be a loss to the talent pool of this state.

The other very unfortunate thing that is happening with professional indemnity insurance is that many large international consulting companies are able to get insurance because they are able to pay the exorbitant costs and have deep pockets to meet the huge excesses required. We are already finding that many of this nation's and this state's small professional entrepreneurs are losing business because they are not covered by professional indemnity insurance and that business is going to large multinational consultants, whether they be engineers, accountants or whatever. That is very unfortunate because as Victorians we pride ourselves on our very deep skill in the professional and all intellectual areas and on our entrepreneurship. It would be a tragedy for this state if all that is blown away for want of professional indemnity insurance. It is absolutely important that the government takes urgent action to deal with this issue.

The other thing I will touch on very quickly is how some parts of the bill will work. I will give an example. If I go into my local fish and chip shop and slip on some fat on the floor, I might say, 'I have some impairment'. If I go to my medical practitioner and he says 'Yes, you have an impairment over the 5 per cent threshold' and immediately issues me with a certificate to that effect, the bill says that the respondent to the claim then has 30 days in which he, in receipt of my certificate, can say 'I would like to take it to a medical panel to have it confirmed'. So here I am. I have gone into the fish and chip shop and slipped — maybe the shop operator noticed me doing it; maybe he did not. I have gone to my medical practitioner who gave me a medical certificate that says I have a more than 5 per cent impairment. I send that off to the fish and chip shop operator. That might be 3, 4 or 5 months after the event because I have had to wait to ensure that the injury is real and has not healed. So the certificate arrives at the fish and chip shop. And what does he know about it? He would not know what it is. He cannot remember me slipping on the fat. He cannot remember anything like that. He gets the certificate. He does not know what the hell he is to do with it. He probably just throws it in a file to be dealt with in due course. The 30 days tick away. Even if he thinks to send it to his insurance company to deal with, what does it know about it? It has no record at all of whatever it is that caused this impairment certificate to come to it, so how is that going to work? It is going to be a total mess.

What is interesting — it is another issue with how this bill has been so rushed — is that the bill that the government pulled before the election, the Personal Injuries Procedures Bill, does set out a procedure for how such a system could work. We do not know in any way how this will work. What we do know is that what is in the bill today probably will not work. What we do not know is whether there will be regulations to deal with this. We do not know whether there are going to be amendments to deal with this. That is a major problem with knowing how the bill will operate.

There are other areas of definitions I intend to pursue in committee when the bill gets there. There are other issues such as the proportional liability provisions which, as I have said, are incredibly important. There are already proportional liability provisions in the Building Act 1993, and this bill removes those from the Building Act and purports to put them in this new bill. But if you look at how economic loss is defined in this bill, the information I have indicates that many of those claims that could have been mounted under the Building Act 1993 for economic loss from property and structural damage et cetera could not be brought under the this bill simply because of the narrow casting of the definition of 'economic loss' — a casting which sets it to be all about economic loss related to personal injury rather than economic loss related to other matters or a more general casting.

There are many potential holes in this legislation. There are many problems that are of the government's own making through its lack of appropriate consultation where what these thresholds mean and why they are justified are simply not set out.

Will this work? I can only say that I hope for the sake of Victoria that the bill does work. I am very concerned that there will be a very awkward period when this bill is introduced while everybody is scrambling around trying to figure out what it means simply because the government has not consulted properly. Everybody will scramble around finding all these loopholes and

problems that exist; and whether they be in the definition of 'economic loss' or in how a person brings a claim, to go back to the fish and chip shop example, how all this is going to play out will be of enormous concern to everybody.

It will be of enormous concern to the insurance companies because unless they have got a degree of predictability about what the claims are likely to be they are still going to be very reticent about entering the market and doing anything for premium levels. There are so many issues involved.

There is also the outstanding issue of proportional liability. When will the government proclaim that section of the new act? When will the government bring in professional standards legislation that will deal with the professional indemnity crisis? What will that professional standards legislation be like?

So many unknowns are out there that this crisis is far from over. This bill goes some way towards meeting the crisis, be it all incredibly late in the piece and that the government has had to be dragged kicking and screaming to the starting line. But the crisis is still there and still requires action. During the spring parliamentary sitting I will be very disappointed if we raise insurance problems with the minister and the minister says the problems have been solved by amending the Wrongs Act. We heard the minister say earlier in this sitting that the problems were solved by passing the amendments to the Wrongs Act in 2002. That was a nonsense then and is a nonsense now. I hope the minister has the courage to keep the pressure up and to really deal with this insurance crisis, because this bill will not solve the crisis. It is a first step, but it will not solve the crisis. There are many areas out there.

In the short time remaining to me I will mention one of the areas which is not on the radar in this legislation — that is, the vexed area of builders warranty insurance which is forcing many small to medium-sized builders out of business. It is causing enormous stress to home owners because they have not got the consumer protection they need. What is the government doing to deal with that crisis? It is saying it will limit the scope of the claims, so if you have a builders warranty claim you can only claim up to $20 000. It is capping the claims. Alternatively it is saying to people who do not reside in a domestic building that if they reside in anything over a three-storey building they cannot claim any protection from builders warranty insurance. All these people buying units in the high-rise buildings around Melbourne are totally uncovered by any form of builders warranty insurance. They have no consumer protection at all. Surely this is a major problem and a major gap with which the government has to deal.

The insurance crisis is not over. Many areas are still to be attended to and that is why the opposition is not opposing the bill. This is the government's bill. It goes some measure of the way, but there is a lot yet to be done. It is full of holes. It is the government's problem and it should get on with it. We want the government to deal with it.

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

Hon. W. R. BAXTER (North Eastern) — It is self-evident that this is probably the most important piece of legislation that has been introduced since the Labor government came to office in 1999. Therefore I am disappointed and indeed appalled that I am addressing vacant government benches. One would have thought on this most important piece of legislation that the government might have had its troops here. But we know why the troops are not here. The troops are intensely embarrassed about this legislation because many of them were elected to this place as a result of riding on the wave of defending common law, of accusing the Kennett government of disposing of common law and truncating and restricting common law. They stood as candidates on a policy of restoring common law and protecting common law. And what are they doing? This bill restricts common law and there is no doubt there is intense embarrassment among the Labor backbench, firstly, for the way they were kept in the dark, and secondly, because they have had little influence, if any at all, on the course of this legislation. I can understand, even though I do not endorse, the fact that they are not here in the chamber tonight to listen to the debate.

Hon. P. R. Hall — There is no-one denying that either.

Hon. W. R. BAXTER — No, it is interesting, Mr Hall, that there are no denials emanating from the few government backbenchers who are in the house.

The converse is that the National Party has a proud history on this public liability and indemnity insurance issue. We as a party have been at the forefront over the last two or three years in pressing for government action on this vexed question because it was our organisations in country Victoria, the small community groups, which first began to feel the brunt of the public liability insurance circumstance and either the impossibility of obtaining public risk insurance or, if it were obtainable, at excessive premiums — indeed, and

as Mr Strong has quoted, in some cases up to 1000 per cent higher than they had been before.

It was the National Party that in 2001 requested that this government convene a summit on public liability insurance issues. The government said 'Oh, no, it isn't necessary to have a summit or a workshop on public liability insurance issues at all'. The government said it was either the federal government's fault or someone else's fault and that the state government had the matter in hand so far as it needed to.

Because that was not good enough for us in the National Party, we convened our own summit to discuss these issues and invited interest groups to come along and put their opinions on the table. What happened? The government gazumped our forum. We were glad it did, when it convened its own forum on 21 September 2001.

Hon. P. R. Hall — They were shamed into doing it!

Hon. W. R. BAXTER — They were shamed into doing it, Mr Hall. They said that it was not necessary but once the National Party called its own — the National Party took the lead, again out there in front as is always the case — the government was shamed into calling its own forum, and that occurred in September 2001.

At the time it had very little result indeed. One of the future initiatives of the National Party was then to have my colleague and Leader of the National Party, the Honourable Peter Hall, introduce during the sitting of this house in Benalla a private member's bill which went to many of the issues that are contained in this bill. Unfortunately, as is the case with this government, that private members bill was never brought on for debate.

This bill is not unlike it; it contains thresholds. Perhaps a major difference was that we were talking about monetary thresholds whereas the bill incorporates thresholds based on the American Medical Association's disability tables. We tend to think that that will create more anomalies and that a monetary threshold would have been a fairer and more equitable system. Be that as it may, the government has acted very much along the lines the National Party was advocating so long ago.

One has to ask: why has it taken the government so long, why did it lead to a circumstance where we had the doctors, particularly obstetricians in my electorate and elsewhere in country Victoria and to some extent in the city, threatening to resign on 30 June when their current medical indemnity insurance expired and not being able to fund or afford the horrendous premiums being asked to renew that from 1 July? Organisations were going out of existence because they could not fund their indemnity insurance either.

The Minister for Finance was beating around the bush denying that anything substantial would change, conveying a message to people out there in the community, and particularly to the labour lawyers and the unions, that the government would not interfere with access to common law. He kept on saying that right up to the eleventh hour. I heard that the day before the government made the announcement that it would introduce this bill. The distinct impression I got was that we would not have any legislation that interfered with access to common law. Yet, lo and behold, the next morning, after the caucus was enlightened as to what their cabinet had decided for them, we find that we have a bill that goes a fair way to restricting access to common law.

On occasions I cannot help but think to myself that it is no wonder the public gets very cynical about politicians. In this exercise we have another illustration — another instance — of ministers and government saying one thing and doing another.

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

Hon. W. R. BAXTER — Prior to the dinner adjournment I was reflecting upon the fact that this bill introduced common-law restrictions. I was canvassing how government backbenchers could live with their consciences bearing in mind that so many of them had gone to an election on a commitment in 1999 in particular and then again in 2002 about restoring common-law rights which had allegedly been removed by the former government and how they were going to stand up for people and maintain common-law rights, when here we have them bringing in a bill that restricts common-law rights.

Let us canvass a bit of history. We all remember the Workcover debates in the period after the fall of the Cain and Kirner governments when the then coalition government was confronted with a workers compensation scheme which was haemorrhaging badly. Some tough action needed to be taken and certain restrictions were put on common-law claims in Workcover. We can well remember members of the Labor Party screaming and ranting about it, in particular Mr Theophanous. It is rather peculiar that it would seem that Mr Theophanous has chosen not to be part of this debate. You would have thought that the sky was falling in given the protests that came from the labour lawyers, the unions and Labor members of

Parliament, but somehow or other in this instance they have all been silenced. I know they are embarrassed about it, but it is an indication of the strength of the factional system in the Labor Party that it can shut people up even when they are being asked to do things which must clearly be against their consciences and certainly clearly against what they went to the people with and the promises they made.

We all remember the Labor Party's claim that it would reintroduce common-law rights in the Workcover arena. Yes, it did — that is the message they sent to communities; but I understand that since Labor reintroduced so-called common-law rights in Workcover not one claim or action has been launched. Why? Because they made the drafting gate so narrow that no-one can get through it. But that is not the message they conveyed to the people prior to the last election — they claimed that they had restored common-law rights, but clearly they had not done so.

We also have to note that this is another broken promise by this Labor government. First of all we had broken promises on the tolls and on the Mitcham–Frankston freeway, and now we have the common-law rights which it swore to protect and uphold — another promise it is now breaking as well. There have been other more minor promises, but it is clear that we are going to have a litany of major promises broken before the next election in 2006.

Let us think about medical panels, for example. Medical panels are a key feature of this bill. Let us recall what the Labor Party said when in opposition about medical panels when they were introduced for workers compensation. Labor Party members protested very loudly indeed. I think Mr Theophanous spoke for something like 3 hours on the bill in this house in the days when we did not have time limits. He railed against medical panels and complained that they would be unjust and unfair. Now we have medical panels with no right of appeal and no opportunity for judicial review; what the medical panels determine will now be absolute gospel.

Here we have Labor Party backbench members acquiescing in this sort of legislation, yet out there in the marketplace, in the electorate, they claim they are the great saviours, the people who stand up for the rights of ordinary people. That is the message they sell, but what do they do when they get in here? They do something entirely different. This is going to be their undoing, because you cannot walk away from promises like no tolls or promises about preserving common-law rights without there being some penalty at the elections. As I have alluded to in previous debates there are seven or eight members sitting on the benches over there who owe their places in this Parliament to those two promises made by the Labor Party, promises that are now being cast aside. Those members are at risk, and they know it.

Mr Pullen interjected.

Hon. P. R. Hall — Mr Pullen wants to know our policy.

Hon. W. R. BAXTER — I will present it to Mr Pullen in a moment.

The bill I referred to earlier when Mr Pullen was not here was to be introduced at the sitting of Parliament at Benalla — and oddly enough the legislation that Mr Pullen's government introduced then is remarkably similar to this bill. Let me for a moment, whilst I am on medical panels, deal with — —

Mr Pullen interjected.

Hon. W. R. BAXTER — Yes. I am not saying the bill is bad, I am just saying that Labor Party members ought to be embarrassed because they are doing the opposite of what they said they would do.

Whilst I am talking about medical panels I want to allude for a moment to an amendment I intend to propose in the committee stage. Whilst I support the concept of medical panels and believe they have worked very well in the workers compensation area — despite the protests we get from Mr Theophanous on occasions — I think in this bill there actually needs to be some modification to the operation of the medical panels. Both Workcover and the transport accident situation are statutory compensation mechanisms and medical panels are an appropriate way for them to operate, but in one particular circumstance, in medical negligence cases, it seems to me inappropriate that medical panels should make judgments on their peers — that is, on other doctors. I think that is at least conveying the perception of conflict of interest. I am not alleging any unfairness or ill will by doctors; I think they are highly professional people.

Mr Scheffer interjected.

Hon. W. R. BAXTER — I am about to tell you that in my amendment. I think we have got to get this legislation as near to right as we possibly can as a Parliament. That is our responsibility and our duty. It seems to me that in cases of medical negligence there is, or would be, a perception arising and some feeling in the community that there was a conflict of interest.

I will move an amendment in the committee stage to provide that there ought to be an alternative proposal. I will move an amendment to provide that medical negligence claims involving doctors making judgments on others doctors ought to be heard by the Victorian Civil and Administrative Tribunal. I am not wanting to load extra work onto VCAT; certainly it would not be often that this would apply, bearing in mind that the bill envisages that medical panels will only be involved where there is some doubt as to whether the threshold has been crossed or not. A case involving a very serious injury, where it is acknowledged by everyone that it is a very serious injury — say, one of the order of a 30 per cent impairment under the American Medical Association (AMA) tables — will not go to the medical panel in any event, because the medical practitioner will certify that it is a serious injury of that order, the respondent will accept that and it will go to court for litigation and determination of damages. But in cases where there is some dispute as to whether the injury crosses the threshold, medical panels will come into play. A case involving medical negligence should go to VCAT instead of going to the medical panel.

Hon. C. D. Hirsh interjected.

Hon. W. R. BAXTER — No, in the first instance it will go to a medical practitioner — that is what the bill provides. I am not altering that.

The PRESIDENT — Order! I remind the Honourable Carolyn Hirsh that interjections are disorderly at the best of times, but if the member is not in her place they will not be permissible at all.

Hon. W. R. BAXTER — In circumstances where the respondent does not accept that the certificate from the medical practitioner is valid, where there is dispute as whether the threshold has been crossed or not, it should go to VCAT instead of going to the medical panel.

I am proposing this amendment on these grounds. The general public needs to have absolute confidence in the system which will now apply — I do not think any of us would argue about that. The cornerstone of the operation of the certificate is the credibility of the medical certificates — again, we would all agree. There is the very clear prospect of a perception of a conflict of interest in the process of issuing medical certificates in those instances where there is a proposed action against a medical practitioner — the very point I made about a perceived conflict of interest. This is so because while it is perfectly legitimate for the initial certificate to be issued by a medical practitioner — and that is the point I have just made to Ms Hirsh — it is untenable for the review process to also be conducted by medical practitioners, particularly given that there is absolutely no appeal process available for that forum; that is what the bill provides.

Once the medical panel has made a determination, that is it — you cannot have it judicially reviewed or in fact reviewed by anyone. To avoid any perception of a conflict of interest the solution is to have the review process undertaken at VCAT, which has a wealth of experience in dealing with these issues because of its association with the Transport Accident Commission, and I refer honourable members to that particular act. With the amendment that I will be proposing in the committee stage any prospect of an assertion of a conflict of interest against the medical profession is removed. So it will avoid any allegation being made that somehow or other doctors will be passing judgments on other doctors. They may well be competent to do it, that is not my argument. My argument is that there needs to be the perception not only that justice is being done, but that it is seen to be done.

I invite government members to accept the proposed amendment because it is perfectly reasonable for them to do so. It does not destroy the bill; it does not disembowel it. It improves the bill, and it also goes some way towards ameliorating the concern I know some Labor backbenchers have that this legislation is to a degree unfair to their traditional supporters.

I also want to make a reference or two to the fact that Labor members often allege that the Kennett government was wayward in its use of section 85 amendments.

Hon. R. Dalla-Riva interjected.

Hon. W. R. BAXTER — How many times have we heard it, Mr Dalla-Riva? They made an art form of alleging that the Kennett government resorted to amending the constitution to truncate people's rights to go to the Supreme Court.

We all remember that on one occasion the member for Northcote in another place, wearing her opposition hat, went to a Law Institute of Victoria lunch where she alleged that the Kennett government had used section 85 restrictions 200 times. The then Leader of the Opposition, now the Premier, also went to a Law Institute lunch and told the people at that lunch that an incoming Labor government would repeal them all. I am waiting with bated breath. I do not think even one of them has yet been repealed, and I presume we will not have them repealed.

Those of us who did a bit of research discovered that the Cain-Kirner governments used section 85 amendments 300 times. The only difference was that they did it in secret. They did not tell the house. You have to fossick it out yourself. It was the Kennett government which established what is now the practice — and we saw it earlier today in a second-reading speech on another bill — that the house is advised when a bill before the chamber includes a section 85 amendment.

Here we have it. There is nothing unusual about it; all governments have used it. It has always been justified. The Labor Party in opposition made a lot of political capital out of its erroneous allegations, yet the bill before us now has seven amendments to section 85 of the constitution. That is another indication of how good at spin the Labor Party and this government are. The government convinces the public of one thing, but in fact it is doing something entirely different in the Parliament.

I also want to say a word or two about thresholds. In the bill Mr Hall referred to by interjection and I exhibited to Mr Pullen a moment or two ago, the National Party had a threshold. This bill has thresholds. The only difference is that the National Party threshold was monetary; this bill has a threshold according to impairment based on the *AMA Guides*.

As an aside, I am fascinated by this government which so often exhibits anti-American sentiments — —

Honourable members interjecting.

Hon. W. R. BAXTER — We have listened to Mr Hilton tell us about the Iraq war a few times — and that was pretty anti-American. Yet the government is prepared to rely on the American Medical Association in this case. Talk about contradictory behaviour!

The National Party finds the *AMA Guides* pretty rigid, whereas a monetary threshold can at least be tested. You either cross it or you do not. It can be adapted to the circumstances of a particular case. I give an example: if I were to lose a finger in some accident, I could still continue my work as a member of Parliament; that loss would not impact much on my employment. But if I were to lose a finger while working as a musician, a painter, a bricklayer, a mechanic — a tradesman of some sort — —

Hon. D. Koch — A sawmiller?

Hon. W. R. BAXTER — Yes, Mr Koch, a sawmiller — I might find my capacity to work in that trade unduly restricted and my income-earning capacity might well be undermined. Yet under the *AMA Guides* there is no opportunity for factoring that into the assessment. Having lost a finger you either meet the threshold or you do not. Under the monetary threshold proposed by the National Party the court could have taken that into account. It could have assessed whether you crossed that threshold.

Hon. P. R. Hall — At least you would get your day in court.

Hon. W. R. BAXTER — Yes, Mr Hall, you would have got the chance to test it in the court. It would have been fairer. But no, we have a bill that has resorted to the AMA guidelines. We will see how it goes.

I also want to talk a bit about consultation on this bill and contrast it with the previous government. We all remember what the previous government did in matters like this on Workcover or whatever the major issue of the day was. Exposure drafts were produced so people could comment on them. The labour law firms had a field day examining our exposure drafts. They made submissions, and on some occasions their submissions were acted upon.

We had backbench involvement, which is in contrast to this example where the backbenchers were kept in the dark until 10.30 a.m. on the day this announcement was being made, when they were told what was going to happen. In some respects if you read the letter from the labour lawyers, which I know all Labor backbenchers received, they were — —

Hon. J. H. Eren — We weren't gagged.

Hon. W. R. BAXTER — No, Mr Eren, you were not gagged, but you were misled. You were misled in caucus, because it is clear what you were told in caucus — —

Mrs Carbines interjected.

Hon. W. R. BAXTER — It was gilding the lily, Mrs Carbines, to put it at its mildest. It would be fair to say that you were totally misled, because you were told things that were simply not true. If you do not believe that, read again the letter you received from the labour lawyers.

The backbenchers, who have been fed all this sort of mistaken material by some of their colleagues who have been here for a while, would find it surprising that under the Kennett government the backbench committee liaised very closely with the then minister, the Honourable Roger Hallam. It is worth putting on

the record that there was this opportunity of involvement for influence, for input, for cut and thrust; some amendments and modifications were made to what the former government proposed by backbench involvement. The Labor Party should hang its head in shame that it has not been prepared to take its backbench into its confidence on an issue that is so important to backbench members of the Labor Party, bearing in mind that so many of them were elected on the policy of maintaining common-law rights.

I am not going to go through the table that was supplied, because I know all honourable members have received the table and time is on the wing. I simply refer honourable members to a letter of 21 May, which was emailed and posted to all ALP members of Parliament and included a synopsis of what they had been told in caucus as to what constituted a threshold injury and compared it to what would have been the ruling by the experts. There are numerous examples of where the backbench was misled. I again say to honourable members: fair enough, this legislation attacks the problem to a degree, but it is totally contrary to Labor Party policy and philosophy, and I am looking forward to hearing some comments from members of the Labor Party as to how they justify it.

I move on to some of the features of the bill. I do not intend to go through them seriatim because they were covered very well by the Honourable Chris Strong and they were covered quite well in the minister's second-reading speech. Somewhat unusually for this government, the second-reading speech was a good document. It was explanatory and clear.

Hon. P. R. Hall — Give credit where credit is due.

Hon. W. R. BAXTER — Absolutely. For example, the bill imposes time limits. It amends the statute of limitations and cuts time limits, in some cases, by about 50 per cent. In all the circumstances that is fair and appropriate.

The long-stop provisions give 12 years from discoverability in certain circumstances. I do not think anyone could fairly argue that 12 years was not enough time to mount an action, so I agree with that.

The proportionate damages amendment is very sensible. Defendants who have been found liable should only pay the proportion of the award for which they are directly responsible. We should get rid of the current joint and several system where one defendant could wear the whole of the damages award despite not being responsible for 100 per cent of the injury. I was a bit alarmed to hear from the Honourable Chris Strong that the government does not intend to proclaim those particular provisions. I hope that aspect might be dealt with by the minister during the committee stage. I hope he can put my mind at rest and tell the committee that in fact this is more than a stunt, that the government does intend to proclaim those provisions and is just not leading us on a merry dance.

I say in conclusion, looking at the community at large, that I think — and I alluded to this to some extent in my remarks earlier today on the bill dealing with apprehended violence orders — we need a new ethos in our community. We need to be getting away from what has become, it seems to me, a very common view in the last 25 years that we are all in the blame game — that if something untoward happens, it is never your fault, it is someone else's fault; that we can mount an action and get some financial reward, get something for nothing; that we can all join in a class action. Nothing disturbs me more than when there is an instance, whether it is pork rolls in Springvale or whatever it is, where we have the labour law firms touting in the newspapers for people to join in a class action.

It is time we as a society accepted that people actually have to bear some responsibility for their own actions. The duty of care cuts both ways. Yes, a person offering a service, whether it is a chairlift or whatever it is, has a duty of care to the customers. The converse of that is that the users also have a duty of care to conduct themselves in a safe manner whilst using that particular facility. It seems to me that now we have far too much readiness in our community if anything happens — a slip or a fall — to accept that that has to be the fault of someone other than the person who actually was the victim — if 'victim' is the right word in that circumstance, and perhaps it is not. Also, if we are going to allow that sort of attitude to take hold in the community we open up great scope for fraud and for people to actually conjure up alleged instances. We have all heard stories about claims of people slipping on cabbage leaves in supermarkets. At times we have doubted, of course, whether a story was true.

In a case in Brisbane someone is suing a football club because he fell down the stairs, allegedly because he drank too much at lunchtime, which he claims is the fault of the football club.

Honourable members interjecting.

Hon. W. R. BAXTER — Mr Eren and Mrs Carbines tell me it also happened in Geelong. Well, that claim ought to be laughed out of court. If people can of their own free will imbibe at lunchtime, become inebriated and trip over and injure themselves,

they have no-one to blame but themselves. If we are going to have a circumstance in our community where you can sue for your own stupidity and foolishness, we will have a very pretty picture indeed. We all, as a community, ought to say, 'Enough is enough. We are going to call a halt to that, and it is not going happen in the future'.

This bill will go some way to establishing that, because presumably the fellow in Geelong who fell down the stairs did not sustain anything like a 5 per cent impairment. He might have been a bit bruised and battered for a day for two, but he recovered — and what is more, Mr Eren, it was his own fault. I think we have to get to a situation where these cases simply get stamped on and stomped on.

I have heard it said, 'Well, of course, there aren't many of these sorts of cases in the courts. People do not sue for relatively minor injuries'. In a sense that is true if one looks at raw statistics, but one has to look behind the statistics. Many of the cases do not get to court because the defendant, either personally or through his or her insurance company, pays up because they know that to defend the action will cost them more than coughing up a couple of thousand dollars.

It is really galling to me that you actually have to concede — not admit, but concede — liability simply because that is the lesser of the two evils, that it costs less than proving in court that the action had no standing at all. This bill will go some way towards overcoming that problem, and so it should, and I fully support that.

Members of our community have to become aware that with some activities you engage in there are obvious risks, and if you want to do it, yes, you are exposed to a risk. It might not happen very often, but there is a risk. Some of us are more risk averse than others. I do not go parachuting because I think it is a very dangerous activity.

Hon. Kaye Darveniza interjected.

Hon. W. R. BAXTER — There are also a lot of other things that I do not do either; I just use that as an example. But I do not see why the community at large, through the insurance premium system, should be paying high premiums simply because it is felt necessary to cover people who are prepared to engage in very dangerous activities and think that if something goes wrong the community will pay them compensation. There has to be some understanding and some acceptance by individuals that they bear a responsibility as well and that they cannot pass it on to the community as a matter of course.

I applaud this bill for beginning to rein that in. I will support any further legislation this government might bring forward in the spring sitting which takes this issue further in reining it in and making people more responsible for their actions. The report by Justice Ipp is a very good report. I think we might well see some legislation along these lines emerge out of it in the spring sitting. I would certainly endorse that, and I would encourage the government to introduce it, because I think the pendulum has swung too far one way and it needs to be drawn back.

In conclusion, there is some scope here for getting us back on track. We have gone off the rails; there is no doubt about that. Insurance has become unaffordable. Community organisations are being totally undermined and destroyed by this. The very fabric of some of our country communities, and probably in the suburbs as well, is being destroyed by the public liability problems. This legislation goes some way towards pulling it back.

It will impose upon insurance companies a responsibility, and rightly so. Insurance companies have a notorious reputation, we know that; sometimes, and probably quite often, it is undeserved. I have to say that in any dealings I have had with insurance companies — and the claims I have made in my life, fortunately, have been very few indeed — I have absolutely no complaint at all about the treatment I have received. But we do often read in the newspapers where people complain about insurance companies. It is usually because they have not been insured for that particular loss, they did not read the policy closely enough, they took the risk themselves or they have been grossly underinsured.

But be that as it may, insurance companies have both a moral and a legal duty to offer insurance at the lowest possible premiums. This legislation will assist, I am quite sure, in lowering premiums, and I am not going to let the insurance companies get away with anything less, and I do not think the government should either. I applaud the fact that it has referred the issue off to the Australian Competition and Consumer Commission. I do not have a lot of faith in the ACCC under Professor Fels, and maybe Mr Samuel will do better, but there will be a little more overview of insurance companies to make sure they are actually delivering lower premiums because the Parliament has passed this legislation.

I indicate that the National Party is happy to support the legislation. It goes very much in the direction we were going when we brought in our private members bill. It certainly does it slightly differently, but the direction is correct and the community is calling out for it. The Parliament should have done it 12 months ago.

Mr SMITH (Chelsea) — It is with pleasure that I contribute to this debate on the Wrongs and Limitation of Actions Acts (Insurance Reform) Bill and in particular have the opportunity to respond to some of the claims of the Honourable Bill Baxter in his contribution. I will get to those a little later. I start by saying that the principal reasons for this bill are to provide access to insurance for all Victorians — for medical practitioners, for businesses large and small and for tourist operators and the like — and to give some comfort to expectant mothers who are facing a crisis because of insurance for obstetricians.

This is an important piece of legislation, as has been claimed by the Honourable Bill Baxter. Whether it is the most important legislation we have dealt with I am not sure, but suffice it to say that we agree that it is extremely important legislation.

After extensive consultation by government members and after a great deal of heartache et cetera, we have decided to alleviate the current problems — that is, to make the necessary changes that will encourage the insurance companies to get back into the marketplace and provide the access to insurance that people desperately need. We find that in doing so we put ourselves in the position where we are damned if we do and damned if we don't.

Hon. D. McL. Davis — You're just damned!

Mr SMITH — Well, I've been there before.

I am proud to say that this government has not walked away and will not walk away from the hard decisions that are necessary in the best interests of all Victorians, even including those opposite. It is looking after their interests as well.

The main changes in this bill include but are not limited to the following. The first is the introduction of a 5 per cent minimum limit for general damages. By that I mean you must have a permanent injury that is a minimum 5 per cent loss or physical injury et cetera before you can make a claim for pain and suffering. For less than that you can make a claim for lost wages or medical costs. There has been much ado about nothing in the debate on this particular issue, and there will be plenty of examples of where it is not relevant — for instance, if minors are injured they can claim for suffering or loss of wages but that is irrelevant and always was irrelevant because minors do not earn wages anyway.

The other aspect is that the opposition has raised on numerous occasions the angst felt by the legal fraternity — Labor's mates or Labor's friends as it refers to them. To a degree opposition members are right, and we have suffered a great deal of heartache from some of our traditional supporters in the legal fraternity. They are adamant that we have got it wrong in numerous ways, that the very principles that we stand for are being attacked and that we should in some way be almost ashamed of what we are doing. I suppose it is fair to say, 'What else would we expect from the lawyers? They make their living from some of these spurious clients'.

I think, and I will put it on the record, that many lawyers have a lot to answer for in regard to this particular issue. They have pursued the causes of spurious clients in some cases and have brought the house down — and not for the first time. But the government is addressing it, and once again is demonstrating that it is not captive to any law firm or any factional warlord or whatever. We are, as a government, united in making a stand and doing the right thing. Now, Mr Baxter, for your edification, there has not been — —

The ACTING PRESIDENT (Hon. B. W. Bishop) — Order! Through the Chair.

Mr SMITH — Through the Chair, for the edification of the house, following a remark by the Honourable Bill Baxter that the backbench was somehow conned or misinformed, I will tell the house that there has not been a better attended briefing on any bill since we have been in government — since 1999. Not one bill has attracted the numbers to a briefing that this one has, which is indicative of the concerns that we on this side of the house have had with this issue. I can assure the house, and in particular Mr Baxter, that, whilst not unanimously and absolutely endorsing this, backbench members are comfortable in the knowledge that we are doing the right thing by Victorians.

There will, of course, be exceptions to the 5 per cent rule — they are in the case of a woman who may have the great misfortune of losing her foetus or a breast, or on the issue of sexual abuse, whether it be male, female, juvenile, adult et cetera. There will be exceptions for those cases. These guidelines have been designed by the American Medical Association — they are the fourth edition guides, AMA4, to be precise — and they are the guides used by the Transport Accident

Commission. I am not sure why there is such a hoo-ha or problem associated with this. In my view we are being absolutely consistent.

There are other guidelines, and they include the area of psychiatric impairment, where the percentage impairment necessary to qualify was raised to 10 per cent. There will be cases, of course, where that will cover other areas that may be arguable in terms of physical impairment, but again we consider there is a high degree of fairness about that.

Hearing loss is assessed using the National Acoustic Laboratory guidelines. In addition to that the statute of limitations has been altered from six years to three years for adults but remains at six years for juniors, or people under the age of 18. However, at its discretion members of the judiciary can make exceptions to that rule, particularly in the areas of tobacco-related illnesses or asbestosis, for the obvious reason that these things do not develop until quite some time down the track. Account is taken of that. Once again we believe we are producing the flexibility needed to guarantee as fair and equitable a system as we can.

As was raised by the Honourable Bill Baxter when referring to Justice David Ipp's report, during the spring sitting we will be introducing legislation that takes on board his recommendations and addresses those issues. For example, things like the definition of negligence will be covered in legislation to be introduced during the spring sitting.

We have talked about the insurance conglomerates. We know we have been held hostage by them. This is not a Victorian phenomenon and it is not an Australian phenomenon; it is a global phenomenon. The insurance companies have — I will not put a crude term to it — got us where they want us, basically, and we have to recognise that or have an insurance catastrophe. They have had a capital strike, if you like. But we believe we have done that which is necessary to bring some competition to the industry. It raises the issue of genuine competitiveness and where we might be had we had a state insurance office.

This issue has been raised not only within Labor Party circles but also in the public arena, and the feeling is that we may well be much better off if we were to have our own government insurance office. That is a matter worthy of being pursued, and I would like to think the people responsible would have a good look at that suggestion. There is no better way to ensure there is competition in the industry than to put in place something like a government insurance office that will guarantee it.

Under this legislation there will be no ability to sue for pain and suffering if the injury or impairment represents a total of less than 5 per cent loss of bodily functions and the loss must be permanent. This brings me back to the area I mentioned earlier — that is, slips and sprains et cetera. We have all heard about people making outrageous claims for minor things of no real consequence that they recover from relatively quickly. Insurance companies have been paying out a few thousand dollars to these people just to make these claims go away. The accumulation of all those sorts of claims has resulted in the need for this legislation, and as I said earlier, some people in the legal fraternity should have a good look at themselves and what they have done over the past few years.

I read an article recently, and I could be wrong but I am reasonably sure I am right, that suggested that Australia is now a more litigious country than the United States of America. That is mind boggling, and if you look back about 20 years you would never have thought that could be possible.

It also raises the issue of civil rights — something that has been demonstrated to be near and dear to the hearts of people on this side of the house. We know it is nowhere near as important to those on the other side of the house, and that has been demonstrated as well. It is a sensitive matter, and I made the comment in a previous contribution to the house — one of the many I make — that the loss of civil rights is a difficult issue for the government. We admit that we have taken away some rights that people had previously, but the government felt compelled to do that because overall it was in people's best interests, and if nothing else we on this side of the house are pragmatic.

An Honourable Member — You are pragmatic when you are in government.

Mr SMITH — Where else would you like to be pragmatic except in government?

Justice Ipps's review recommends that claims be barred after 12 years; however, judicial discretion is available in certain cases, and I have already enunciated those.

I raised briefly the issue of expectant mothers. Many members on both sides of this house have been confronted by pregnant constituents who are extremely concerned about the wellbeing of their unborn children. Their obstetricians were applying enormous pressure on them to in turn apply pressure on the government. They were threatening that they could not guarantee the delivery of babies on time, or at all, because they would not put themselves, their families, their assets et cetera

at risk without appropriate legislation to address that problem. This was something the government simply could not ignore, and it did not ignore it.

Mr Baxter raised the issue of the duty of care and how some lawyers have, shall we say, exaggerated some of their claims. I have dealt with that, and I have also dealt with the inference that backbenchers have been misled, so I will conclude by reiterating that this is good legislation; however, it remains to be seen whether it is perfect. There are planned reviews and I am sure that with a bit of finetuning the government will get it right. This bill deserves the support of the house, and I commend it to honourable members.

Hon. ANDREA COOTE (Monash) — I was most interested to listen to the contribution made by my colleague Mr Smith and to hear him first be critical of the lawyers — which I thought was extremely interesting — then acknowledge that the Labor Party backbench had been a little disconcerted by this bill but say that at the end of the day, to use his terms, it was the right thing for Victoria. As my colleague the Honourable Chris Strong rightly pointed out in his contribution, this is not the right thing for Victoria, and a number of people have some considerable concerns about this bill.

The Honourable Chris Strong used some interesting terminology which sums up this bill. He said it is late. We all acknowledge that the government's running on this issue has been too little, too late. As the Honourable Chris Strong said very ably in his contribution, it is far too little, far too late. He is certainly right.

He went on at some length about how unfair the bill is, as did the Honourable Bill Baxter in his contribution. To learn about that we need look no further than the huge advertisements the government's own labour lawyers put in the newspapers in very big print — print, I might add, we had not seen since the Second World War.

Mr Strong referred to how unworkable the bill is. Another term he used was draconian. He also said the government did not take the community into consideration and along with it on this issue. We have seen that with the amount of controversy out there. We have seen it in the letters to the editor. We have seen small people, large labour lawyers, the medical people and a range of others come out. The bill has not been properly thought out, and it is not good enough. The people of Victoria will be the judges of this, and it will be very interesting to see what happens in the long term.

As others have said, this bill does three major things. Firstly, it sets a significant injury threshold or lower limit for general damages claims. This significant injury comprises one or more of: a whole-person physical impairment of more than 5 per cent, assessed using the *AMA Guides*; psychiatric impairment of more than 10 per cent; binaural loss of hearing of more than 5 per cent; loss of a foetus; or loss of a breast. Secondly, it introduces proportional liability for economic loss, but this will not apply to compensation for death or personal injury. Thirdly, it reduces the statute of limitations period for personal injury claims from six to three years from the date of discoverability; for minors under 18 this will be six years from the date of discoverability. Claims will be barred 12 years after the events which caused the injury.

However, I would like to speak particularly in relation to the adventure tourism industry. This bill is too little, too late for adventure tourism. What we have here will mean that perhaps, just perhaps, we will see some insurers come back to this state and look at the tourism industry. However, my sources within the tourism industry tell me that although the insurance industry may return, it will be at least three to four years before we see any reduction in premiums, if we ever do. That is for the tourism industry overall.

Looking at the adventure tourism industry we have seen the problem with Triton. I remind the chamber that Triton is an insurance agent. When this debate began Triton had been approved through its organisation by the Australian Prudential Regulation Authority (APRA) and therefore people insured with Triton could operate on Crown land. Triton has now changed its arrangements and deals from offshore — I think it is from the Cayman Islands or somewhere like that — and it no longer attracts APRA approval. Adventure tourism operators insured with Triton will no longer be able to operate on Crown land.

I have previously spoken at length about some of these people. The horseriding industry in the alpine areas of Victoria will be very badly affected by this.

The government needs to be aware of what is happening. The industry tells me that a huge number of writs have already been issued in anticipation of the bill, because people are wondering whether this legislation will be changed or whether it is what the government intends to do in the future. One only has to look at what has occurred with shop trading hours on Easter Sunday to see the controversy and changes that the government has made.

Adventure tourism operators are concerned because it will affect them. If writs are being issued, and I am told a large number are being issued, for whatever reason, but primarily because people are concerned that there may be changes, there will be a huge inflated peak in the claims for year one. This peak will adversely affect the premiums for adventure tourism operators in the industry and they will be further jeopardised. With this bill the government had an opportunity to look at this and make sure these things would be addressed, but this bill deals with a range of other things so once again adventure tourism operators have been left out of the major picture and they will be disadvantaged and suffer additional hardship.

The adventure tourism operators in Victoria have established Victoria as a leader in this industry. Because Victoria is so compact people can have a series of adventures such as going to the snowfields, horseriding, rock sailing, abseiling, paragliding and so on within a short space of time. However, because adventure tourism operators will not be able to attract insurance, I am informed that between 150 to 200 will leave the state or go out of business because they cannot afford the premiums.

The government is being recalcitrant insofar as adventure tourism operators are concerned, so they have been ignored once again. The government has ignored the special needs of this important industry and is prepared to allow the operators to wilt under the huge weight of high premiums and not being able to get insurance. They will find it extremely difficult to continue their businesses.

This bill promotes adventure tourism in Tasmania, Queensland and New South Wales. I am sure those states will be extremely grateful for the flood of adventure tourism operators who leave this state and go interstate. People will no longer seek adventure tourism activities in Victoria, but will go to Tasmania, Queensland and New South Wales; they will be the winners out of this bill, not the adventure tourism operators of Victoria. I go so far as to say that this bill is the beginning of the end for adventure tourism in Victoria. The government should be ashamed.

Mrs CARBINES (Geelong) — I am pleased to rise to speak in support of this very important bill, which seeks to address a serious situation which all states, indeed the whole nation, are coming to terms with — the crisis regarding the availability of insurance. This crisis has manifested itself in various ways in our state as part of the global ramifications of 11 September for the insurance industry and in Australia with the collapse of HIH Insurance in 2001. Most recently the insurance crisis has loomed firstly in the lack of availability of affordable public liability insurance for community groups, adventure tourism operators and small businesses which threatens to undermine the very fabric of community events across our state. Secondly, it has manifested itself in the public and serious threat obstetricians around the state have made that they will cease to practise by 1 July should issues surrounding their medical indemnity insurance not be resolved.

I am sure that all honourable members have received, as I have, disturbing correspondence from constituents, medical professionals and community groups within their electorates outlining the tremendous difficulty they have experienced in obtaining affordable public liability and medical indemnity insurance. In the case of community and sporting groups many have chosen either to close down, not to run an event or — very disturbingly — to operate without public liability insurance, which exposes them and their members to huge risk.

Mr Robert Kaiser, the president of the Meredith and District Motorcycle Club, wrote to me in April about the very serious difficulties his club was having in relation to public liability insurance. He said:

> MDMC has approximately 250 members. We have had to cap our memberships due a flood of riders wanting to join. Their clubs have closed down and they have nowhere legal and safe to ride … Obviously, we are running the club without PL insurance of which the committee has grave concerns.
>
> MDMC options are as follows:
>
> 1. We can get PL insurance offshore, but it is not government approved.
>
> 2. We could run under the Motorcycle Australia banner where costs are enormous, e.g. $350 per rider licence, $800 per event.
>
> 3. We could close down the club, which would force riders to go back out into the bush riding illegally and dangerously, leading to the potential of fatal accidents.

Not many options indeed for the Meredith and District Motorcycle Club.

In the case of medical indemnity insurance, obstetricians around the state, as I have already said, have issued a serious threat that they will cease to operate on 1 July this year. This has huge ramifications for pregnant patients already under their care. I can well understand the emotional turmoil that pregnant women, some of them quite advanced in their pregnancies, have felt when they heard from their obstetricians that they may very well cease to be under their care by 1 July,

and that the obstetricians will not be available to deliver their babies.

I have had letters from many patients in my own electorate expressing concern, one which was signed by three women, G. Lancaster, R. Erwin and A. Halloran, all of Geelong. They wrote on 22 May:

> We are writing as concerned obstetric patients residing in the Greater Geelong region …

They advised me that they had been informed by their obstetricians that due to the crisis in medical indemnity insurance it may become economically impossible to continue delivering babies. The letter continues:

> … we have therefore been advised that as from 1 July, some Geelong obstetricians will close their doors to obstetric patients.
>
> As patients directly affected by this we request your support in voicing this intolerable situation in Parliament and addressing the anomaly in current legislation that has allowed this to occur.

I am very pleased not only to listen to their concerns but to be voicing their concerns in the debate tonight.

On top of that I have had letters from doctors and obstetricians who have sought to highlight the problems they have experienced with medical indemnity insurance and the very serious and difficult situation in which they have found themselves. I have a letter from the Bannockburn Surgery highlighting concern about medical indemnity insurance. The letter, dated 5 May, says:

> I am writing to you, as my parliamentary representative, to seek your help to convince the state government that it is in the best interests of Victorians that it implements further, effective tort law and other reforms now.

The letter concludes by saying:

> It is not possible to foresee all the adverse consequences of state government inaction, but what is certain is that the health system both public and private will be thrown into unnecessary turmoil which will be of no benefit to any Victorian.

There has been a media campaign in Geelong highlighting the medical indemnity insurance crisis with headlines such as that on page 1 of the *Geelong Independent*, 'Births legal crisis'. On page 5 of the *Geelong Advertiser* on 13 May we had the headline 'Obstetrics crisis', and on 19 May we had the headline 'Mums demand care answers'. And — blow me down! — we have David Davis in there stirring up pregnant mothers and trying to make out that the government is not doing anything. I will be very interested to listen to his contribution tonight, because we have not heard from him in Geelong since he made that little trip down there one Sunday and thought he was causing a bit of trouble.

In this climate where community groups, sporting organisations, medical professionals and others are desperately seeking changes to Victoria's insurance laws the Bracks government has acted very carefully in introducing the bill before us tonight. I commend the government for listening to the concerns of Victorians and for finding a way to address the insurance crisis. The way forward outlined in the bill carefully balances the rights of Victorians to sue for damages and the need for community organisations, sporting groups and medical professionals to access affordable public liability and medical indemnity insurance. It is expected that the reforms will provide more security and certainty for insurers in the insurance market. The government is confident they will act as a strong incentive for more companies to enter the Victorian market, thereby lowering premiums.

The specifics of the bill have been well canvassed in the contributions of other members tonight, and I do not intend to reiterate them, but I want to say that the announced reforms have been welcomed by the wider community, including the medical profession, sporting groups and community organisations, and insurance companies. Not long after the government announced the introduction of this legislation the Municipal Association of Victoria signed a new three-year agreement for an insurance policy to cover its not-for-profit group scheme. Through this legislation the Bracks government has saved more than 800 community groups and events from closure across Victoria.

In my own home town of Geelong the reforms have been met with wide applause from the medical profession and expectant mothers. I was pleased to show the minister responsible for this legislation, Mr John Lenders, an article in the *Geelong Advertiser* dated 22 May which had the catchy headline 'State delivers claim reforms'. It states:

> Expectant Geelong mothers have been buoyed by the announcement of the state government's medical indemnity reforms.

It continues:

> Dr Glen Barker, spokesman for Geelong obstetricians, said the new limits to personal injury claims would encourage him to stay in the profession.

That is very good news indeed. Further the article states:

> Geelong AMA representative Dr David Bainbridge said … we believe that the government has been reasonable and very responsible …

That is very interesting. Mr David Davis, who tried to stir up people in the *Geelong Advertiser,* was nowhere to be seen when the government announced a reform that addressed the concerns being raised by pregnant mothers and obstetricians in Geelong.

The government has an obligation to act in the interests of all Victorians. Faced with the very real possibility of an insurance catastrophe from 1 July it has acted responsibly and appropriately to address this issue by protecting the right of Victorians to sue and creating a climate where Victorians will be able to access affordable public liability and medical indemnity insurance. This has not been done lightly. All the factors have been taken into consideration, including the views of the major law firms, which have been scathing in their criticism of the government's reforms. But the government is committed to govern for all Victorians, and I commend the minister for his preparedness to act to reform our laws to avert an insurance crisis in the state. I commend the bill to the house.

Hon. J. A. VOGELS (Western) — I am pleased to make a few comments on the Wrongs and Limitation of Actions Acts (Insurance Reform) Bill. The first thing that strikes me with the introduction of this bill is that the Labor Party has no shame. Having read in *Hansard* the contributions that were made by the then Labor opposition when the Workcover bill was being debated I would call this a double flip backwards with a triple pike at the end — and that would still not adequately describe the hypocrisy coming from the other side. Can members imagine what Labor members would say if the Liberal Party brought in this legislation? The speakers on that side would be screaming from the rooftops. I have actually got an office under the steps of Parliament House, and I am sure if it were the Liberal Party in government bringing in this legislation there would be thousands of protesters outside, including probably Mr Smith and union members — you name it, they would be out there lambasting the Liberal Party for bringing in this sort of legislation. But they have no shame — absolutely no shame!

'I believe it should be left to the courts to decide, not a doctors' panel if somebody has been injured. There should be no thresholds' — I am parroting what Mr Theophanous said when the original Workcover bill was going through. From what I hear he spent 23 hours in that debate lambasting the then government. The changes made to Workcover by the previous government were driven by the fact that Workcover premiums were going through the roof, driving businesses out of the state and resulting in many cases in their shutting up completely. As an aside, I would say we are heading down that same track, and it will be interesting to see how the Labor Party deals with Workcover in a year or two when it is not affordable.

This time, however, it happens to be public risk and professional indemnity insurance that are being debated in this house tonight. It has got to the stage where the crisis was killing our nation. The Labor Party was slow out of the blocks, but it has finally acted to try and address this issue.

There is a common denominator in both the Workcover bill and this bill, which nobody seems too concerned about. The common denominator is the judicial system. The judicial system contains the bleeding hearts of our society. I do not actually blame the plaintiff lawyers for going out on behalf of their clients and trying to get whatever they can, because that is the system; it is the bleeding hearts sitting up there in their wigs and robes who give these outrageous decisions. We have all heard people mention tonight the drunks who actually dive into the sea even though there are signs saying 'Shallow water — rocks only an inch under the water'. They dive in and come out quadriplegics. I feel sorry for them, but some judge will then say to some council that it has to pay $4 million in compensation to a sufferer when it was obvious the sufferer was stupid in the first place. I saw the other day some woman — I think it was a woman — —

Honourable members interjecting.

Hon. J. A. VOGELS — I will rephrase that. I am actually giving the details of a case in which a woman who bought a cup of takeaway hot coffee in a Shell service station or whatever sat it between her legs, drove to the next stoplight, hit the brakes and it spilt, badly burning her thighs. Some judge has probably decided that the insides of her thighs are worth many millions of dollars. Ridiculous!

I heard of another example the other day. I heard that someone robbed a house and stupidly locked himself in the garage of the house he was robbing. The door slammed behind him, and he could not get out. The owners did not get home for a week, I think, so he sued them because they had only dog food in the beer fridge in the garage instead of Tim Tams. That is another case where our judiciary has actually given a ludicrous decision.

As I said before — and it is not funny because it is destroying the country we live in and love — stupid

decisions by stupid judges have led to this situation. There are exceptions, and I would like to name two judges referred to in the Municipal Association of Victoria's insurance report. Justice James Thomas is reported as saying:

> Some … [judges] have enjoyed playing Santa Claus forgetting that someone has to pay for our generosity.

He went on to say:

> We have allowed the tests for negligence to degenerate to such a trivial level that people can be successfully sued for ordinary human activity.

Justice Callinan is reported as saying:

> The world is not a level playing field. It is not unreasonable to expect that people will see in broad daylight what lies ahead of them in the ordinary course as they walk along.

They are two good statements.

In conclusion I must say to the government that it is better late than never. This bill is needed. We need to address the issues which confront many of our businesses and doctors. Public risk is out of control. I therefore wish the bill a speedy passage and I hope that I do not have to front any judges in the next few years.

Hon. S. M. NGUYEN (Melbourne West) — I wish to make my contribution on the Wrongs and Limitation of Actions Acts (Insurance Reform) Bill. The bill is important for the insurance industry, and it is also important for the community. At the moment everyone is nervous about insurance. People are concerned and the government had to take on the responsibility of doing something about it. The reforms contained in the bill are designed to balance the rights of people to have access to the courts to sue for personal injuries and the need to access affordable insurance.

Insurance today is very expensive, and I have been approached by many community groups that are concerned about public liability. Insurance has become expensive. Many people have been refused insurance and the price of public liability insurance has now become very high. Many community organisations, community sports clubs and other people who want to organise community events or festivals have put their concerns to the government. As a local member I visit many community activities around my area. People have found that the costs are too expensive and local events are not able to be covered by insurance.

The government must watch that the system of insurance, and the associated law around compensation for wrongs works well. The system needs to work well for everyone who is affected by its decisions and behaviour because today everyone relies on insurance to run a business, see a doctor, give birth to a child, play sport on the weekend, support the local fete, and receive fair compensation for injury. That is what is happening. We know many people go to see doctors and dentists. They want to make sure everything is covered by insurance. Also, doctors and dentists or other people working in health like to ensure everything is covered so they can do their jobs easily.

The collapse of HIH Insurance in early 2001 and the events of 11 September have caused a lot of problems for the insurance industry. Since the collapse of HIH people have found it difficult to claim insurance when builders are not doing the right thing when building their homes. Last year I tried to help the community organise a festival in Melbourne, but many organisations found it difficult to obtain insurance before the Insurance Council of Australia allowed them to go ahead with the events. Some were lucky to find insurance brokers act on their behalf, but the cost is very high.

The Municipal Association of Victoria is working with the state government to implement a scheme, because some councils do not have insurance. The government is also working with the federal government to tackle the problem of insurance as well as looking after the community. In conclusion, this is important legislation, and I ask all members to support it.

Hon. P. R. HALL (Gippsland) — Everybody takes out insurance in one form or another, or belongs to an organisation that relies on insurance to provide public liability cover, particularly for the events they hold. All of us are well aware of the negative impact rising insurance premiums have had, particularly on public liability insurance and on professional indemnity insurance, which includes both medical and other professions.

We are well aware of the negative impact those rising premiums are having on the delivery of services and on the staging of events in our community. Those rising insurance premiums not only have broader impacts but also have an impact on, for example, product liability insurance and general insurance that people take out. It is interesting to reflect on why in the last few years there has been such a big increase in insurance premiums. As the minister said in the second-reading speech, contributing to those rising premiums has been not only the collapse of HIH and the events of 11 September but also the growing litigious nature of the world in which we live.

We all acknowledge that measures need to be taken to address these issues, and the National Party has certainly not been backward in calling for action. I had the opportunity a couple of weeks ago in this house of outlining a rather long list of activities the National Party has undertaken in respect of the issue, particularly public liability insurance. As my colleague the Honourable Bill Baxter mentioned in his contribution to the debate, we were probably the first of the political parties to at least ring the bell about rising insurance premiums and the impacts they were having on the staging of events in country Victoria.

We were talking about this several years ago. It was in the record I outlined to the house a couple of weeks ago that on 29 July 2001 the National Party called on the Labor government to convene a forum among key stakeholders to tackle the growing problem of increasing public liability insurance premiums in country Victoria. That call, I might add, was not heeded by the government. It was totally ignored. On 29 August 2001 the National Party announced it would host its own forum to discuss this particular issue; and yes, we were gazumped by the government of the day, which came out a week later and said it would hold its own forum. We were happy for that to occur so long as we attended, which we did; and our leader, Peter Ryan, had a significant impact on that forum.

We started talking about this subject and the need for some action almost two years ago. Throughout the course of the last two years the National Party has moved two private members bills, the Liberal Party has also moved a private members bill, and this is the second of three bills that the government has said it would move to try and address the issue of increasing public liability insurance premiums. There has been a fair bit of action over the last couple of years, most of it, as Mr Baxter said it in his contribution, initiated by the National and Liberal parties. It has been the government that has been dragged to the table on this particular issue.

The last attempt by the National Party to address this issue, as Mr Baxter said, and I will talk about it later in my contribution, was on 27 October 2002 when I had the honour of announcing that we would bring in a bill entitled the Civil Liability (Damages) Bill to implement reforms similar to those here tonight to address this particular problem. Our record on trying to address the problem of rising insurance premiums is outstanding.

The National Party appreciates that the government has also made some efforts, although tardy, to try and address this problem. Nevertheless we welcome those and have been happy to support the government's first bill dealing with this issue. I again signal that we are happy to support the bill before the house although, as the Honourable Bill Baxter has said, we have some amendments that we think will make the bill a better one. We will be voting with the ayes on the legislation before us tonight, but I encourage members to consider the amendments carefully, because I think they materially improve the bill.

There is absolutely no doubt that this country needs an affordable insurance system. The expectation of the government is that this bill will make an affordable insurance system possible. Throughout the government's second-reading speech on this bill the intimation is that the bill will have a positive impact on insurance premiums. I note one quote from the Premier's press release dated Tuesday, 20 May, of this year:

> We anticipate these changes, with the government's other insurance reform measures, will encourage new participants to Victorian insurance markets and stabilise the cost of premiums.

There are a couple of significant points there. 'We anticipate' — no guarantees — 'these changes'. That is the important point to make. In addition the government talks only about the stabilisation of the cost of premiums and not about a reduction in the cost of premiums, which I think would have been the expectation of most Victorians.

The public reaction to this bill after it was announced on 20 May was interesting. The next day, Thursday, 22 May, the *Age* newspaper quoted the Insurance Council of Australia as saying:

> … that there was no guarantee insurance premiums would fall because of the Victorian government's overhaul of public liability and medical negligence laws.

The article continues to talk about that point in the same vein. On the same day in the *Herald Sun* we read:

> Insurers won't guarantee lower premiums or more policy cover under new state government liability laws.
>
> Not one of seven major insurance companies contacted by the *Herald Sun* would explain how changes to public liability and medical indemnity, unveiled on Tuesday, would benefit members of the public.

So it is important to note that we are acting on an expectation and a hope by the government that this legislation will have any impact at all on insurance premiums throughout the state. That is the response by some of the insurers.

The National Party has some criticisms of the bill before the house. We will support it and will attempt to

amend it; but we also have some criticisms of it. The first of those I want to mention concerns the issue of common-law rights. The issue there is that the Kennett government, a coalition of the Liberal and National parties, was absolutely castigated by the then opposition party for purportedly taking away common-law rights. Let us make sure there is absolutely no mistake in people's minds about what this legislation before the chamber does: it takes away common-law rights. It is absolutely as simple as that, because unless you reach a 5 per cent threshold level for whole-of-body impairment or a 10 per cent psychiatric impairment level you will lose all your common-law rights. The Labor Party is here tonight taking away common-law rights.

I particularly note that Mr Smith acknowledged that fact in his contribution tonight. At least he had the guts to stand up and say, 'Yes, we acknowledge that we are taking away some of the people's rights'. I say good on you, Mr Smith. There are plenty more of the people in your party who are not prepared to stand up and admit this is happening.

I do not have a lot of time here tonight so I cannot quote from a lot of newspaper articles. On 17 May this year in anticipation of the legislation an article appeared in the *Age* in which Peter Gordon, a partner in the labour law firm Slater and Gordon, was quoted as saying:

> … the plan was more draconian than Jeff Kennett's removal of common-law rights for injured workers in the mid-1990s, a move ultimately reversed by the Bracks government.

It was ultimately reversed in part, as the Honourable Bill Baxter said, because the Bracks government made the gate so narrow there has not been one claim on common-law rights since its legislation was introduced. And here we have labour lawyer Peter Gordon making the comment that these are more draconian than any laws implemented by the Kennett government.

On 21 May in response to the legislation the *Age* published an editorial offering similar comments by a journalist and an editor to the effect that common-law rights have been removed by this legislation. Let us make sure we perfectly understand that and agree with that point, as at least Mr Smith and I do.

I now raise a concern mentioned by the Mental Health Council of Australia. The Honourable Chris Strong in his contribution to this debate mentioned today that there is a serious anomaly in the legislation before us in that you have to achieve 5 per cent body impairment but 10 per cent psychological impairment to be considered for any claim for pain and suffering. Once again there has been no adequate explanation in the second-reading speech or by any member of the government to date as to why there is a difference of 5 per cent between the physical and psychological impairment thresholds. At the very least that is an extremely valid question raised by the Mental Health Council of Australia, and members of that council deserve an answer on that issue.

I move on now in my last few minutes to a matter raised by interjection to the effect, 'Well, does the National Party have a policy on this issue?'. Well, we do, very clearly. On Wednesday, 30 October, in Benalla I gave notice of our intention to introduce a bill entitled the Civil Liability Damages Bill. Its purposes were fourfold: firstly, to establish a threshold under which damages for personal injuries could not be claimed; secondly, to reduce the quantum of damages in personal injury claims; thirdly, to reduce the cost of insurance; and fourthly, to enhance the availability of insurance. If you look at the purposes of the bill before the house tonight I say the four purposes of the private members bill the National Party suggested are identical in intent. Does the National Party have a policy on this issue? Very clearly it does. Our policy was spelt out clearly well before the election last year, not after it. Well before the election people knew what we stood for.

So the principles underlying the direction that the National Party was trying to pursue are almost identical to those pursued by the government here tonight except for the concept of the threshold. As has been explained once again by the Honourable Bill Baxter our threshold was a monetary threshold of $36 000 whereas the government has put forward a threshold for bodily or psychological impairment. We did not deny anybody the opportunity to go to court. If you could prove pain and suffering damages that exceeded $36 000 that was good and well, you would be paid for them. If you did not reach that threshold, so be it, you could only recoup economic losses — that is, loss of wages. And of course medical treatment expenses are able to be recovered under the government's proposal as they were under the National Party's proposal.

The National Party believes its threshold was fairer — that is, anybody could actually have their day in court. They could have a go and see if they could reach that particular threshold. Under the government's threshold the concept of medical panels is introduced once again. I do not know how many people have come through my office complaining about the inefficiency of medical panels — how they have been required to go back to be reassessed every 12 months, or every few months in some cases; how they have had to take a day off work to go to Melbourne to attend medical panels;

and how some anomalous decisions have been made by medical panels. It appears, in my mind at least, that medical panels cause a great deal of confusion and create a very bureaucratic system whereby people just do not get their compensation.

We believe there is an opportunity to streamline this process. The Honourable Bill Baxter has foreshadowed an amendment that is to be moved by the National Party to provide that a medical damages liability case involving a purported conflict of interest should not be heard by a medical panel but rather by the Victorian Civil and Administrative Tribunal, which at least can show a degree of independence on this issue. It is a sensible amendment, and I urge members of this chamber to support it when we get to the committee stage.

In summing up, the National Party has always been at the forefront of trying to bring about changes to improve insurance premiums in this state. We are prepared to support this bill, but we will wait to see whether it is going to be as effective as we hope it will be. In the meantime we will propose an amendment which I urge all members to support.

Hon. D. McL. DAVIS (East Yarra) — I am pleased to make a contribution on the Wrongs and Limitation of Actions Acts (Insurance Reform) Bill. In doing so I want to start my contribution by saying that this is a very complex bill. It is a bill that requires genuine thought as to how one should respond to it, and it requires a balanced view to assess it properly. However, I want to place on record that the opposition does not oppose this bill. It understands there are features of the bill that are very necessary and need to be put through at a rapid rate. In that sense it is prepared to facilitate the passage of this bill.

The bill strikes a new balance in terms of the common-law rights of people who suffer injury through various mechanisms in this community. There are difficult decisions to be made, and it is appropriate for this Parliament to make them. This issue has come to this Parliament a number of times in the past in different manifestations. People who were in this Parliament prior to 1999 will remember the discussions on the Workcover bill, and those who were here after 1999 will remember the further changes that were made in the period of the Bracks government.

The aspect of this particular bill that adds to the complexity is the interplay with federal factors, and in making this contribution I want to pay tribute particularly to Senator Helen Coonan, the federal Minister for Revenue and the Assistant Treasurer, for the mature and intelligent way in which she has handled this complex area. It has been extremely difficult for the federal government in the sense that there were genuine problems with insurers, in this case the medical defence organisations in New South Wales in particular but also elsewhere around the country — there were serious weaknesses in the prudential status of a number of those medical defence organisations. It was necessary to make the changes that the federal government made to put the prudential regulation of insurers in these areas — in particular, the medical indemnity area which is the area I will concentrate on in my contribution — onto a stronger footing.

I believe that the state government has not handled this bill well and that it has not handled the problems surrounding this issue well at all. Going back to the last Parliament, some of the features of this bill that touch on the limitation of actions were covered by a coalition bill that sought to reduce the imposts on the adventure tourism industry. To that extent the opposition was putting forward positive contributions. I know the Honourable Graeme Stoney and others had a large part to play in putting forward those contributions.

What precipitated this bill as much as anything was the need to contain some of the issues surrounding medical indemnity insurance. It is this area that I, with my responsibility as shadow health spokesperson, am familiar with, and I was most concerned about the performance of the Bracks government.

This bill is very late. It should have been in this Parliament last year. It should have been introduced in the middle of last year like the bills in Queensland and New South Wales where the premiers, Beattie and Carr respectively, were prepared to move at an early point on these issues and face up to the difficult decisions rather than stick their heads, ostrich-like, into the sand as the Premier and members of this government have done.

One of the consequences of this significant delay in dealing with the bill is that many of the difficulties that have been created by the insurance issues surrounding medical indemnity insurance have run on to such an extent that the lateness of this bill will mean that whatever its merits it is too late to help with many cases. I know of one obstetrician in Ballarat who is going overseas. I know of another obstetrician in Box Hill in my area who is retiring from practice. She is the last female
obstetrician — —

Ms Hadden interjected.

Hon. D. McL. DAVIS — Well, Ms Hadden, if you believe that is why that obstetrician is going to a different country — I do not believe you are correct — I believe you are very ungenerous and that your lack of generosity ill behoves either you or the government. I do not think it does you any credit. Your community would be shocked to believe you think that.

I particularly want to castigate the Leader of the Government, the Minister for Finance, for his delay in failing to bring forward a proper bill and intending to duck responsibility repeatedly on these issues of medical indemnity as he and the health minister played pass the parcel with a very difficult and unpleasant parcel of 'What do we do with medical indemnity insurance?'. In the end they had to act. I believe it was the Premier who pushed things forward in the end. I know that both the Deputy Premier — —

Ms Hadden interjected.

Hon. D. McL. DAVIS — I am reliably informed by Labor sources that the Deputy Premier and the Attorney-General — —

Ms Hadden — Name them.

Hon. D. McL. DAVIS — I would like to name them but that would compromise my sources, Ms Hadden.

The Deputy Premier and the Attorney-General were deeply opposed to this bill until very late in the piece. I place on record that they are the individuals in the government who prevented this bill — —

Ms Mikakos interjected.

Hon. D. McL. DAVIS — I have heard very direct reports of your cabinet meetings, Ms Mikakos. I probably know more about your cabinet meetings than you do — at least on certain matters, anyway.

The impact of the medical indemnity insurance crisis was going to be very severe both in the country and the city.

Ms Hadden interjected.

Hon. D. McL. DAVIS — The federal government moved quite early, Ms Hadden, to introduce proper prudential regulation.

Ms Hadden — It did not.

Hon. D. McL. DAVIS — It moved very early — that is correct. My office undertook a process with other members of the Liberal Party of consulting many of the doctors, including surgeons, procedural specialists, obstetricians and GPs, who were going to be impacted by this medical indemnity insurance crisis. We surveyed many hundreds of them, and we had an enormous response to that survey as they provided considerable information to us. There were some very common themes in the replies. Almost without exception no doctor who replied to that survey believed there was not a serious crisis. There was almost no doctor who replied to that survey who did not believe there was a serious issue that the Bracks government needed to act on. I pay tribute to those doctors who took the time to provide the detailed and accurate information necessary for both myself and others in the Liberal Party to make a sensible decision on the way in which this bill should be handled.

I want to say to those individuals in country Victoria with whom I had contact over the last few months that I thank them for the extraordinary flow of information that they provided to me and my office. A large number of people, particularly in Ballarat and Geelong, were deeply concerned — —

Ms Hadden interjected.

Hon. D. McL. DAVIS — I am saying a large number of people were deeply concerned about the impact of this insurance crisis. I am not denying that, Ms Hadden, and I believe you, unlike some of your colleagues in Ballarat, were prepared to perhaps move on this issue. I know Mr Hardman and Ms Overington at the large public meeting — —

Ms Hadden — He's at Seymour.

Hon. D. McL. DAVIS — Not Mr Hardman; I stand corrected. Who is the member for Ballarat East? I am trying to think of his name. Nevertheless, both of those members were at the large public meeting at Ballarat, but the meeting was not impressed with their response to this issue. The meeting thought those two members were not prepared to stand up for their community. It was a great pity that they left that impression with the people who attended that significant meeting in Ballarat.

It was important that a number of the obstetricians and procedural specialists were prepared to speak out in Geelong. A number of expectant mothers were prepared to speak out, relay their concerns and express the difficulties they would encounter. It was important to have those things on the public record because at the end of the day the Bracks government only understood things that impacted on it directly.

The Bracks government will collect a significant stamp duty windfall from the federal changes, as people have pointed out, and it will be interesting to see whether it uses any of that money for constructive purposes in regional Victoria, where there are significant issues, to ensure that the damages that has occurred there with the retirement of many specialists is prevented or undone in some way. I encourage the government to ensure that country towns are not left to pick up the pieces from its dithering, to make sure that those towns are properly compensated and that the issues caused the government's delay are properly dealt with.

There are section 85s in this bill. I remember in the last period of the Kennett government we were criticised for the use of section 85s. We see many more coming through the chamber under this government, including in this bill.

The issue of the definitions of incapacity is significant, and I want to make some short comments in the brief time that I have remaining to me. The threshold at more than 5 per cent is a very significant one. I will ask the minister some questions in the committee stage as to how that will apply and the sorts of injuries that will be dealt with by that greater than 5 per cent impairment under the American Medical Association's 4th edition guides. I support the use of the 4th edition guides in this case because whilst anyone with a medical background understands the difficulties of impairment ratings and disability ratings and understands that the 4th edition guides are in many respects imperfect, they are at the point where they are well understood in this state and they are a standard. It would have been foolhardy to have introduced a different set of standards.

In that respect it is interesting to see the government has chosen to introduce different thresholds compared to the Transport Accident Commission and Workcover. That will create some confusion. It is important to place on record that issue of the confusion that may result from that.

I want to comment on the contribution of the Australian Medical Association through this process. It has fought a sincere and principled campaign to bring to public attention the tremendous damage that this medical indemnity insurance crisis would have done to the supply of medical labour and the provision of proper medical services in Victoria. I compliment the association on that. I believe it has undertaken that not only in the interests of doctors but most importantly in the public interest, which is more than I can say for some other groups that have been involved in this particular debate.

I want to finish my contribution in the 2 minutes that remain to me before the gag is applied. The gag is interesting in the light of this debate compared to what occurred with a very similar bill in 1997 in this place, where the former coalition allowed the Labor Party the length of time it needed. The Minister for Energy Industries, the Honourable Theo Theophanous, will explain to those who are new to this chamber the length of time that he personally spoke on that bill. It was many hours, and he was not alone in that. I place on record the loss of that flexibility in this chamber. It was a significant protection for the democratic process.

In the final moments allowed to me today before the gag is applied I want to make the point that in this issue of the limitation of actions members of the Labor Party can only be called hypocrites. The period when the Kennett government was castigated so widely by the Labor Party for the removal of common-law rights stands as a remarkable contrast to what we see today — a bill coming through this Parliament that rips away common-law rights, that cuts people's options and reduces their ability to access damages. In essence it is doing many of the things that the Labor Party castigated the Kennett government for; yet this Labor government is making those changes. It is doing it out of necessity, and I understand that.

I understand these issues are always an issue of balance. I support the striking of an appropriate balance. What I do not support is the hypocrisy of Labor compared to its actions now. I believe the community will judge the Labor government in the end. We are not opposing this legislation, and I understand the striking of an appropriate balance is important, but hypocrisy is not excusable — —

The PRESIDENT — Order! The member's time has expired.

Motion agreed to.

Read second time.

Committed.

Committee

Clauses 1 and 2 agreed to.

Clause 3

Hon. C. A. STRONG (Higinbotham) — Clause 3 at page 3 of the bill inserts new definitions section 24AE into the Wrongs Act. My issue is with the definition of 'economic loss'. This bill removes from the existing Building Act the provisions that deal with proportionate

liability and inserts the provisions from this bill. The definition quite clearly says:

> 'economic loss' means any one or more of the following —
>
> (a) past economic loss due to loss of earnings or the deprivation or impairment of earning capacity;
>
> (b) future economic loss due to the deprivation or impairment of earning capacity;
>
> (c) the loss of expectation of financial support;

So clearly the definition of 'economic loss' under the proportionate liability provisions relates economic loss very specifically to the issue of some form of personal liability.

In the Building Act economic loss covers a much wider gamut of issues. For instance, in a building where there is some sort of structural collapse it covers the issue of the rectification of the building and any losses that may be occasioned by the loss of rents or income of a commercial nature, rather than losses of income which are specifically related to some sort of personal damages.

The issue is simply this: the advice that I have is that the definition in the bill of 'economic loss' is so narrow that it would constrain the benefits of proportional liability that have existed for many years under the Building Act. My question to the minister is simply this: is he able to assure the house and those people who are concerned that the definition of 'economic loss' is not such that it would diminish the benefits that would flow from the Building Act provisions which are expunged by this bill? Is he able to assure the house that that definition of 'economic loss' that has flowed from the Building Act is clearly intended to continue, or alternatively, that the amendments — which I think we all know will follow — will make this quite clear and the definition of 'economic loss' will be made less specific to personal loss? That is what I require.

The CHAIR — Order! Pursuant to sessional order 10 I have to report that the committee has made progress in the bill.

Progress reported.

Business interrupted pursuant to sessional orders.

Sitting continued on motion of LENDERS (Minister for Finance).

Committee

Resumed from earlier this day; further discussion of clause 3.

Mr LENDERS (Minister for Finance) — Mr Strong raised an issue regarding the definition of economic loss under proposed section 24AE, and in particular whether any of the current entitlements for corporations under the various sections of the Building Act which this legislation will remove will remain in force. I can assure Mr Strong that there is no intention under these amendments to make any distinction between natural persons and any other legal persons. The specific answer to him is that there is no intention in this legislation to remove any rights that exist under the Building Act.

Hon. D. McL. DAVIS (East Yarra) — Regarding proposed section 24AE, on page 4, the definition of injury here means personal or bodily injury and includes:

> (b) psychological or psychiatric injury …

The other definitions refer to pre-natal injury, disease and aggravation, and the acceleration or recurrence of an injury or disease. My question relates to psychological or psychiatric injury and the interplay with those other matters. Are there any circumstances in which psychological or psychiatric injury would be aggravated as per paragraph (d) by physical injuries, and would they be regarded as an additive?

Mr LENDERS (Minister for Finance) — This would be specifically a psychological or psychiatric injury; there would not be a narrative test as there is higher up the scale in some of the other schemes.

Hon. C. A. STRONG (Higinbotham) — I thank the minister for his assurance that nothing in the definition of economic loss seeks to narrow the previous interpretation of the Building Act. That is a very welcome assurance.

I also raise the issue of clauses 24AK and 24AL, which deal basically with the issue of who has the initiative to join parties in a proportional liability case. It has been raised with me that this is an area which needs further clarification. I seek no more from the minister than an assurance that he will look at this question of who is responsible for ensuring that all potential parties to a case for proportional liability are involved. Who has the initiative for that: the defendant or the plaintiff? I seek only an assurance from the minister that he will look at this issue, because advice has been given to me that this is an area that needs a little more attention.

Mr LENDERS (Minister for Finance) — In response to Mr Strong's question, the onus here is on the defendant to join, so that means that the plaintiff has the existing rights for joint and several and it is on the

defendant to broaden if the defendant thinks that is unjust. However, on the issue of looking at it further, I can certainly advise the chamber that this is the government's preferred position and also the default position. We will go into a ministerial council in late July or early August to see if we can get a uniform national response, and we will not proclaim this part of the bill pending that.

If we cannot get a uniform response we will proclaim our legislation in the form in which it is. If we can get a uniform response, then it may be an option for the government to tweak this to get a uniform response between jurisdictions. So potentially there will be a review of it in the case of national uniformity, but if that is not achievable this is the position that would then be proclaimed.

Clause agreed to.

Clause 4

The CHAIR — Order! Mr Baxter to move amendment 1 and to canvass his remaining amendments, which will be tested by his first amendment.

Hon. W. R. BAXTER (North Eastern) — I move:

1. Clause 4, page 14, line 10, omit "cent." and insert "cent;"

I realise that to the reader that might appear nonsensical, but as you have explained, Chair, I have a series of amendments — 17 — and it just so happens in the way we need to do things that this is the first amendment I need to move, although it is consequential upon my principal amendment, which is amendment 14, which is in the hands of honourable members. So with your grace and latitude I will canvass my argument on amendment 14, but amendment 1 will act as a test for all my amendments.

Amendment 14 goes to the issue I raised in my second-reading remarks. It deals with proposed section 28LW in the amendments to the Wrongs Act, and the subject is the response to medical assessment.

As honourable members will recall, when an injury occurs the claimant first gets a certificate from an appropriately qualified medical practitioner and sends that certificate, which indicates that their injury exceeds the threshold which is set by this bill, to the respondent — that is, the person they are proposing to hold responsible for their alleged injury. The respondent has 30 days after being served with a copy of the certificate to either:

(a) accept in writing the assessment for the purposes of this Part; or

(b) refer a medical question in relation to the assessment to a Medical Panel for opinion under this Part and advise the claimant in writing that the reference has been made.

As I indicated in my second-reading remarks, I am quite happy with that for the great bulk of actions. But where a medical indemnity case is proposed to be put on foot it is inappropriate that a medical panel — doctors — pass judgment on another doctor's action or lack of action.

I am not casting aspersions on the medical profession; I am simply making the observation that a perception, if not a reality, of a conflict of interest will arise. If the public and the community are to have confidence in this bill when it becomes part of the Wrongs Act, I do not think the Parliament should countenance the opportunity for that perception to gain any sort of credence in the community. I am therefore proposing that a paragraph (c) be added to proposed section 28LW, which would say:

(c) if the respondent is a medical practitioner, apply to the Victorian Civil and Administrative Tribunal for a review of the assessment and advise the claimant in writing that the application has been made.

In other words, if it is a medical case send it off to the Victorian Civil and Administrative Tribunal and let VCAT make the assessment as to whether or not the threshold has been crossed. VCAT has had experience in these matters, I understand, by its consideration of the Transport Accident Commission act and judgments it makes from time to time on the American Medical Association disability tables. So it is not as if we are giving VCAT a responsibility with which it has no experience. I also believe this will be seen by the public to be very fair. It will also be seen by doctors to be very fair in that they cannot be accused of protecting each other or having a judgment made upon them by their peers.

I also reiterate my earlier remark that this is not going to happen on many occasions. Firstly, it can only happen where the respondent is a medico; and secondly, as we all appreciate, if the injury is gross it clearly exceeds the 5 per cent limit in any event and it will not go to a medical panel. It will only apply to those cases where there is some dispute or doubt as to whether the threshold has been crossed.

I invite the committee, and I particularly invite members of the government backbench, to support this amendment because I am sure they would acknowledge that it has a good deal of equity and fairness about it. It

will improve the operation of the bill; it will remove the perception of a conflict of interest; and it will help to build community confidence in the bill that this Parliament will ultimately pass this evening.

Mr LENDERS (Minister for Finance) — I welcome Mr Baxter's contribution, and like him I will also confine myself to amendment 14, which is far more pertinent than the semicolon to be inserted in clause 4.

Mr Baxter's issue of judgment by peers is a very interesting philosophical question that people could debate. You could argue in the same way that if a doctor is not to be judged by peers when would lawyers ever appear in a court if they are not being judged by their peers. The serious issue I raise, beyond the philosophical one, which is also serious, is that ultimately Mr Baxter's concerns are met by the fact that medical panels are tribunals, and if there is any hint of bias or conflict of interest as was alluded to by Mr Baxter, there is provision for an appeal to a court under existing statutory schemes. If someone can establish a case of bias there is the possibility of an appeal and that meets the public interest question of doctors judging doctors. But more pertinently, if there is a medical issue it is more appropriate for a doctor to make a determination than a lawyer, as it is more appropriate for a lawyer to make a determination on a legal issue.

We have a balance here where medical panels make a medical determination. If that determination is greater than 5 per cent then it comes under the jurisdiction of the court and the court will make a subjective decision on negligence. The balance is there, and Mr Baxter's concern about bias is addressed by the fact that medical panels are tribunals in their own right and there is also provision for an appeal through the legal system. The government therefore does not support the amendments.

Hon. W. R. BAXTER (North Eastern) — I am interested in the minister's response. I am not sure that his analogy about lawyers holds water, but I will put that issue aside for one moment.

The minister may well be right in saying that there is some prospect of taking a tribunal to court if one can demonstrate or allege bias, but I would not want to be the poor complainant in this case, having this act before him which says that the decision of a medical tribunal is final and not subject to a judicial review — and it is not. I would not want to have to then run the gauntlet of somehow or other trying to establish bias, particularly when as either Mr Strong or Mr Dalla-Riva indicated, these medical panels are not bound by ordinary rules of evidence. Their hearings are in private, if not in secret, and I would have thought that the onus of establishing bias would be very difficult and not a responsibility we ought to impose upon claimants who might feel they have been subject to bias.

It would be far cleaner and neater to accept my amendment which completely circumvents the possibility of any unfortunate instances arising because in the few cases where it is a medical negligence claim and the question of threshold is at stake it would go to the Victorian Civil and Administrative Tribunal instead. I am persuaded, if I might say so, by my own argument which I feel to be superior to that advanced by the minister.

Hon. C. A. STRONG (Higinbotham) — On the question of Mr Baxter's amendment, I sit here as an almost honorary member of the National Party, having been exiled to this end of the chamber, and say that generally I am in agreement with the persuasive logic of Mr Baxter and his colleagues.

I must say, speaking on behalf of the opposition, that we find a certain undeniable logic in the position Mr Baxter puts. However, I would like to say that we will not be supporting this amendment, much as I feel I am betraying my part-time colleagues. We do so simply because, as I said in my second-reading debate contribution, we see this as a warts-and-all bill put forward by the government, and the government has to wear the odium of what it has done. That is its responsibility and as far as members of the Liberal Party are concerned we want to make sure that the government owns that fully. We do not intend to tinker with the bill to improve it. I indicate that the Liberal Party will not be supporting the amendment. However, in dealing with further issues in clause 4 I seek to raise another matter and that is the question of the procedure — —

The CHAIR — Order! Are the member's comments on the amendment?

Hon. C. A. STRONG — This is not on the amendment.

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

Ayes, 36

Argondizzo, Ms	Lenders, Mr
Atkinson, Mr	Lovell, Ms
Brideson, Mr	McQuilten, Mr
Broad, Ms	Madden, Mr
Buckingham, Ms (*Teller*)	Mikakos, Ms
Carbines, Mrs	Mitchell, Mr
Coote, Mrs	Nguyen, Mr (*Teller*)

Dalla-Riva, Mr	Pullen, Mr
Darveniza, Ms	Rich-Phillips, Mr
Davis, Mr D. McL.	Scheffer, Mr
Davis, Mr P. R.	Smith, Mr
Eren, Mr	Somyurek, Mr
Forwood, Mr	Stoney, Mr
Hadden, Ms	Strong, Mr
Hilton, Mr	Theophanous, Mr
Hirsh, Ms	Thomson, Ms
Jennings, Mr	Viney, Mr
Koch, Mr	Vogels, Mr

Noes, 4

Baxter, Mr (*Teller*)	Drum, Mr
Bishop, Mr (*Teller*)	Hall, Mr

Amendment negatived.

Hon. C. A. STRONG (Higinbotham) — Regarding clause 4, I raise a query and seek an assurance from the minister. Clause 4 deals with the whole process of how a claim is to progress through the courts. Proposed section 28LZP refers to regulations. Will the government issue regulations on how this will proceed or will there be further clarification of the procedures for lodging a claim?

Mr LENDERS (Minister for Finance) — Mr Strong asked about procedures. First and foremost, this area is unashamedly biased in favour of plaintiffs. We are seeking to replicate in this area the transport accident and Workcover schemes where we can, but ultimately the regulations he refers to will be made by the Attorney-General, as the minister responsible for this part of the Wrongs Act, after consultation with the legal fraternity, the insurance industry and other stakeholders to make sure this is as simple, expedient and user friendly as we can achieve.

Hon. C. A. STRONG (Higinbotham) — I thank the minister for his response.

Hon. D. McL. DAVIS (East Yarra) — My question to the minister on this clause relates to proposed section 28LB on page 14 — the definitions section. 'Threshold level' is defined as meaning:

> (a) in the case of injury (other than psychiatric injury), impairment of more than 5 per cent;
>
> (b) in the case of psychiatric injury, impairment of more than 10 per cent.

I ask, with respect to edition 4 of the American Medical Association (AMA) guides and the use of those to calculate those percentages — both the 5 per cent and the 10 per cent — that the minister outline the processes of verification of levels of more than 5 per cent and 10 per cent impairment that would be undertaken.

Mr LENDERS (Minister for Finance) — The processes that would be used here would be similar to the ones used under the statutory schemes — that is, the regular process where a prescribed practitioner, or someone who is registered under the act, would make an assessment and if that assessment were not accepted then the issue would go to a medical panel, which would make its determination. For simplicity the government has modelled it as much as possible on a similar process under the statutory schemes. This is a scheme that our legal fraternity, our medical fraternity and our community are familiar with.

Hon. D. McL. DAVIS (East Yarra) — Is the minister confident that the impairment threshold of more than 5 per cent is a consistent, invariable and predictable level, and that injuries of a like nature in different individuals will be predictably rated at similar levels?

Mr LENDERS (Minister for Finance) — These thresholds are modelled on the existing statutory schemes. They are modelled on edition 4 of the *AMA Guides*, as a way medical panels make judgments. The reason this particular method has been chosen is because the government believes it is as predictable a methodology as is available to us. It has been used now for some time in both the statutory schemes, and that is why we have brought this in as the best scheme available to us to be an effective and consistent threshold.

Hon. D. McL. DAVIS (East Yarra) — Does the minister see any inconsistency in the threshold of more than 5 per cent for physical injuries and more than 10 per cent for psychiatric injuries?

Mr LENDERS (Minister for Finance) — In the statutory schemes there are different levels. This is not matching apples with apples, but apples with pears — quite different impairments are being measured. As they are different in the statutory schemes, at much higher levels, we see nothing inconsistent with having them at these levels.

Clause agreed to; clauses 5 to 20 agreed to.

Reported to house without amendment.

Reported adopted.

Third reading

Mr LENDERS (Minister for Finance) — I move:

That the bill be now read a third time.

In doing so I thank all members for their contribution to this debate. As people have said, it has been a long and difficult debate in the Victorian community to get the balance right and the government has come forward with this legislation because it thinks it is the right mix for all Victorians. Again I thank all members for their contribution and wish the bill a speedy passage.

The PRESIDENT — Order! The question is that the bill be now read a third time. I am of the opinion that the third reading of this bill requires to be passed by an absolute majority. I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

The PRESIDENT — Order! In order that I may ascertain whether the required majority has been obtained, I ask those members who are in favour of the question to stand where they are.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

ADJOURNMENT

Mr LENDERS (Minister for Finance) — I move:

That the house do now adjourn.

Chinaman's Bridge Caravan Park, Nagambie

Hon. E. G. STONEY (Central Highlands) — I raise a matter for the Minister for Environment in the other place and I quote part of a letter from Mr Keith Cook of Fawkner to that minister. The letter states:

> I am writing to you as a site holder at the Chinaman's Bridge Caravan Park, Nagambie, for the last 20 years. As you are aware, Goulburn-Murray Rural Water Authority proposes to close the park next year. I am one of the majority of site holders who oppose the closure.
>
> As the relevant minister for water authorities you can direct that the authority not close the park and I urge you to take this course of action.

Mr Cook's letter goes on to complain about the actions of the Goulburn-Murray Rural Water Authority and quotes from a GMRWA letter which he says he found offensive in its tone and its presumption of authority even over a duly elected government. He goes on to say that it appears that GMRWA has made up its mind on this issue. Residents received support from an unlikely source — namely, Senator Gavin Marshall, a welcome but unlikely source. His letter says:

> I write to express my support and assistance to all residents involved in the Chinaman's Bridge Caravan Park– Save the Park group.
>
> The events and reasoning surrounding the proposed closure of your caravan park are far from satisfactory and present a very ambiguous set of circumstances.

The senator's letter points out that:

> At the end of the day the land on which park sits is public land; it is not privately owned …

He goes on to offer his support to the residents. The *Herald Sun* of 16 October 2002 under the heading 'Fear over park closure' says:

> Another Victorian town is on the ropes.

It quotes Brian Smith, president of the chamber of commerce of Nagambie, as saying that $7 million would be lost from the local economy. The Strathbogie shire is also concerned and is strongly supporting the retention of the park.

I ask the minister to review the Goulburn-Murray Water's decision and perhaps consider investing a small amount of money, perhaps $1 million or $2 million to upgrade, so that $7 million per annum will continue to flow to the town of Nagambie.

Preschool: participation rates

Mr SOMYUREK (Eumemmerring) — I raise a matter for the attention of the Minister for Community Services in another place concerning the participation rates for preschools in Victoria. Preschool is of paramount importance to every child's intellectual and social development.

I am pleased that the Victorian government has recognised this and is committed to increasing the participation rates for Victorian children. In 1999 when the Bracks government came into office the participation rate in the state was 92 per cent. Over the course of the past four years the rate has gone up to 97 per cent, an increase of 5 per cent. Back in the early to mid-1990s the participation rate was at about 88 per cent. Mr Forwood will not like it but that is history, I am afraid. The reason the rate was so low at that stage was because of the Kennett government's cuts. Twenty percent of preschool funding was cut, and this resulted in a 120 per cent increase in fees.

In my electorate of Eumemmerring Province, the City of Casey is one of the fastest growing municipalities in Australia. The participation rate is at 100 per cent. Considering the context of 80 families moving into the City of Casey every week, that is a magnificent performance. How has the government done this? How has the Bracks government lifted participation rates to what they are? We have pursued a two-pronged strategy of making preschool more affordable and implementing an awareness strategy so that preschool parents can become aware of the benefits of preschool.

Finally I congratulate the minister on this performance and request that she continue to implement policies to increase preschool participation.

Hon. Bill Forwood — On a point of order, President, the member has just requested a minister continue to do something in her portfolio responsibility. At the moment you are investigating whether or not that sort of issue is proper for raising in the adjournment. Standing orders are specific that this needs to be a specific request, not for a minister to continue to operate according to normal things that he or she should do. It is an abuse of the adjournment debate, particularly when the honourable member knows that you have taken this issue on notice and are working up a sensible response for the guidance of the house, for the member to come in and gild the lily again.

Hon. T. C. Theophanous — On the point of order, President, I begin my remarks by acknowledging that you are in fact looking at this issue. It is important that the Chair reflect on this and other issues that have been raised and give some guidance to members. The rules relating to the daily adjournment are very clear. Rule 4.02 states that:

> A member speaking to the motion … may —
>
> (a) make a complaint; or
>
> (b) make a request; or
>
> (c) pose a query.

The member made a request. Mr Forwood may not like the request and he may think the request is of a very general nature, but I cannot see anywhere in the rules where it says that the request can only be of a specific nature and that it cannot be of a general nature. Nor can I see anywhere in the rules where it says that a request cannot be for a minister to continue to act in a certain way. Somebody might, in certain circumstances, ask me a question about my portfolio area where they request that I continue to protect consumers through price control. That would be a perfectly legitimate question to ask of me, particularly with some background information. The member referred to a significant amount of background information and then posed the question about continued action by the government. President, I ask that you rule the request as being in order.

Hon. Bill Forwood — Further on the point of order, President, the Minister for Energy Industries puts the Chair in an invidious position because this is another set-up stunt. President, you had taken this matter on advisement and were working your way through it. Mr Theophanous is not allowing you to do that. He is setting up a situation where he wishes you to be forced to respond to the point of order. He knows as well as I do that the practice of this house has been for specific issues to be raised on the adjournment. That is what it is about. It is not about set speeches; it is about specific requests for specific things, and you know, President, because of the work you are doing on this issue that that is the case.

It is not in the spirit and practice of this house for a member to come in with a generic request of a minister to continue to do something; nor is it within the guidelines of the sessional orders. In the end, if what Mr Theophanous is asking is for the word 'specific' to be put in so that we do not go through this charade time after time — —

Hon. T. C. Theophanous — It is not there.

Hon. Bill Forwood — Because the practice of this house, Mr Theophanous, as you know, is not for it to be abused in the way it has been abused by Mr Somyurek with your particular assistance.

The PRESIDENT — Order! The point of order is turning into a debate, and the whole question of the point of order is whether it was a debate or otherwise. I ask Mr Forwood to raise his point of order through the Chair and not to debate the issue with anyone else in the house.

Hon. Bill Forwood — President, thank you for your guidance. When the rule says 'make a request', it means a specific request and not a general question and not a request for someone to continue a generic action which properly resides within the competence of the minister to do at any time, any place, anywhere. The practice of this house is well known and specific. I finish where I started. Mr Theophanous through this stunt tonight has put the Chair in a most invidious position.

Mr Viney — Further on the point of order, President, I will only make a brief comment. It seems to be somewhat ridiculous to argue that a member cannot

ask a minister to continue a particular policy, because ministers are confronted all the time with alternative policies and alternative courses of action to achieve a particular outcome. If a member in this house raises a request that a minister continue a policy because, as Mr Somyurek said, he assesses the government to have achieved particularly laudable goals with the policy, then that seems perfectly in order.

The PRESIDENT — Order! The Honourable Bill Forwood raised a point of order about the request made by Mr Somyurek to the minister about whether the practice of improving, I think it was, participation rates in kindergartens in his electorate would continue. Rule 4.02 says that a member speaking to the motion has three options: to make a complaint, to make a request, or to pose a query. The member has made a request. I also draw the attention of honourable members to rule 4.05 which states:

> The matter raised by a member must relate to a recent occurrence.

The member was referring to what has been occurring in the last Parliament and what the minister is continuing to do with respect to participation rates in kindergartens within his electorate.

I also have before me a point of order raised by Mr Smith about the adjournment and set speeches. I advised the house that I would take that under advisement, and I plan to do so. However, I am not in a position at this time to advise the house on that.

On this occasion I uphold Mr Forwood's point of order, because the member's request was too broad. There are other opportunities in the house, such as 90-second statements, to raise matters. The practice of the house has been that the adjournment debate be about specific issues that are relevant today.

Liquefied petroleum gas: country prices

Hon. D. KOCH (Western) — My question is for the Minister for Energy Industries. The Grampians Pure Sheep Dairy, located 250 kilometres west of Melbourne, is a unique farming enterprise that emerged out of a diversified traditional fat lamb, wool and cattle family farm over recent years into a successful sheep dairying enterprise. After initially providing whole milk to a cheese maker, this enterprise began value adding, building a processing plant and producing its own line of cheeses and yoghurts. The next planned expansion phase will see the operation venturing into developing a specialty regional cheese. Along with this there are also plans to develop a sheep dairy apprenticeship scheme. Regrettably over recent months the variable and increasing cost of energy used to heat water and for pasteurising milk in the production of cheese and yoghurts is threatening the very viability of this highly productive farming business.

Having elected to use liquefied petroleum gas (LPG) due to its being the most economically efficient energy source, the dairy has seen in recent years significant fluctuations in its price. Ten years ago LPG cost this dairy just 31 cents a litre. Today LPG is costing up to 77.5 cents a litre. Of greater concern and harder to swallow is the irregular supply determined by the needs of a local primary school, which currently pays 47 cents per litre, a discount of over 40 per cent.

I am extremely concerned about price and distribution collusion between two major distributors — namely, Elgas and Kleenheat — which combined dominate around 90 per cent of Victoria's LPG market. The Essential Services Commission in handing down its report into the supply of LPG a year ago concluded:

> … that possible price leadership behaviour under the 'umbrella' of these two distributors may very well have reduced the degree of competition.

Even when the value of the international price of LPG has fallen, these larger marketers have been able to retain those cost savings rather than passing them on to customers in the form of lower prices. Will the minister inform the house of any progress the government has made in relation to the enhancement of consumer protection arrangements for LPG users, as recommended by the Essential Services Commission, allowing small business, such as the Grampians Pure Sheep Dairy, not to be penalised by the pricing tactics of LPG distributors?

Mining: land rehabilitation

Ms HADDEN (Ballarat) — I raise a matter for the attention of the Minister for Energy Industries. The issue concerns mining development in country Victoria. I recall that the minister has referred to increased mining activities in areas such as the Big Hill at Stawell, Bendigo, Fosterville and other places as a second gold rush.

Mining, by its very nature, impacts upon the environment and upon communities which surround mining activity in ways that need to be managed appropriately and sensitively, taking into account land rehabilitation and amenity issues.

Under the Mineral Resources Development Act, where mining occurs on farmland, miners are required to rehabilitate the land to an agreed standard within a

certain time frame after mining has concluded. I therefore ask the minister if he can advise how the legislative obligations of the various stakeholders in mining operations on agricultural land are being conveyed to all Victorians.

Lumeah Home for the Aged

Hon. ANDREA COOTE (Monash) — It is a pity that Mr Jennings has not joined the other ministers here tonight, because my question is for him as Minister for Aged Care. I refer to the injuries suffered by residents at the state-owned Lumeah Home for the Aged in Preston.

Recently the residents of the Lumeah Home for the Aged were found to have suffered injuries linked to bed rails — for example, one resident was found to have a puncture wound in his thigh and another resident was found on the floor with a grazed elbow and a cut to the head. Lumeah was given two years accreditation instead of three years, which is the norm, by the Aged Care Standards and Accreditation Agency. This is not an acceptable standard of care in one of our stated-owned nursing homes and certainly does not give peace of mind to the residents, their families or indeed members of the community, some of whom will need nursing home care in their lives.

State-run nursing homes should be setting a benchmark in the standard of care that is acceptable to the community, and I ask the minister what will he do to ensure that Lumeah receives three years accreditation in the next round of accreditations?

Royal Agricultural Society showgrounds: community access

Hon. S. M. NGUYEN (Melbourne West) — I raise a matter for the Minister for Major Projects in the other place. Last week in this chamber we passed the Royal Agricultural Showgrounds Bill. It is great news that the Bracks government has committed $100 million over three years for the redevelopment. The aim is to ensure that the Melbourne Show remains a major annual event and continues to attract a large patronage well into the future.

In my contribution to this debate I suggest that this site could be utilised a good deal more. It is a great venue in a good location. It provides easy access with good links to public transport and has a large site for car parks. These grounds can offer a lot for Victorian communities throughout the year — for 365 days, including 52 weekends. There is no doubting the potential of this facility if managed correctly, and there are unlimited opportunities for development.

I have visited the showgrounds many times in the last 25 years. I know there is a waste because it is being used for only 10 days a year and it should be used more than that. The fact that its usage is currently limited to only a handful of occasions throughout the year disappoints me. It could be used by many community groups as well as by businesses and trade groups for exhibitions throughout the year.

I have been approached by many community groups indicating their interest in booking the venue for cultural festivals on the weekend. We have many diverse ethnic communities in Melbourne, and there is no denying that the showgrounds could be made available with enough flexibility to cater for the main Melbourne Show as well as for smaller community festivals throughout the year — for example, the Vietnamese Community Association in Victoria has struggled to find a place to have its annual Tet Festival. It was at the showgrounds for only two years.

The first year was a success because people wanted to come along to experience for the very first time the surrounds of the new venue. It was a lovely factor. However, the second year was a disappointment. There was a significant decline in attendance because the venue was deemed too big for a small community festival. It is very hard for many people, especially the elderly, to walk from one place to another. The festival cannot be successful without good attendances, so the Vietnamese community had to leave the showgrounds and relocate to another venue. The community would seriously consider going back to the showgrounds if the venue and the cost could both be changed to suit a smaller festival.

The showgrounds also has potential as a large reception centre which could be split into a few smaller reception areas for community groups to use for functions such as conferences and dinners as well as private functions. There are not many reception centres close to the city which can cater for large numbers of people, and it is expensive to use hotel facilities and car parks. During weekdays it could be used for trade exhibitions and business promotions for exports. I ask the minister to work with the Royal Agricultural Society and the other interested groups or individual members to expand that opportunity.

Schools: Loddon Campaspe–Mallee region

Hon. B. W. BISHOP (North Western) — My adjournment issue this evening is directed to the

Minister for Education Services in the other place. The issue is about maintenance and upgrades to schools — or perhaps the non-maintenance and non-upgrade of schools — in the Loddon Campaspe–Mallee region, and I suspect over all of Victoria.

I remember quite clearly arguing with the support of my National Party colleagues for a decent planning process in relation to major upgrades and maintenance in our schools because we wanted some degree of certainty for our schools in both major upgrade work and maintenance. Our school communities were uncertain when the work would be done, and at times we saw schools spending hard-to-get maintenance money only to find it being overrun by a major upgrade.

That process was put into place and was called physical resource management system (PRMS) and I believe that process is still there. However, we are now finding that funding is drying up with very little work being done. We believe it is getting to crisis point for Victorian schools. A lot of school buildings were built in the 1960s, and although the buildings have done a great job over time the fact remains that it is time for a major upgrade. We all know quite well that education is of vital importance to all of us in Victoria, particularly if we are going to be a smart state; so we must use our best resources, which are our young people — people who are now losing some of their morale due to their dated and run-down school buildings.

We are in a good position because we have a good structure with PRMS, but that structure must be supported by funding; so we need to change the thinking of the government, where we are lagging behind not only in major school upgrades but in maintenance work and of course in the building of new schools. An example is Nichols Point Primary School, in the Mildura area, which should have been rebuilt two years ago.

I call on the Minister for Education Services to reassess the major upgrades and maintenance funding budget to ensure that those tasks are addressed in a quick and orderly manner before it is too late, with the costs then becoming prohibitive and our students being denied reasonable facilities to study in.

Consumer affairs: hot water services inspectors

Hon. J. H. EREN (Geelong) — I wish to raise a matter with the Minister for Consumer Affairs. I draw the attention of the minister to tradespeople working for Australian Hot Water Services who have been going door to door in Geelong offering to inspect people's hot water services. They inevitably tell the householder that their hot water service has a problem and that if it is not repaired immediately it could blow up. I am concerned about this as these claims are not always genuine, which means that my constituents are being duped by what appears to be a scam.

Apparently the routine of these hot water service inspectors is to visit an area, knock on doors and offer residents an inspection of his or her hot water service at no cost. Generally it is hard to resist something for nothing, especially when our safety and wellbeing are at stake, so like most of us the residents accept the offer. I understand that it is then common practice for these inspectors to tell the residents that the anode in their hot water service needs to be replaced at a cost of around $150. For those members who do not know what an anode is, it is a soft metal rod that sits within the water tank and assists in inhibiting corrosion of the tank. These service representatives tell the home owner that if the anode is not removed or replaced it will burst or blow up. In reality they are offering to replace an anode that is quite serviceable.

My constituents do not deserve to be panicked or pressured into paying for repairs that are unnecessary. Therefore I ask the Minister for Consumer Affairs to take action and look into this matter.

Camperdown sports stadium: funding

Hon. J. A. VOGELS (Western) — I ask the Minister for Sport and Recreation to take action that will allow the Camperdown community to get on with the construction of the Camperdown sports stadium. This project has been a no. 1 priority for the Corangamite Shire Council and the Camperdown community for a number of years. The shire has budgeted $500 000 towards the facility and the committee has worked tirelessly and will put up another $500 000 towards the stadium. They had hoped for a $500 000 grant from the state government in this budget.

They are tired of hearing, 'Prepare another submission next year. It is a very worthwhile project. We all understand what you are going through, but with a bit of luck, maybe in next year's budget,' and so on. Putting together submissions costs a lot of money. The Camperdown community is proactive and determined, and I ask the minister to facilitate allowing the people of Camperdown together with the Shire of Corangamite, who are prepared to put up their $1 million immediately, to get on with the project. As I said, they are prepared to spend their $1 million now,

and they hope the state government will be able to put in the other $500 000 in next year's budget. The existing facilities are old and outdated, and I have no doubt the minister has been there and seen them. The lines that mark the edge of the court are only half a step from the walls, making it quite dangerous, and serious injury is likely.

I call on the minister to be proactive in allowing the Camperdown community to spend its $1 million of local money and to commit the government to financing the extra $500 000 needed in next year's budget.

Tobacco: under-age sales

Mr SCHEFFER (Monash) — I raise a matter for the Minister for Health. Recently the minister issued a stern warning to retailers who continue to break the law by selling cigarettes to children. Monday's issue of the Caulfield Glen Eira Port Phillip *Leader* has reported the minister's warning. An article headed 'Cigarette retailers under fire' cites the alarming statistics produced by the Victorian government and local council inspection teams, which conducted compliance checks on 114 tobacco retailers in the City of Glen Eira. Twenty-two per cent of these compliance checks revealed cigarettes being sold to children — an unacceptably high figure.

I ask the minister to supply information on the reasons for retailers persisting in this illegal and antisocial practice despite two years of compliance education targeted at tobacco retailers. I ask the minister to advise me what further action is envisaged to crack down on unscrupulous tobacco sellers.

In the City of Port Phillip, within my electorate of Monash Province, 101 compliance checks were undertaken with 61 per cent involving children being sold cigarettes; and in the City of Stonnington 102 checks were made with 18 per cent involving sales to children. The problem is serious, as the minister has indicated.

The Victorian Tobacco Action Plan is to be commended and is widely supported by a range of health organisations. It builds on the objectives of the National Tobacco Strategy to protect children and other young people from taking up tobacco smoking. Victoria's strategy has led to the regulation of tobacco sales and promotion and the reduction through legislation of environmental tobacco smoke as well as a range of interventions that aim to educate people, including retailers, about tobacco and the law and about ways to give up smoking. Impressively, the plan is being developed in conjunction with a range of concerned organisations, including the Centre for Adolescent Health, the Centre for Behavioural Research in Cancer Control, the National Heart Foundation, the National Stroke Foundation, Quit Victoria, SIDS and Kids Victoria, the Vichealth Centre for Tobacco Control, Vichealth and Worksafe Australia.

There is plenty of information available to tobacco retailers regarding the laws that prohibit the sale of tobacco products to children and the penalties that can be incurred when these laws are breached. How is the minister seeking a stronger commitment from shopkeepers and operators of pubs, restaurants, cafes and clubs to support the Victorian Tobacco Action Plan by not selling tobacco products to children? The recently released statistics are alarming. They evidence the fact that tobacco retailers are simply ignoring the law and undermining the critically important aim of saving lives by preventing the onset of lung cancer and other diseases associated with cigarette smoking.

Mitcham–Frankston freeway: tolls

Hon. A. P. OLEXANDER (Silvan) — I seek the attention of the Premier in the other place. The issue I raise this evening is the palpable sense of anger and betrayal that is felt by members of my electorate and other constituents in the outer eastern suburbs of Melbourne regarding the government's decision on tolls on the Mitcham–Frankston freeway.

I have just returned from a public meeting at the Karalyka Centre in Ringwood, which was attended by over 600 members of the community. It was standing room only in that hall — there was seating for 500 people and people lined the corridors, aisles and back walls. As I said, there was a palpable sense of anger and betrayal about the government's decision, and there was a feeling in the room that they were not going to be listened to.

There were people there from all walks of life — people from the small business community, pensioners, young people, people from our local councils and local councillors — and they were absolutely unanimous about a few issues and moved a number of motions. There was one motion that reads:

> We urge all ALP members of Parliament who were elected on a promise to build a toll-free road to support the community they represent and persuade the state Premier and ministers to honour their commitment for a toll-free road.

That was passed. Another motion was:

> That the electors of the eastern electorates present require the state Labor government and Mr Bracks and Mr Batchelor, in particular, to honour their election promises to complete the Eastern Freeway extension and build the Scoresby freeway, renamed the
> Mitcham–Frankston freeway, by reversing their decision to make it a tollway.

Another motion was:

> That we congratulate the local councils in the area — Maroondah, Manningham, Knox and Yarra Ranges — for their continuing fight for a toll-free Scoresby and the early completion of a toll-free Eastern Freeway extension. We urge all other councils in the area to show the same level of commitment to the wishes of the people they represent in opposing the state government's tolling decision.

A motion moved by the Maroondah Chambers of Commerce rejected tolls on the Eastern Freeway extension and sought an undertaking by the Bracks government:

> … to complete the Eastern Freeway extension to Ringwood as a first priority —

but without tolls. A gentleman moved:

> That the Governor of Victoria should sack the Bracks government because it had lied to the people of the eastern suburbs about tolls.

Finally, there was a move to pass a motion to:

> … congratulate the federal government for … insisting that the signed agreement with the state government … be honoured … encourage the federal government to keep up the fight on behalf of the people of the east by insisting that the allocated $420 million is used only on the promised Scoresby freeway …

The Premier needs to be aware of this. In the light of the palpable betrayal of and anger in the community over the government's decision, will the Premier reverse this decision in the interests of community honesty in politics?

Environment Protection Authority: Waters of Victoria policy

Hon. KAYE DARVENIZA (Melbourne West) — I raise a matter for the attention of the Minister for Water in the other place, who is also the Minister for Environment. The matter I raise goes to the Environment Protection Authority (EPA) toughening up wastewater requirements along with an audit of the environmental flows and also encouraging the use of water recycling through the wastewater licensing system under a new blueprint to protect Victoria's natural water environment.

I congratulate the minister on the increased focus on both valuing water and using water more wisely. The EPA's state environment protection policy entitled Waters of Victoria will provide a framework to protect Victoria's rivers, streams, lakes, estuaries and coastal waters over the next 10 years. This new policy updates the 1988 state environment protection policy on water and introduces some new measures to improve water quality.

Those measures include tougher wastewater requirements. The EPA will now review all licences where there is a water discharge and will encourage greater recycling. Another measure is auditing environmental flows. For the first time environmental flows will be audited to determine their effect on the health of aquatic life. The third measure is audit irrigation drainage. For the first time we have an agreed system so that irrigation drains discharging to surface water can be audited to make sure our water is protected. The fourth measure is preventing wastes and pollutants being discharged from boats and ships into Victorian waters and requiring all marinas to have waste and sewage pump-out facilities. The fifth measure is new standards, such as biological indicators, to provide a direct measure of the health of plants and animals.

This policy certainly addresses the need to protect our water environment now as well as to protect this very valuable resource for future generations. Given the importance of this policy to my electorate of Melbourne West Province will the minister say what involvement and role the Port Phillip and Westernport Catchment Management Authority has in the implementation of this very important new policy?

Bushfires: fences

Hon. PHILIP DAVIS (Gippsland) — I raise a matter for the attention of the Minister for Agriculture in the other place. It relates to this litany of the incapacity of the government to deal with the recovery process for bushfire-affected farmers.

I am appalled about a matter that has come to my attention today. The issue was raised by an individual farmer who was so frustrated he took his concern to regional radio. It involves the process that has been put in place to provide assistance to farmers who have had their boundary fencing burnt. Some 1600 kilometres of boundary fencing have been destroyed. The Department of Sustainability and Environment provides an officer to assess the burnt fences and agrees whether the boundary fence can be replaced, but it must be to the specification set down by the government, which is

a very expensive fence and far more expensive perhaps than would otherwise be built.

The farmer then builds the fence at his expense, has it inspected and applies for reimbursement. In this case the fence was erected, completed and inspected before Easter, and the farmer concerned has still received not $1 of government assistance. I repeat, not $1 has been received for boundary fencing damaged in the fires.

That prompted me to make further inquiries. I believe that to date no farmer affected by the fires in the alpine regions of this state has yet to receive $1 of Victorian government funds in relation to fire recovery. It is absolutely bizarre. Members will recall that this time last week I congratulated the Rotary clubs of East Gippsland for coordinating fire relief and providing $280 000 for fencing assistance and purchasing 85 000 fence posts to help farmers with recovery. That absolutely mocks the Crown of Victoria, and the government should be ashamed. I ask that the Minister for Agriculture take urgent steps to ensure that farmers who are suffering the extraordinary pain of recovery from this emergency in the summer are assisted without further delay.

Football: country clubs

Hon. D. K. DRUM (North Western) — In relation to the all-party parliamentary committee inquiry into country football, why has the Minister for Sport and Recreation chosen country football when participation rates of males playing Australian rules football in country Victoria, in percentage terms, are more than double that of males playing football in metropolitan regions?

Also, one of the issues that sometimes is used as a reason why we have to look after country football is that financially the clubs are crippled. At this stage in June, for the first time ever I am led to believe, all football clubs throughout country Victoria are paid up with their affiliation fees.

Other arguments as to why we may be looking to have an inquiry into football in country regions are that traditional states are said to be under attack by games such as soccer. However, when you look at the ratio between Australian football and soccer in states such as Tasmania, Western Australia and South Australia you see that those states have a ratio of 3 to 1 in favour of Australian football whereas country Victoria has a ratio of 7 to 1. So I wonder where the threat is coming from. If there are people who wish to — —

Ms Hadden — Do you have a reference for that?

Hon. D. K. DRUM — Yes, I can give you the details. If the question happens to come from the fact that the elite players are being taken by the elite teams, I point out that between 1971 and 1987 250 players were taken from country Victoria to the former Victorian Football League to try their luck in that league. They were relocated out of country Victoria; whereas now approximately 88 players are trying out their luck at elite football. Most of those guys are still playing and living at home.

Will the minister be getting personally involved in the inquiry, and does he believe an all-party parliamentary inquiry is the best vehicle to use to get to the so-called issues of Australian football in country Victoria?

Responses

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I will refer the issue raised by the Honourable Graeme Stoney regarding the letter from Goulburn-Murray Water and a specific caravan park closure to the Minister for Environment in the other place.

The Honourable David Koch raised the issue of liquefied petroleum gas pricing. I will refer this to the Minister for Energy Industries.

Ms Hadden raised the matter of mining issues on existing farmland. I will refer this to the Minister for Energy Industries, who is also the Minister for Resources.

The Honourable Andrea Coote raised the issue of the Lumeah aged care facility and associated issues. I will refer this to the Minister for Aged Care.

The Honourable Sang Nguyen raised the issue of the Royal Agricultural Showgrounds and additional site usage. I will refer this to the Minister for Major Projects in the other place.

The Honourable Barry Bishop raised the issue of maintenance and upgrades of educational facilities in the Loddon Campaspe-Mallee region. I will refer this to the Minister for Education Services in the other place.

The Honourable John Eren raised the issue of potential hot water service scammers in the Geelong region. I will refer this to the Minister for Consumer Affairs.

The Honourable John Vogels raised the issue of the Camperdown sports stadium and an application for community facilities funding under the major facilities scheme. I am very aware of the significance of the Camperdown sports stadium and the significant

contribution by the local community on top of the significant contribution by the Corangamite shire. I am eager to see this project funded in one form or another because it is very rare that communities of that size are able to bring substantial sums of money, particularly through local fundraising efforts, to a project of that magnitude. I look forward to finding avenues for bringing funding to that project in the near future. I would like to think that might be sooner rather than later, but again that will have to be considered in the fullness of time in light of appropriate departmental procedures.

Mr Scheffer raised the issue of cigarette sales to minors. I will refer this to the Minister for Health in the other place.

The Honourable Andrew Olexander raised the issue of tolls on the Mitcham–Frankston tollway. I will refer this to the Premier.

The Honourable Kaye Darveniza raised the issues of waste water, water safety and water recycling. I will refer these matters to the Minister for Water in the other place.

The Honourable Philip Davis raised the issue of fire-affected farmers. I will refer this to the Minister for Agriculture in the other place.

The Honourable Damian Drum showed substantial interest in the issue of the all-party parliamentary inquiry into country football and its terms of reference. I am eager to have a full and thorough investigation into all those matters which relate to country football, and hence the terms of reference which have been supplied to that parliamentary inquiry. I also appreciate that there is a decline in football in some areas while in other areas I understand it is flourishing.

I look forward to giving communities the opportunity to reinforce what they believe is successful or not successful in relation to country football and country football provision in relationship with netball in those country regions. I look forward to embracing full and frank contributions from members of the football and netball communities, and in particular hearing about the level of interest and sometimes disagreement on what constitutes effective and quality delivery of country football.

This is a great opportunity to consolidate views and opinions, particularly in an all-party parliamentary process which will in a sense take much of the politics out of the issue, but hopefully provide an all-embracing opportunity for a consolidated view that will help further the cause and celebration of country football in rural Victoria.

Motion agreed to.

House adjourned 11.19 p.m.

Wednesday, 11 June 2003

The PRESIDENT (Hon. M. M. Gould) took the chair at 9.33 a.m. and read the prayer.

PETITION

Witchcraft and fortune telling

Mrs CARBINES (Geelong) presented petition from certain citizens of Victoria requesting that the Victorian government preserves and retains the provision of the Vagrancy Act 1966 that makes witchcraft, sorcery, enchantment, palmistry and conjuration an offence (1219 signatures).

Laid on table.

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Budget outcomes

Hon. G. K. RICH-PHILLIPS (Eumemmerring) presented report for 2000–01, together with appendix.

Laid on table.

Ordered to be printed.

Budget estimates

Hon. G. K. RICH-PHILLIPS (Eumemmerring) presented report for 2002–03, together with appendices and minutes of evidence.

Laid on table.

Ordered that report and appendices be printed.

Annual report

Hon. G. K. RICH-PHILLIPS (Eumemmerring) presented report for 2001–02, together with appendices.

Laid on table.

Ordered to be printed.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I move:

> That the Council take note of the report.

As the member of the Public Accounts and Estimates Committee in this chamber from the 54th Parliament continuing to the 55th Parliament I am delighted to have these three reports tabled today. They are the culmination of the work which was undertaken by the Public Accounts and Estimates Committee in the 54th Parliament. It was work that was interrupted by the election last November, so I am very pleased that on behalf of the members of the previous committee we have been able to bring these reports to the Parliament today.

I acknowledge the members of the previous committee — the Chair, Peter Loney; the deputy chair, the Honourable Roger Hallam; the shadow Treasurer, Mr Robert Clark; the Honourable David Davis; the Honourable Theo Theophanous; Ms Ann Barker; the Honourable Tim Holding; the Honourable Judy Maddigan; and the former member for Gippsland West, Ms Susan Davies. On behalf of the committee I express thanks to the committee's executive officer, Michele Cornwell, and her staff for the outstanding work the committee staff did in the preparation of these three reports, and their ongoing commitment to the Public Accounts and Estimates Committee.

Motion agreed to.

PAPERS

Laid on table by Clerk:

> International Fibre Centre Ltd — Minister for Education and Training's report of receipt of the 2002 report.
>
> Parliamentary Committees Act 1968 — Attorney-General's response to recommendations in Law Reform Committee's report on the powers of entry, search, seizure and questioning by authorised persons.

MEMBERS STATEMENTS

Maryborough hospital: funding

Hon. J. A. VOGELS (Western) — We all remember when the Labor Party got into power the deal it struck with the nurses union — that is, on wage increases and staffing ratio increases. Many rural hospitals were forced to put on extra staff because of the agreement reached between the Bracks government and the nurses union. Two such hospitals are Dunolly and Avoca, which did the right thing by putting on the extra equivalent full-time (EFT) staff required. We now know that this government has refused to fund the Maryborough hospital, which manages the two campuses of Dunolly and Avoca with a $230 000 increase in its wages bill. No wonder the Maryborough community is angry with this government. It was misled about the $9 million redevelopment of its own hospital, and on top of that it is now forced to subsidise the Dunolly and Avoca

campuses. This enterprise bargaining agreement was forced on it by the state government, which has refused to honour its side of the bargain — that is, to meet the funding required to pay these extra EFTs.

Ecohouse project, St Kilda

Mr SCHEFFER (Monash) — Last Thursday on World Environment Day, I attended with the Minister for Environment in another place, John Thwaites — —

Hon. Bill Forwood — Haven't we heard this before?

Mr SCHEFFER — Yes, you have. This is the opening of a further stage of the Ecohouse that is located in the St Kilda Botanical Gardens.

The Ecohouse is the former gardener's residence, an unremarkable 1960s house that has been transformed through careful and inventive thinking into a fantastic demonstration of sustainable design and living. The Ecohouse is now able to supply its own solar energy — from here on members have not heard what I am about to say before — collect its own water and manage its own waste. The materials that it is made of are non-toxic, locally produced and recycled whenever possible. All used water is treated and then used on the garden.

The Ecohouse project that was initiated by Earthcare and is supported by the City of Port Phillip has been funded from a range of sources, including local organisations such as B'nai B'rith as well as South East Water and the Victorian government.

The City of Port Phillip and its councillors are leaders in sustainable urban design. Port Phillip is now implementing its sustainable design scorecard to be used by residential planning permit applicants. The soon-to-be mandatory scorecard will enable residents and developers to design more environmentally sustainable buildings and to see how well their proposals measure up against a set of environmental objectives. I commend the work of the Ecohouse and the City of Port Phillip.

Bendigo: fast rail project

Hon. D. KOCH (Western) — As opposition spokesman on transport in the upper house, I want to draw attention to the public meeting that was held at the Campbells Creek community centre near Bendigo on Monday, 2 June. Two hundred local residents came together to express their disappointment and despair at the government's inaction over the fast rail project to Bendigo. The tone of the meeting clearly showed that the community believes local Labor members and the Minister for Transport are on the verge of turning the Bendigo fast rail project into yet another non-event.

Although invited, the two local members — Mr Bob Cameron, the Minister for Agriculture, and Ms Jacinta Allan, the Minister for Education Services — and the Minister for Transport, Mr Peter Batchelor, did not attend this meeting.

This shunning of regional concerns demonstrates the government's lack of commitment to or urgency in providing equal or better state rail infrastructure. Their failing to meet face to face with Bendigo, Castlemaine and district residents over the fast rail project seriously threatens to undermine regional Victoria's confidence in ever seeing improved rail infrastructure and significantly undermines any advantage regional communities might have expected the fast rail project to deliver. Again the Bracks government election rhetoric fails to deliver earlier pledges to regional Victoria.

Domestic violence: awareness

Mr SMITH (Chelsea) — I raise the important issue of domestic violence. I bring to the attention of the house the feelings I had when I read about the story of Mrs Pate, the wife of Olympic cyclist Stephen Pate, who is currently serving 20 months for domestic violence.

As everyone in this house would have been, I was appalled to read her story. To think that anyone in this day and age could be subjected to that sort of violence in the home was shattering to me. It made me think that this issue is so important that men like myself and others who think likewise should stand up and say to men who perpetrate these acts that it is not good enough, that it is not acceptable, and that if they do, they are out of the club.

I would suggest to women's groups in particular that they take the lead of Phil Cleary, who demonstrated that this issue is so important. By clearly highlighting it in the way he did, he did more to bring this to the attention of the public than any women's group could. They need our help; they should get it.

Norman Loader

Hon. C. A. STRONG (Higinbotham) — Today I would like to pay tribute to the life of Norman Cameron Loader, a man who has been important in my life, as he has been important to many others in Brighton and Higinbotham. Norm Loader was born in 1922 and will be buried this afternoon in Springvale.

Norm made a 50-year contribution to the Brighton area. He was my electorate chairman, a friend and an inspiration to me over many years. Norm had an enormous local commitment. He was the no. 1 ticket-holder of the East Brighton Football Club. He was the honorary secretary from 1948 for six years and treasurer for four years, and in 1982 he was elected an honorary life member. Norm was also an outstanding contributor and long-term member of the Brighton Bowling Club. For many years he made a major contribution to the Red Cross appeal throughout the Brighton and Higinbotham areas.

Norm was also a long-term member of the Liberal Party. He successfully filled every role offered by the party, including standing as the endorsed candidate against Frank Crean for Melbourne Ports in 1958. Norm Loader was not just a member of any local political or community party; he was a major contributor. He will be sadly missed in the Brighton area.

Alexandra: truck, ute and rod show

Hon. R. G. MITCHELL (Central Highlands) — On Sunday, 8 June, I had the pleasure of attending the Alexandra truck, ute and rod show with the member for Seymour in another place, Ben Hardman.

It was a fantastic day for the Alexandra community, with lots of auctions, trade displays, exhibitions, whip cracking, working timber mills, boats, show bags and rides for all the children. Entertainment was provided by various artists, including the J. R. Williams band and a visit by Coxy from the television program *Postcards*. There was also a fantastic woodchopping tournament.

I thank Wayne Millar and his crew, who put together this fantastic event which was held in the main street of Alexandra. Thanks must also go to the State Emergency Service workers who were on hand all day to do traffic management.

It was a fabulous day, and I urge members if they have the opportunity next Queen's Birthday weekend to go to Alexandra and help communities in that area. There were lots of sausage sizzles et cetera to raise funds, and it was well attended by members of the transport industry, and car and hot rod clubs from all over the state — places like Deniliquin and Moama were represented. It was a great day, and I thank the Alexandra community for giving me the opportunity to join them.

Tourism: skiing web site

Hon. E. G. STONEY (Central Highlands) — Last weekend skiers celebrated the opening of the 2003 ski season. Official openings were held at Mount Buller, Falls Creek and Mount Hotham. I attended the Mount Buller opening, and I know politicians, local mayors and industry representatives were at many of the resorts supporting the start of another exciting ski season. At Mount Buller the local area resort manager, Sandy Jeffcott, told me he likes to think that every year they do it a bit better at Mount Buller, and I tend to agree with him.

I recommend that members look up ski.com.au for the latest snow information and snow cams. I notice my friend Colin Hackworth, the managing director of Falls Creek Ski Lifts and Hotham Ski Lifts, said on ski.com.au:

> There is a much more positive vibe around this year than there has been for a long time.
>
> … people and families depend on the annual snow season for their livelihood. The economic impact of the Victorian alpine region is about $300 million each year and the industry supports some 3700 jobs.

To assist members I have put ski.com.au in the favourites folder on the computer system in the upper house. I suggest they choose a resort from that web site and go there this winter with their families to support a very important regional industry.

Macular Degeneration Awareness Week

Hon. H. E. BUCKINGHAM (Koonung) — I take this opportunity to raise awareness of macular degeneration (MD), which is the leading cause of blindness and severe vision impairment in Australia.

Last week was national Macular Degeneration Awareness Week. The Macular Degeneration Foundation estimates that over 800 000 Australians live with varying stages of this condition. With a population of almost 20 million, this equates to nearly 1 in 20 Australians. More than 108 000 people have late stage MD or severe vision loss.

Macular degeneration is a degenerative disease of the retina. There are several types of MD, the most prevalent being age related, and we are an ageing population. Symptoms of MD include a loss of central vision caused by abnormal blood vessels growing in the retina. In most cases peripheral vision is retained, but the patient becomes progressively legally blind.

Current treatments are only able to slow the onset of MD, and once vision is lost it cannot be retained. Additionally, MD is thought to be caused by a combination of genetic and environmental factors. For instance, smoking can increase by four times the chance of someone developing the disease, and on average smokers will develop MD 10 years earlier than non-smokers.

I urge my colleagues to become aware of this condition and, with an ageing population, the potential for growth in the number of Australians suffering from macular degeneration. I also urge all state governments and the federal government to support research in this most important area.

Disability services: E. W. Tipping Foundation

Hon. B. W. BISHOP (North Western) — My members statement today concerns the E. W. Tipping Foundation, which is a provider of residential disability services in Victoria that operates in both Swan Hill and Warracknabeal in the electorate I share with the Honourable Damian Drum.

Non-government disability workers such as those employed by the E. W. Tipping Foundation are paid under two separate sections of the residential and support services award: the half-day model and the 8-hour model.

Funding by the Department of Human Services for almost all disability services has been changed to the 8-hour model, and this puts the E. W. Tipping Foundation at a real disadvantage as it is still funded under the half-day model.

This is causing difficulty because in Swan Hill and Warracknabeal the foundation operates both half-day and 8-hour model houses close to each other. That means staff can work at each house with each employer and yet be paid different amounts. I ask that this issue be addressed by the Minister for Community Services.

Upwey and District Community Bank

Hon. C. D. HIRSH (Silvan) — Today I want to pay tribute to the Upwey and District Community Bank. It was the first Bendigo Bank community bank started anywhere in metropolitan Melbourne after the rural banks. What is happening with this community bank is that a residual amount of the profits made is distributed to local community groups. In fact 30 per cent of the bank's profits are distributed. The bank plays a fantastic role in the local community. Peter Marke was the driving force behind the bank and is currently the bank chairman. He is thrilled to be able to share the profits of the bank in such a constructive way.

This bank had the most amazing community support when it got going. Nearly all residents of Upwey and many from the surrounding districts use the Upwey community bank after both major banks in Upwey closed; the ANZ branch and then the Commonwealth Bank branch closed. Recipients of the grants include the Upper Ferntree Gully tennis club which received $2500 for its pavilion, Lysterfield Primary School and the Upper Ferntree Gully T-ball league. Well done to the Upwey bank.

Iraq: war veterans

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — The Premier is to be condemned for attempting to use Australian troops returning from the war in Iraq for his own political aggrandisement. When troops were deployed in March the Premier made it very clear that he did not support Australian involvement in the war in Iraq. The Premier made clear in a statement in the Parliament that the commonwealth government was responsible for the deployment and that any political heat should be directed at it. When Australian troops left our shores the Premier was nowhere to be seen. Many of our troops have now returned from Iraq. They were successful in their mission and fortunately did not incur any casualties. The Premier now wants to bask in the reflected glory of Australian service personnel.

Like many Victorians I am disappointed that there was not an opportunity for a formal welcome home for the troops in Victoria. However, the reality is most of the units that served in Iraq were deployed from either Perth or Sydney and appropriately that is where the official welcome home receptions were held. In attempting to orchestrate his own welcome home reception, when official receptions have already been held, the Premier has demonstrated that he is merely trying to generate political capital for himself. Australia's service personnel deserve better.

University High School: concert

Ms ROMANES (Melbourne) — Last week I had the pleasure of attending a wonderful music event in my electorate. It was the mid-year concert for music students at University High School in Parkville. About 350 students at the school participate in music lessons and activities, and the concert held last Thursday was a wonderful opportunity to showcase their talents. The many choirs, ensembles, bands and orchestras at various levels entertained the large audience with jazz, classical and popular music of a very high standard.

What is more, the students looked like they were enjoying the chance to perform. My congratulations go to the music students and the teachers who have nurtured their students' talents and love of music over the past few months.

Rail: gauge standardisation

Hon. D. K. DRUM (North Western) — I would like to bring to the attention of the house a letter I received from the Minister for Transport in the other place two and a half months after I sent him the first request. It is in relation to the work being done on the fast rail project on the Bendigo line and concerns the laying of sleepers that are broad gauge only. We have had meetings with various lobby groups and three councils are up in arms over the fact that the minister and his department continue to lay broad gauge-only sleepers, thereby committing the City of Greater Bendigo and the corridor along that way to broad gauge-only sleepers for the next 80 to 100 years. As we are currently replacing trains that are in the vicinity of 30 years old, it would be fair to suggest that we will be replacing this load of rolling stock in 30 years time.

If the minister continues to put down only broad-gauge sleepers we will have no choice for the next 100 years but to continue replacing this transport rolling stock with more and more broad gauge stock. I cannot understand why the minister will not, for a minimal charge — the additional cost is approximately 3 per cent to replace broad gauge only sleepers with convertible sleepers — give the people who live in central Victoria an opportunity at some future time to join the rest of the state.

Geelong Animal Welfare Society: art show

Mrs CARBINES (Geelong) — Last Friday I had the pleasure of attending the launch of the inaugural open art exhibition to raise money for the Geelong Animal Welfare Society — a worthy cause indeed, as the society cares for Geelong's sick, injured and stray animals.

This wonderful four-day event was generously organised by two excellent local organisations, the Geelong Art Society and the Kiwanis Club of Geelong. Both organisations were very pleased that the Minister for Agriculture, the Honourable Bob Cameron, took time out from his busy schedule to officially open the exhibition.

I was extremely impressed by the very high calibre of work exhibited at the art show and would like to thank all involved, especially the Geelong Art Society, the Kiwanis Club of Geelong, the Honourable Rod McKenzie, a former President of this place, and all painters for their work in support of the Geelong Animal Welfare Society.

Thompsons Road–Western Port Highway, Lyndhurst: safety

Hon. R. H. BOWDEN (South Eastern) — I mention again my concern about the lack of action to reduce the risk of collisions at the intersection of Thompsons Road and the Western Port Highway, Lyndhurst. I have raised on two previous occasions in this Parliament the issue of peak hour traffic coming to the city early in the morning having to handle traffic coming from Cranbourne on the right-hand side, creating congestion, which is quite dangerous. The reverse happens in the afternoon, with southbound traffic on the Western Port Highway meeting traffic coming from the western side at the intersection. It is dangerous, and nothing has been done. This is the third time I have raised this matter in the Parliament with no action being taken.

I also express concern over subdivisions that are being developed south of the railway line where it goes under the Western Port Highway, north of Thompsons Road. My observation is that little planning has occurred to ensure safe entry and exit from the subdivisions on the northern side of the Western Port Highway. I suggest an urgent investigation be made by both the council and the state government to prevent the designing in of a dangerous situation.

Ordered, by leave, that sessional orders be suspended so as to allow four additional members statements on motion of Hon. M. R. THOMSON (Minister for Small Business).

Textile, clothing and footwear industry: Geelong

Hon. J. H. EREN (Geelong) — The textile, clothing, footwear and leather (TCFL) industry is a critical part of Geelong's manufacturing sector, employing some 2150 people. More than 19 000 Victorian jobs will be lost if the Howard government follows Productivity Commission recommendations to reduce tariffs in the TCFL industry. Victoria is the nation's epicentre for TCFL, employing some 27 300 people across the state, with more than 4000 employed in regional areas.

Geelong is a major TCFL-producing city, and since 1997 it has lost over 1000 jobs in this sector, including the recent announcement that Candy Footwear would wind up its business after being in operation for many

years in Geelong. We do not want the same thing to occur with other reputable longstanding companies such as Brintons Pty Ltd and Godfrey Hirst Australia Pty Ltd, newly inducted into the Manufacturing Hall of Fame.

The communities of Geelong, which include workers and their unions, employers, local businesses, local politicians and local councils of the entire region, are trying desperately to raise the concerns of the region with the federal government and urge it not to adopt the recommendation of the Productivity Commission.

It is also unfortunate that these recommendations have come along just as the textile, clothing, footwear and leather industry was proving itself innovative and internationally competitive, exporting a wide range of products into niche markets around the world. In Victoria this industry provides annual exports of over $1 billion, and this has been achieved while facing TCFL tariffs of up to 50 per cent in some markets — well above Australian levels. Hopefully commonsense will prevail and the federal government will listen to the recommendations made by the Bracks government — —

The PRESIDENT — Order! The member's time has expired.

Angela Craven

Hon. W. A. LOVELL (North Eastern) — I rise to congratulate Yarrunga Primary School teacher Angela Craven, who has been honoured with a national teaching award for excellent leadership and dedication to community links. The award was presented by federal Minister for Education, Science and Training, the Honourable Brendan Nelson, at a national award ceremony. Ms Craven is one of only 32 teachers throughout Australia to be recognised in this way.

As coordinator and manager of classroom companions in her school's community links program, Ms Craven has encouraged the Yarrunga Primary School community to think outside the square. Her passion for the program has engendered enthusiasm, not only among staff members but at all grade levels.

Taking on this extra role in addition to daily classroom duties, Ms Craven conducts information sessions for visiting schools and talks to local community groups. The program has inspired a spin-off community group, the Yarrunga community action group, which aims to strengthen the area's connection with other parts of the Rural City of Wangaratta. The Yarrunga community is fortunate to have an outstanding teacher who inspires children and encourages their learning and education.

Angliss Hospital: coronary care unit

Hon. D. McL. DAVIS (East Yarra) — My 90-second statement today concerns the closure of the coronary care unit at the Angliss Hospital, an important unit. The Bracks Labor government went to the state election with promises to expand services at the Angliss Hospital. This closure will seriously impact upon services in Melbourne's outer east and is a major betrayal of the people of the area.

I have sought a meeting with the hospital administration and with Eastern Health to sort out what is going on and get to the bottom of why the government has involved this specialist group of consultants, Clearview Consulting, which was also involved in the closure or planned closure of nine rural hospitals in the Hume region, and is doing a similar investigation in the Barwon region. It is clear that this group is quickly becoming the health minister's bovver boys — her specialist group of closure experts, moving around to close services in both the country and the city. That is what they are up to.

Honourable members interjecting.

Hon. D. McL. DAVIS — You should worry about the Barwon region, Mrs Carbines, where a report is coming in the next little while. I know that local Liberal members, Mr Olexander and others, are very concerned about the Angliss closure, yet Labor members Mr Merlino and Mr Lockwood, the members for Monbulk and Bayswater in the other house, apparently support the closure of the coronary care unit. This is an absolute outrage. I believe these members should stand up, tell the Premier, 'No' and tell the health minister to stop.

Hon. Kaye Darveniza — You stood up to Kennett all the time!

Hon. D. McL. DAVIS — I did.

Minister for Finance: comments

Hon. PHILIP DAVIS (Gippsland) — I raise a matter which is of concern to me and, I believe, the house in connection with the government's direction in relation to privatisation of the water industry. At the conclusion of the debate on the Constitution (Water Authorities) Bill last week the Leader of the Government said something about which I think he was badly advised. Subsequently in the house I sought to give him the opportunity to respond on his comments,

which I believe may have inadvertently misled the house. I am seeking that he have a further opportunity to do so, and reiterate what I said to him privately — and he assured me he would come back to me. He said in the house:

> I should reply to opposition comments that selling off all the assets or contracting out water services is an option. That would breach the bill's requirement that public authorities must continue to have responsibility for the delivery of water services.

For the record, I believe the minister responsible for that bill in this place, the Minister for Finance, has — inadvertently, perhaps — misled the house. I give him the opportunity to come back into the house before the close of business today and correct the record, because his advice is clearly in conflict with the advice to the opposition by government officers.

GOVERNMENT: FINANCIAL MANAGEMENT

Hon. PHILIP DAVIS (Gippsland) — I move:

> That this house condemns the government for its failure to follow proper financial practices and to exercise probity in its dealings with public moneys.

Why is that Labor and money are like cats and dogs, oil and water — they simply do not mix?

Mr Smith interjected.

Hon. PHILIP DAVIS — It is amazing how we have come the full circle since the 1980s, Mr Smith. Thank you for assisting me with my speech this morning. I am looking forward to your further contributions.

It is quite evident that the government is sensitive to any observations about its prudential management, and it is well and right that it should be because it is absolutely beyond belief that the disaster we saw in the 1980s is about to revisit us in this state. Why is that? Over the last several months we have consistently had evidence of that in this house, in the other house and in the public domain, and I will refer to some of those matters.

For example, in this place yesterday it became evident that a senior government minister responsible for the $1 billion Commonwealth Games project was unable to answer a simple question in relation to funds being drawn from a department for which he has responsibility in connection with a program which has nothing to do with the Commonwealth Games, and I will detail that.

On 10 August 2002 under the Treasurer's hand a direction was given to the Rural Finance Corporation relating to Our Forests, Our Future, the industry transition program, directing the RFC to administer the voluntary licence reduction program and assistance to harvest and haulage contractors. But we have seen evidence from timber industry people in Orbost and from people elsewhere in the state, including western Victoria, which quite clearly identifies that these arrangements which have been put in place to exit people from the industry are being funded not from the RFC, and not even from the successor body to the Department of Natural Resources and Environment — that is the Department of Sustainability and Environment — but that in fact the cheques are being drawn on the then Department of Tourism, Sport and Commonwealth Games.

I am absolutely perplexed that a minister could come into this place with a significant financial responsibility for the Commonwealth Games and not be apprised of the fact that his department is funding programs that relate entirely to matters outside his portfolio.

And that is just the tip of the iceberg. We further revealed that community business employment programs are being funded out of that same appropriation. Further, payments have been made to construction contractors at Federation Square which relate to drawings on those same accounts. These are simple examples of the lack of fiscal probity, and we will draw a number of threads together during the course of the day.

Recently I had interesting correspondence from a constituent who is personally known to me only because I had some association with him through the agriculture industries probably 10 or more years ago. I have not spoken to the gentleman subsequently, but he wrote to me in late March and expressed his concern about some matters. I will name the gentleman — he is quite happy to be named, as he also wrote to the newspapers about this issue. His name is Richard Jackson, he lives at Leongatha and he is an agricultural consultant. Completely unsolicited and to the best of my knowledge with no political affiliation or interest at all, he writes:

> Re Victorian government spending
>
> I write to you concerned about the combined effect of a range of financial issues that have come to my attention that are likely to result adversely in Victoria.
>
> While I may be overreacting with regard to some specific issues and do not necessarily have the full details of the issues individually, it is ... the combined cost to Victoria that concerns me. The details I do have ... are as follows, and I

> would welcome your reply and efforts to raise awareness to collective potential for financial damage that these are likely to inflict upon Victoria's prosperity.

He goes on to recite matters relating to blow-outs in the cost of the Commonwealth Games, Melbourne trains, the abandonment of liability to the state of Victoria and the forgiveness of that debt by the Victorian government to an operator, the Federation Square costs, Museum Victoria, RMIT, the Melbourne zoo and the financial position of municipal government. He raises concern about the provision of some train services to regional Victoria as not providing a significant community benefit given the seemingly efficient bus-coach services which presently operate. He concludes his letter to me by saying:

> Mr Davis, these are issues of concern to me, and I wish that you discuss these in totality with your parliamentary colleagues, bring it to the attention of the government and raise media attention to these issues.

I put that letter on the record for the express purpose of saying it is not simply the opposition parties — as I am sure the Leader of the Government would say, and as I have heard him say — that you would expect to raise these concerns; that it is the brief of the opposition to bring the government of the day to account. I think that is a generally respected view in this place — that the task we have before us is to expose the deficiencies of government administration.

An honourable member interjected.

Hon. PHILIP DAVIS — As Mr Stoney says by way of interjection, there are plenty of them! That is absolutely right. I will recite a litany of them subsequently.

This letter is a reflection of the developing concern that exists not just in the ranks of the opposition members of Parliament but in the community generally. In my experience this sort of correspondence is unprecedented. I have not been subjected to an ordinary citizen who has no political axe to grind writing such a detailed letter, expressing concern about public administration and finance. Indeed it was not just a letter; there was a series of attachments from the press relating to the matters he had identified. If we have people starting to set down their thoughts in such an objectively critical way, it is important that we have a look behind the issues.

As members will recall, the opposition has raised a number of issues in this place. We referred to the Urban Workshop, the funny-money deal concerning the Estate Agents Guarantee Fund and the extraordinary arrangements in place in relation to Pacific Hydro and wind farms and Hastings Funds Management, to which I will come back shortly. We identified the problems with Studio City at Docklands and some particular problems with Federation Square, not just strange payments being made from the then Department of Tourism, Sport and Commonwealth Games allocations but also with the management costs of that project.

The opposition has identified the extraordinary costs to the state of the disaster at Seal Rocks and the Bracks government's incompetence in contract administration. We have seen the express concerns raised by the Auditor-General in relation to the Royal Melbourne Institute of Technology and the way it has been operating. I am intrigued, and I will be interested in the government's response, as to why the government has taken no action to deal with the management of that university.

There have been problems with the Melbourne Cricket Ground redevelopment. The government has put in place a guarantee facility on a major loan and has, and I will come back to this, made decisions on excluding the option of the commonwealth contributing $90 million to that project. There are the extraordinary arrangements in relation to the synchrotron, which has failed to attract private investment, but there has been a diversion of $600 000 from Swinburne University of Technology into a company called Minifab to make it look like private investment.

An Honourable Member — That is not true.

Hon. PHILIP DAVIS — The honourable member says it is not true; maybe he can respond to these matters in his contribution.

In relation to open government, there is a clear conflict between the government's rhetoric when it came to office about having an open and accountable fiscal approach and the lack of disclosure and persistent avoidance of response to direct questions in this place by the Minister for Finance. It is curious to me that on nearly every occasion on which the minister has been questioned here on particular matters of fiscal probity he has avoided any responsibility and presumed to think that the opposition could be satisfied with the fact that he takes no account of his ministerial responsibilities for oversighting state government financial arrangements.

To come back and be somewhat more specific, we know that the Urban Workshop is a $260 million project involving a lease which has been negotiated to provide space. Apparently the principal or anchor tenant will be the Department of Human Services, but

the rental for 50 000 square metres, which is half the building at Casselden Place, starts at $19.1 million in the first year. The building is being constructed and will be owned by the trade union Industry Superannuation Property Trust. The rental costs ratchet up by 4 per cent each year. Over the 10-year term of the contract $71 million more will be paid on that tenancy than the going market rate. That is on the basis of paying $386 per square metre as against the market rate of $295 per square metre.

What is interesting in the mix is not just the government's relationship with the trade union Industry Superannuation Property Trust, but also the fact that a former Labor government minister and leader in this house, the Honourable David White, has been involved in negotiating those arrangements and was paid a significant success fee, which has been reported as $500 000. Clearly on probity matters proper auditing processes need to be in place, but as well as there being no corruption in a tendering process, it must also be seen that there is no corruption.

It is extraordinary that a significant figure who has been a major player in the Parliament of Victoria in previous Labor governments, and who is still a major player in the Labor Party as chairman of the state Labor Party's agenda committee and is responsible for organising agendas for state conferences, should be able to influence commercial outcomes of such significance to the budget of the state. I do not hold it against David White or any former member of Parliament for being engaged usefully in commerce or industry in a professional capacity, but I have to say in relation to contracts with the Crown in Victoria that evidently there needs to be a much higher degree of probity. I am sure that has not been the case here.

In relation to the Estate Agents Guarantee Fund, the Ombudsman tabled a report in Parliament which was critical of the Minister for Small Business and the Minister for Community Services in the other place in her previous capacity as Minister for Environment and Conservation and a round robin money laundering deal — in other words, trying to extract funds from the Estate Agents Guarantee Fund without proper process.

Mr Viney — You're getting grubby!

Hon. PHILIP DAVIS — I take up the interjection from Mr Viney. The fact of the matter is that the Auditor-General reported on this, as the member full-well knows, and the findings were clear. Page 8 of the Ombudsman's report states:

> It is my view that the documentation provided to the Office of the Auditor-General, upon which an opinion of the 'round robin' proposal was sought, contained insufficient detail …

The reports of the Auditor-General and the Ombudsman are replete with criticism of that proposal, which was extraordinary. It was a policy decision implemented by officers in departments to effectively defraud the Estate Agents Guarantee Fund of funds which had been set aside for another purpose for the express purpose of funding a black hole in the government's policy agenda and trying to justify it by nefarious means.

It was a clear conflict of interest, and frankly the government was caught out. As I said, it was a scheme the Ombudsman and the Auditor-General were highly critical of. This is a further example of ministers in this place not operating in a context of high ethical standards when it comes to probity.

A further project we have heard much about recently involves Mike Fitzpatrick who is chairman of the Premier's Infrastructure Planning Council. Mike Fitzpatrick is a well-known personality in Victoria and a respected businessman. I make no personal criticism of Mike Fitzpatrick. The issues in which he has been recently involved clearly indicate that the government does not understand the need to separate advisers from commercial participants. Mike Fitzpatrick's commercial interests go to the very matters upon which government decisions on planning and financial contracts are determined.

Mr Viney — He declared his interest.

Hon. PHILIP DAVIS — He may or may not have declared an interest, but it does not change the fact that this man has an influential position in advising the government as chairman of the Infrastructure Planning Council. Further in relation to that, he is a director of Pacific Hydro. He is a major shareholder — in fact, the fourth largest shareholder — in what is effectively a $270 million deal on wind farms.

When it comes down to it we have to look behind why there would be concern. Clearly there needs to be a planning process which is independent. Clearly it has been demonstrated that the planning process was not independent: a committee was established then disbanded; a further committee was then established with a particular member appointed who had a conflict of interest; and then — I refer to Mr Graham Reading because he is now a consultant to Pacific Hydro — concerns were expressed about the conflict between the chairman of the Infrastructure Planning Council and

Pacific Hydro's proposals in relation to the planning process.

There was a subsequent issue relating further to Hastings Funds Management and the role that Mr Fitzpatrick played in being a 49 per cent shareholder of a company that is proposing to build a state government-funded bridge at Portland in relation to an overpass of the rail infrastructure at the port of Portland. I make the point: the government could find $15 million for a project which was not even in the top 30 projects proposed by the Glenelg Shire Council, a project in which again the dominant financial interests are associated with Mike Fitzpatrick, and yet no other funds could be found for south-west Victoria. Further, at the same time, coincidentally the government cancelled its rail standardisation project.

Those arrangements are a great disappointment. We have heard in this place the Minister for Energy Industries, who is also the Minister for Resources, avoid any response to questions about the impact on employment in the mineral sands industry. We know that this $15 billion industry which is developing in northern Victoria, south-west New South Wales and eastern South Australia is footloose. One of the major issues that will determine which state gets the lion's share of the economic benefit will be the infrastructure arrangements that are in place. The most important infrastructure question is logistics — rail freight and rail standardisation. The government has found $15 million to support a project which is associated with interests with which Mike Fitzpatrick has a keen connection — a bridge at the port of Portland — but there is no money to fund rail standardisation, which is in fact the primary reason for that bridge at Portland.

During the course of the autumn sitting issues have also been raised in relation to the Studio City project at Docklands. The Auditor-General's report on public sector agencies in February identified some real concerns about the way those funding arrangements were structured. A loan of up to $31.5 million from the state for the construction of the core studio and associated works at an interest rate of 2.75 per cent with repayments linked to the level of studio earnings; a 20-year lease over the core studio site; a 99-year lease over other related land for sound stages; payment of $3 million for land for the commercial cluster development; and acceptance by the tenderer of costs of up to $1 million in land remediation. A $6.8 million blow-out in budget costs was identified, and the selling of the Docklands studio land, now freehold, for $150 per square metre when the commercial value set out in Central City's own memorandum was $340 per square metre, representing a loss to the Victorian taxpayer of approximately $9 million.

It is quite clear that members will be concerned, as I was, about the tendering processes that led to this, and about what the Auditor-General actually said. I quote:

> The successful tenderer … enjoyed additional opportunities to present and clarify their proposal before achieving preferred tenderer status and participated in protracted negotiations over almost nine months with the department, —

that is, the Department of Innovation, Industry and Regional Development —

> leading to new financing arrangements and design changes after achieving that status. The other tenderers were not given the same opportunities for additional presentations or allowed to revise their tenders during that period.

That criticism by the Auditor-General smacks to me of a corrupt tendering process. There is absolutely no doubt, in my view, that the government's oversight of those arrangements was either willingly or deliberately negligent.

In relation to Federation Square — again an issue that has received a significant degree of discussion in recent days — it is quite evident that not all of the responsibilities of that project under the Financial Management Act have been attended to. There have been significant cost blow-outs. The Auditor-General has reported that again there have been significant delays, rising costs, funding uncertainty and shortfalls, plus an inability to pay contractors or to service a $25 million loan.

What can we say about this? Federation Square is an incredibly important project, as has been acknowledged, that was initiated by the previous government. What has happened under the Bracks government is that the project costs have blown out by $300 million in total. No-one can be confident that the project has progressed in such a manner as to show due diligence, and there are charges of contract oversights by government. The question arises: why is it that the present government has so much difficulty managing the implementation of major projects?

I will mention Seal Rocks briefly. The purpose of my contribution today is really to draw together some threads that have been raised by the opposition over the last several months. One could not otherwise but conclude that here again contract management has played a major role in the government's failure to be able to represent itself to the community as competent in its fiscal oversight. The government's total exposure to the Seal Rocks project is now in the order of

$80 million, which comprises compensation of about $44 million with legal costs making up the balance. The mismanagement is the result of the fact that on the election of the Bracks government, with the support of independent members, one of whom was the then member for Gippsland West in the other place who had a particular and parochial political agenda, that agenda then became reflected in government policy. The government clearly indicated that it would support her position, which was to effectively nobble the commercial activity at Seal Rocks to the extent that Ken Armstrong, the principal, was left with no choice but to take action against the Victorian government.

It is a very sad thing that entrepreneurial investment in Victoria should be so damaged in terms of its reputation that such a significant potential tourism icon could be completely abandoned. Indeed, what is disappointing is that the government made a commitment when it took the site over to continue to operate it under state management.

In fact what has occurred is that the government has abandoned that commitment. I believe there were about 35 employees who were promised jobs, but none of them have been given the employment which the government promised them at the time. I have to say that that in itself is an indictment in my view, and the people of Gippsland and certainly Bass will not forget. You cannot go around breaking promises, and quite clearly this issue is of great interest to the public of Victoria.

The Auditor-General has agreed with the opposition in that on 29 August last year he announced that he would undertake a review of all of those matters. I am looking forward to seeing that report tabled in this house in due course because I am confident it will demonstrate effectively what I have just said about the incompetence of the government in regard to this matter.

We recently had the issue of the Royal Melbourne Institute of Technology university financial scandal, which is the only way it can be described.

Mr Viney interjected.

Hon. PHILIP DAVIS — You mean the Victorian government is taking no responsibility?

Mr Viney interjected.

Hon. PHILIP DAVIS — I am being provoked. I will acknowledge, Mr Viney, that the minister was as keen as some others to have a look at the arrangements in respect to RMIT, but let me say as a matter of fact that the minister has taken no action on the management of that institution. I am keen to see whether as a result of the Auditor-General's report the government is willing to take responsibility in any sense to intervene and sort out the management of RMIT, because quite obviously the situation is totally unsatisfactory and should not be allowed to persist. I think it is useful for the record to indicate that the Auditor-General said on page 80 of his report on RMIT's finances:

> Despite the fact that the council did not, at any point in 2002, formally approve a revised budget for 2002, correspondence with various external parties during November and December 2002 included a supporting document which would have given these parties the impression that the university had formally revised its budget in March 2002. These external parties included the Victorian Treasurer, the Victorian Minister for Education and Training, and the university's banker.

That is a reflection on the competence of the governance and administration of RMIT particularly, but what is of concern to me is whether or not the government is sufficiently concerned to take the necessary intervention which is clearly required to protect the interests of the state of Victoria against the level of ineffective administration which the Auditor-General has identified.

We have the issue of the Melbourne Cricket Ground (MCG) northern stand redevelopment. As I said earlier, the government has guaranteed a $360 million loan facility, but that is only the tip of the iceberg because the project cost is $450 million. That would have been all right, because the federal government was proposing to contribute $90 million of cash to this project. But what did the state of Victoria do? It said, 'We don't want your money, thank you very much, because we want the unions to dominate this site; we do not want workplace inspectors coming in to make sure that workplace contracts and practices are consistent with commonwealth law'. My view on that is that it is a disgrace that the Victorian government has rejected $90 million of commonwealth funding.

Mr Pullen interjected.

Hon. PHILIP DAVIS — The consequence of that is quite clear. The Victorian government has had to establish a formula to find the balance of funding. What did it do? It contributed $77 million of Victorian taxpayers money but then required, as part of that deal, members of the Melbourne Cricket Club to contribute another $13 million. Mr Pullen acknowledges that he is one of the contributors, and I will have to share with him that burden of pain.

Hon. Kaye Darveniza — A common interest.

Hon. PHILIP DAVIS — I have to say I am sure the many Melbourne Cricket Club members who have received advice that every year for the next five years there is going to be a significant escalation in their membership fees will be particularly concerned about the government policy which has had such a dire consequence for them.

Having said that, the more important issue is the matter of Victorian government policy and probity. It was not prepared to allow workplace inspectors into the Melbourne Cricket Ground work site to ensure that there was compliance with commonwealth law.

In relation to the synchrotron, which I referred to briefly, it is important for us to note that there have been allegations about the way funding for this project has proceeded. It is apparent that the government has failed to attract private investment and that there is another funny-money deal here, where $600 000 has been diverted from Swinburne University into a company call Minifab, which then puts money into the synchrotron to create the appearance of investment coming from a private company.

This is consistent with many other projects in which the government has failed to raise private sector interest. Examples are the fast rail project, which has turned into a lemon from the perspective of raising private equity. The same problem has arisen with the redevelopment of the Spencer Street station precinct. It will be interesting to observe what happens with the government's initiative of creating a tollway rather than the Scoresby freeway. I will look forward to seeing the government solicit for private sector investment in that project and trying at the same time to justify its decision to breach a fundamental pledge to the electorates in the eastern suburbs, given that the government went to the election making a clear commitment that it would not introduce tolls.

I wish to wind up my comments at this point by summarising clearly that there are a number of issues on which the government has been negligent and pointing out that in this house we persistently seek to challenge the government to justify decisions both in a policy and an administrative sense, and we seek information through other sources. We seek information through questions on notice and through freedom of information (FOI) requests.

One of the issues the opposition has become frustrated with is the delay with which most of its FOI requests are now completed, in that members are waiting a great deal of time to get documents. The Ombudsman found the government's FOI performance to have been terrible and said that it is forever ignoring statutory requirements. He said that one request to the Minister for Education and Training in the other place took 264 days to be answered.

I was interested in that because it took me a year and a half to get a document out of the Premier's department, and in the end I spent some time before the Victorian Civil and Administrative Tribunal having an argument about it. So much for open and accountable government! I do not think it exists in this state.

This government is secretive. It is incompetent when it comes to financial dealings, and it has a mates network, the pinnacle of which would seem to be David White, the ex-minister who is now a lobbyist for Tattersalls in gaming issues. He is also, as I said earlier, continuing to be influential in the Labor Party. There is agreement in this place for an abridged debate today, given the shortness of time, and I will respect that agreement and desist from completing the speech I would otherwise have made.

I would simply like to conclude at this point by saying that I will be interested in the government's response to these issues and will look forward, in closing the debate, to indicate that I doubt there is anything the government could say that would justify the continuing array of incompetent, clandestine dealings on which the government is trying to avoid exposure.

Mr VINEY (Chelsea) — I will deal with the grubby element of the spurious innuendo, lack-of-evidence, meandering speech given by the Leader of the Opposition, but let me deal firstly with the grubby attack on Mike Fitzpatrick.

It comes from the people who, when in government in the Kennett period, elevated mateships with the business community to new heights. We all remember the Quandong share deals, the KNF Advertising matter and the cosy arrangements with a number of business leaders. Coming from that side of the house, this is an extraordinary, grubby attack on Mike Fitzpatrick, who is a leading business person in this community and who, as someone who has been very successful in his life, has offered some of his valuable time to the government for some necessary work.

If you are going to attract people of high quality, high talent and enormous experience, of course they are going to have business arrangements that sometimes might conflict with the matters they are investigating. As all members of this house know, the important thing

that needs to be done in such circumstances is to make a declaration of those interests. Mr Fitzpatrick made those declarations absolutely clear at the beginning of the processes of planning and analysis that he was carrying out on behalf of the government. The opposition has not been able to substantiate anything in this matter, because it has not been able to challenge the fundamental principle that the first thing Mr Fitzpatrick did was declare his interests.

He said he was prepared to assist the government to look at projects for the future growth of this state, for future employment and for future economic opportunity in Victoria. As a successful person he has been prepared to assist the government in that. And he declared his interests. The opposition well knows that that is the appropriate process, and it is the only way a government can encourage people from the business community to be involved and provide their expertise and assistance. The opposition has made an appalling, grubby and unnecessary attack on someone who has been prepared to assist the government.

Let us get to the heart of this motion, which I am obviously vehemently opposing today. Let us get to the heart of what is here. It talks about the following of proper financial practices. Let us reflect on the Kennett government's attempt to completely emasculate and destroy the powers of the Auditor-General to make sure that there was not proper accountability for the operation of government practices.

It is true, as Mr Davis has said, that a critical role of the opposition is to hold the government to account. We can all agree on that. It is a fundamental and important part of the Westminster system of government, but it is not possible for an opposition to be able to do that if the government of the day attempts to destroy the powers of the office that can actually get in there, have a look at the accounts and ensure that there is accountability taking place. If that part of government does not exist, then the opposition has no opportunity to be able to hold the government to account in the Westminster system.

And which government restored the powers of the Auditor-General? Which government placed the Auditor-General as an independent office under the constitution? Which government made sure the Auditor-General was able to have a look at the processes of government and fulfil his duties in accordance with the principles of that office? It is the Bracks government that has done that.

It was the Kennett government, and all of you people, including Mr Forwood who is now walking out of the chamber — no, he is quickly coming back — who sat on the Public Accounts and Estimates Committee. They all sat there silent. They all sat there as the cheerleaders of the Kennett government saying, 'Yes, get on with it, Jeff'. They all sat there and allowed the Kennett government to destroy those powers of the Auditor-General. So it is a bit galling and quite breathtaking to have this kind of motion coming from the opposition today.

Mr Davis referred extensively to reports of the Auditor-General. It is actually this government that enabled the opposition today to have those kinds of accounts. If the Kennett government were still in power those reports would be next to useless because the former government was completely destroying those powers and taking away the authority of the Auditor-General to do that.

Let us address a few of the other issues that have been raised today. The first one is the allegations about the synchrotron. The synchrotron is a very significant part of this government's investments in the innovation economy. This government has invested, and will over the course of this term, a total of $900 million into the innovation economy, of which the synchrotron is a very important part. Why are we doing that? We are doing that because it is the innovation economy that will provide the engine room for growth and for jobs into the future. The synchrotron will provide new opportunities in medical research, in research in the metals industry, in a wide range of areas. It is a vital piece of infrastructure to ensure that Victoria stays at the forefront of the research sector in Australia and to ensure that Australia is able to compete in the field of research with the rest of the world.

At the moment we have many scientists known as the suitcase scientists who go off around the world to use synchrotron facilities in the United States and Europe. It is a vital piece of infrastructure to ensure that those scientists are able to conduct that research in Australia. The synchrotron project is a national project. It is a project that we hope the federal government will come on board with as a national project. Although just as the federal government has done with so many other projects, it is trying to play a little bit of politics here; hopefully it will be able to put those politics aside and put some real money and real investment into it.

Mr Davis raised questions about the level of investment that is coming into it from non-government sectors, but the truth is that the government will be providing the funding for the infrastructure of this project, as has already been announced. In fact as the project has grown we have now announced that the synchrotron

will be bigger and brighter, providing much greater opportunities to Australian scientists than was originally planned.

As the project progresses we will be seeking from the universities, private sector organisations and organisations such as the Commonwealth Scientific and Industrial Research Organisation investment in some of the beam lines. What is clear from Mr Philip Davis's spurious attack on this project is that he simply does not understand it. The investment from sectors other than the Victorian government will come into the beam lines and they will progressively come on stream as the project develops. In fact, we would not expect all of the beam lines to be on stream and funded as soon as the project starts: these things will happen over some time. It is ridiculous to be suggesting that at this early stage, when planning and other work associated with this project are under way, that there would already be private investment. Those things will happen as the project progresses.

On the Melbourne Cricket Ground issue, here is another case where the federal government, driven by its fanatical industrial relations ideology, has denied Victorian taxpayers money that is rightfully theirs, money that is collected from Victoria. It is the classic error of the former Kennett government, where it thought the taxes it raised were in the personal ownership of the Kennett government. The same view is starting to permeate the Howard federal government, where it does not believe the money raised through taxes from the Victorian community should be spent on projects such as the MCG redevelopment because it wants to push a fanatical ideological agenda on industrial relations policy.

So the MCG issue is not an example of financial or management difficulties being experienced by the Victorian government; rather, it comes right down to the heart of what is driving the Howard government. We all know that John Howard has had a quite fanatical industrial relations view of the world all of his political life, and that he is now trying to use this and other opportunities to drive that ideology through. In this instance there was clear agreement between the company and the union to proceed with the project, and it is proceeding very successfully, but the Howard government wanted to play politics with this in relation to its ideology and agenda.

Mr Philip Davis raised the Seal Rocks issue. The project at Seal Rocks has been proven to have been a complete disaster from its inception. Mr Davis was suggesting that we should be supporting entrepreneurs. The project was a disaster because it was flawed. It was such a flawed concept that there are strong views in the Phillip Island community that the building should be pulled down.

The Seal Rocks project is another example of the former Kennett government's failed management of a whole range of projects. The next is Federation Square, which Mr Davis also raised. Frankly the Kennett government stuffed up this project. It put in place contracts that allowed substantial variations and that were going to require custom-made components for the whole project. This was a project where the blow-outs were occurring in such astronomical proportions that when this government came to office it had to try to put a lid on the whole thing and get it under control. Here we have time and again a range of financial disasters of the Kennett government that the Bracks government has fixed.

Mr Philip Davis then raised the issue surrounding the Royal Melbourne Institute of Technology. Last week honourable members debated the Auditor-General's report on RMIT. I said at the time that I thought what had taken place was very disturbing. But rather than being an example of this government's failure this is an example of the government and the minister in particular acting properly. They have actually asked the Auditor-General to go in and have a look. I might add that if the Kennett government were still in power we would not have had the Auditor-General going in to have a look. The minister has made clear to RMIT her expectations about what will occur in its financial management by the end of this year. This government has been using the Auditor-General's office properly to make sure the financial state of RMIT can be rectified.

Finally, I want to touch on the allegations that were raised by Mr Davis about the Minister for Sport and Recreation. He made allegations yesterday, and repeated them today, about an inappropriate use of cheques. I can advise Mr Davis that in fact the processes have been proper. What has occurred, as he well knows, is that the Department for Victorian Communities was established on 5 December 2002, and pending the opening of new bank accounts and the establishment of a new financial system for that department, which will occur on 1 July this year, the use of existing systems and processes has been retained from the departments that are relinquishing their functions to the new department.

As a result of that, of course, some cheques have been written using the processes of the previous department. It is a ridiculous allegation that somehow there have been inappropriate — I think Mr Davis said 'funny money' — deals. It is ridiculous because he well knows

that this is part of the machinery-of-government changes that are occurring as a result of the establishment of the new Department for Victorian Communities.

Really what has occurred here is so embarrassing for the Leader of the Opposition in this place that he ought to think about whether he has a future in that role at all. Perhaps members of the backbench there may want to start thinking about that. I know that Mr Forwood has been counting — and this is such an embarrassing example of why. The Leader of the Opposition asked three questions on this matter yesterday, yet it was a simple answer. If he had spent 5 minutes thinking about it he would have been able to sort it out.

To sum up, what we have here today is Mr Davis desperately trying to show his macho strength to the backbench in this leadership tussle that is going on between Mr Davis and Mr Forwood, by moving a motion about the financial management of the government, and he has been caught out red faced and with his pants down.

As a result of moving the motion that is before the house he has been caught out on a range of things. He has had to use the Auditor-General's reports — and his party was the one that was going to destroy the power of the Auditor-General. He has been caught out on the allegations about the Commonwealth Games funding and the issues he was raising in relation to the Minister for Sport and Recreation. He has been caught out in relation to the Royal Melbourne Institute of Technology issue because in fact the government brought the Auditor-General in to have a look at that. He has been caught out on his allegations over the Melbourne Cricket Ground because the whole issue of the MCG redevelopment comes down to Mr Howard's fanatical ideological agenda on industrial relations.

He has been caught out on the synchrotron because that is a very important project for the future economic development of this state. He has been caught out on Federation Square because that all goes back to the incompetence of the Kennett government. He has been caught out on Seal Rocks — another example of a failed entrepreneurial attempt of the Kennett government.

Most of all he has been caught out on his appalling, grubby attack on Mike Fitzpatrick who has provided so much support to this state in willingness and effort. He has been caught out on that because it was in fact the Kennett government when it was in power that used to have these extraordinary deals with the business community in Victoria. I condemn this motion and I urge all members to oppose it.

Hon. W. R. BAXTER (North Eastern) — I have listened to both contributions this morning and to some extent I suppose I might style myself as an interested observer to this debate. I wanted to hear the government's response to the charges that were made by the Leader of the Opposition. To that extent I am pleased that the Minister for Finance has finally arrived in the house, because if there is one Achilles heel of the Labor Party in government it is financial management. We have the Minister for Finance in this house and he did not deign to be in the chamber to defend his government when it was under attack on financial probity. It demeans the house indeed that the Minister for Finance, a minister in this chamber, chooses not to defend his government but sends in a second-stringer like Mr Viney to run out the same tired old story that we have heard so often from Mr Viney when the government is in difficulty and he is defending the indefensible — the tired old rhetoric was rolled out again.

What was his starting point? The Auditor-General and these allegations which we have heard ad nauseam now: that the previous government attempted to dispose of the Auditor-General, to 'do away with the Auditor-General' was what he claimed at one stage this morning in his reference to the Royal Melbourne Institute of Technology. He said that if the Kennett government had still been in office there would have been no Auditor-General to check it. What a lot of rubbish! Does he forget it was the former government that made the Auditor-General an officer of this Parliament rather than a bureaucrat over in the Premier's department? Does he forget that only a fortnight ago this government was caught red-handed in trying to nobble the current Auditor-General by slicing into his budget? So I do not accept for one moment that there is any defence in which the government can take refuge in making allegations about the Auditor-General. It is time it moved on.

I also reject entirely Mr Viney's allegations that the Kennett government treated the taxpayers' money as its own. Just for a moment think — for example, contrast ministerial staff under the Kennett government and this government — and you can see the team of people ministers have around them now compared with the very few private staff there were in the Kennett government's time. Why? Because the Premier of the day rightly took the very strong view that ministers should have the smallest possible personal staff, that they should be running the show and that they did not need to be propped up by a team of spin doctors and

apparatchiks to protect them such as we are seeing now. I would hate to think what it is costing the taxpayers of this state to pay the ministerial staffing complement under this government.

I also personally resent the allegation that ministers in the former government treated the taxpayers money as their own. I remember agonising for ages as to whether my department would spend $10 a week on flowers for the minister's office. I go into ministers' offices now and they are like florist shops. I am not saying that this is a matter of great moment, but I am using it as an example to counter what Mr Viney was alleging. I used the bus to get from my office in Denmark Street, Kew to my home in North Carlton, and my colleagues were similarly careful with their personal expenditure on behalf of taxpayers. I totally reject the allegations made by the now absent Mr Viney, who has chosen to not even remain in the chamber to hear a response to his gutter tactics that we heard this morning.

I think it is also completely wrong for Mr Viney not to respond seriatim to the allegations made by the Leader of the Opposition. Did we hear him make any reference at all to the Casselden Place deal? No, we did not. Clearly it has some substance; Mr Davis is onto something. It was not mentioned by Mr Viney; he chose to ignore that. Did we hear him make any reference to the attempt to raid the estate agents' trust funds? No, we did not, despite the Ombudsman making a very terse report, to put it mildly, on the actions of the government, particularly the two ministers. Did we hear him make any reference to the fact that the Minister for Small Business and her colleague in another place chose to ignore the request from the Ombudsman that they might explain themselves? There was not a mention. Clearly that matter has some substance, because it was ignored by Mr Viney.

We heard all sorts of allegations about Seal Rocks being a flawed project. I do not believe it was, but that is not the point at issue today. The point at issue raised by Mr Davis is the fact that some $60 million — probably $80 million — of taxpayers money has been squandered on the Seal Rocks debacle simply to satisfy the whims and ideology of an independent member of Parliament. She certainly did not speak for the community at large, yet the government fell for her whim and pandered to her desires, and we saw $60 million worth of taxpayers funds go down the drain. We now have a storm-damaged building at Seal Rocks. It may well be that some people on Phillip Island now want it pulled down because this government has ruined it. It has now become an eyesore.

We also heard about the Melbourne Cricket Ground. No explanation with any credence was given as to why $70 million of taxpayers money was suddenly conjured up because the government was knocking back $70 million from the commonwealth, simply because the commonwealth wanted the normal workplace relations practices in place if the commonwealth taxpayers money were to be involved. There was no justification from Mr Viney other than his slagging the federal government, and the federal Minister for Employment and Workplace Relations in particular.

We did hear from Mr Viney about the synchrotron, but did he actually respond to Mr Davis's prime point about the company that has been formed to put money in and make it look like private money when in fact it is public money that is being channelled in by this proprietary limited company? Was there any response to that; any explanation of that; any defence of that? Not at all. We heard how good a project the synchrotron is. That was not Mr Davis's point, that was not his issue. He was not denying that it was a valuable infrastructure investment for Victoria; he was making a point about how it is funded. Mr Viney totally failed to defend or respond to those allegations.

We also heard at the end the alleged explanation of the Minister for Sport and Recreation's cheques being used to pay for the expenses of other departments. We heard an explanation which has been dreamt up overnight. We were told by Mr Viney that this somehow or other goes to the machinery-of-government issue, and that, 'Oh, yes, from 1 July it will all be right; this is all part of this financial year, and of course this is what we will do'. Well Deputy President, did not you, Mr Forwood and I sit at Public Accounts and Estimates Committee meetings with a number of ministers, ask questions about output groups and try to match up expenditure with what was in the budget estimates? And were we not told by numerous ministers and numerous departmental secretaries, 'Oh well, the reason it does not match up, of course, is the machinery-of-government changes, which came in from 1 January. That output group was only until December, then we started an entirely different one from 1 January.'?

They had absolutely no trouble at all then adapting to the machinery-of-government changes as from 1 January, but according to Mr Viney this morning they could not get around to opening a bank account in January and we have to wait until July for that. That was the most specious explanation I have heard in a long time, and the government will need to do better than that! It is just as well this house is not sitting tomorrow. The Minister for Sport and Recreation must

be so relieved because with an explanation like that there would have been six questions from this side of the house tomorrow on that issue. It was a pathetic explanation. It holds no water and the house should not accept it.

I do not want to get into the detail of this motion any further, or raise any issues of my own, save for one. The issue I want to raise is that the Auditor-General has pointed out that the Treasurer's advance is being misused. One example he has given is that the power rebate is being paid for out of that advance. The Treasurer's advance, as everyone knows, and as the Auditor-General made very clear, is supposed to be used for matters of an urgent nature that arise between budgets. How on earth the power rebate could ever have been considered to fall within the definition of expenditure that should rightly come from the Treasurer's advance is beyond me.

I gave that example because it is symptomatic of how this government has so little regard for proper process and financial probity. Its attitude is, 'There is a pool of money, let us grab it and use it for whatever. We will ignore the guidelines and the fact that the Auditor-General might hand down an adverse report down the track. We will deal with that then. There is a heap of dollars; we will get into it'. That is what will bring this government down, because if there is one thing the community is concerned about since electing this Labor government, even though they put it in office, it is the soft underbelly of its financial management.

The public is very concerned that Labor cannot manage money. It is issues like the one that Mr Philip Davis has brought to the house today that are going to worry the community no end, and the government should be worried about it too. The government should also acknowledge the fact that financial management is its soft spot and that it needs to perform better in the way it manages the finances of this state.

There is a great deal of concern in the community. The community knows that the Kennett government left this state with a very well-furnished Treasury, but it also knows that despite this government's claiming it still has a surplus, this surplus is ephemeral — it is there because we are experiencing a building boom, a housing boom, a stamp duty boom. If those areas were to slow down or dry up — evaporate — we would be back in the red. People are saying, 'How is it that we could go from 1999 to 2003 relying on above-budget stamp duty receipts to keep the state solvent?'. That is what people are concerned about.

Mr Philip Davis was quite right in drawing attention to a number of financial probity areas where this government is clearly off the rails. I was particularly disappointed that we did not have a defence from the minister. Why is it that under this government ministers do not believe they should defend opposition motions. I do not recall during the Kennett government's time that it ever put up backbenchers to defend opposition motions; they were nearly always defended by a minister. But this government apparently does not believe that it has any obligation to do that. It sends in people like Mr Viney, who failed to address the primary issues raised by Mr Davis. That was very disappointing. It goes some way to confirming that Mr Davis is on to something and that this government cannot bear too much scrutiny into the way it conducts the finances of this state.

Hon. BILL FORWOOD (Templestowe) — This is an important motion that condemns the government for two things: for its failure to follow proper financial practices and for its failure to exercise probity.

I pick up on the comments by Mr Baxter, who put his finger on one of the key issues in this debate — that is, that the people of Victoria do not believe the Labor Party when it comes to money. Much as the government does not like it the fact is that through bitter experience the people of Victoria have now reached the stage where they do not trust Labor with money. As honourable members know, I have a bumper sticker that says 'Bracks taxes and lies', and that is what people think about the Bracks government — it taxes and lies.

This is an important motion before the house and my colleague, Mr Davis, has outlined a number of issues about which the people of Victoria are absolutely right to be concerned. They should be concerned about the money in the state and about the future of the state's finances, but more importantly they should be concerned about the probity with which these funds are managed. At the end of the day you can spend the money badly and get caught, but it is even worse to spend it crookedly. The accusations we are making today are that this government cannot lie straight in bed. This government is beginning to return to the bad old days of the Guilty Party.

In preparation for my brief contribution today I went back and looked at some of the old Victorian Economic Development Corporation (VEDC) fiascos. We are beginning to see that the wheel has turned full circle and we are back — to repeat the expression used by my leader — to the funny-money deals of the Labor Party. This is very sad, and I pick up again on Mr Baxter's

point that it is a pity that the Minister for Finance is not in chamber because what happened after the VEDC was that some changes were made to the Financial Management Act, the act for which the minister is reputed to have responsibility — although as we have seen repeatedly in question time this year, he ducks, weaves and hides because he is not across his portfolio — in an attempt to stop the sort of rorts that the Labor Party used in the late 1980s and early 1990s that gave this state its reputation as the rust-bucket state.

Let me list some of the activities that destroyed this state. What the old Cain and Kirner governments used to do was grab next year's revenue and put it into this year because they did not have enough. It used to take this year's expenditure and push it out into the next year. So not only did it distort the revenue figures, it distorted the expenditure figures as well. What else did it do? It did funny-money deals on the financial markets — up-front payments, balloon interest payments — just to try and balance the books better.

Let me put it this way: to try to balance the books, because there was no way that the Cain and Kirner governments could balance the books. If you look at the budget you see that we are heading exactly the same way. We come in here today and Mr Davis lists a number of these projects — I will go through some of them again in more detail just to explain to people like Mr Smith how these funny-money systems work. What sort of defence did we get? The B team trotted in here, stood there, attacked us, blamed Jeff Kennett, blamed the federal government, blamed the weather, blamed everybody but Labor. Absolutely no defence.

As Mr Baxter said, government members could not take the issues one by one, go through them and answer them. Oh no, they just came in here with the old tried and true Labor solution — when you have a problem, pick up the bucket, go down to the cow yard, scrape it off the floor and chuck it. The only answer the Labor Party has when it is put under attack is to pick up the bucket and empty it. I would say to Mr Viney, in his absence, that one of the worst aspects of Labor's performance during the Kennett years was the unforgivable attack on Felicity Kennett, who was just a person trying to make a living with her advertising agency. What Labor did to Felicity Kennett was appalling. For Mr Viney to come in here and accuse Mr Davis, who chose his words very carefully in pointing out some of the problems associated with Mr Fitzpatrick and Hastings Funds Management Ltd, is equally abhorrent to me.

We have a government that does not know how to follow proper financial practices. To see that all you need to do is go to the Auditor-General's reports — any of them — and look at particular projects. Even more to the point, pick up the report into the appropriations system, which a number of us attended a briefing on the other day. It raises concerns about the capacity of the government to shift funds around internally.

Mr Baxter, the Deputy President, Mr Rich-Phillips and I have spent many, many hours in the Public Accounts and Estimates Committee in the past three or four weeks, and we are beginning to unravel some of the ways the government operates. Let me give the house a quick example. You can go to budget paper 3 and open the page and there will be an output group. At the bottom of the output group it will have 'total output cost'. I defy anybody to tell me how much of that total output cost has been appropriated through the appropriation process we go through here. It is impossible to tell. Some of the money making up the expenses in the total output costs will come from appropriation; some will probably come from retained receipts; some may come from the commonwealth; and when we get to Mr Jennings next week — —

Mr Gavin Jennings — I look forward to answering it. You asked the Minister for Community Services this question, and I am anticipating your asking me this question — and I will be able to answer it.

Hon. BILL FORWOOD — I am delighted to hear it. At last we have one minister out of the 20 who have the title, maybe 6 or 8 of whom are doing the job — it always reminds me of David White who said that in any cabinet of 18, 6 can swim, 6 are treading water and 6 are drowning. We now have 20 ministers in this cabinet, I reckon 4 of them are about up to the job and for the rest of them you can see the bubbles gurgling as they go down, down, down.

I look forward to the Minister for Aged Care's appointment next week. For each of his output groups I will be asking him to tell the committee which bits come from the commonwealth government, which bits come from the Community Support Fund and which bits come from the appropriation. If you look at what is happening, you see that the government in this state at the moment is doing everything it possibly can to hide what is being done so the people of Victoria cannot get a proper handle on the finances of the state.

Do not just believe me — go to the Auditor-General. Go to page 135 of the Auditor-General's report of October 2002, which refers to the Spencer Street development. It says in paragraph 7.103:

> In August 2002 the developer paid $66 million (exclusive of GST) to the authority for —

this is an up-front payment —

> the right to receive income from the retail businesses, advertising and any other permitted commercial operations located within the transport interchange facility over a 30-year lease period …

We are back to the up-front payment. It is nothing more than that. All this was about the capacity to get money in up front.

Pick another one. Pick the games village — what have we done with the games village? According to the government we have given a developer rights to develop until 2012 — way, way, way into the future, past not just this Commonwealth Games but the one after that. What sort of approach is that? This government comes in here, and it has not learnt the lessons. As everybody knows, if you do not learn the lessons of history you are condemned to repeat them. What I say to the people of Victoria is: the longer Labor is in office, the quicker we will be condemned. There is no doubt about it. The quicker we will be condemned because Labor does not have the capacity to either follow proper financial practices or do it with probity.

That brings me to the two examples that you can never get away from in this place. I will deal with one of them in some detail later today. Last year this government brought to this house a false appropriation bill. Nothing can be a greater contempt of the Parliament or attack on the democratic system than to bring into this place a bill that is false — any bill that is false — but to bring in an appropriation bill that honourable members knew, that the cabinet knew, was incorrect and have it passed in this place without informing members of what was going on is to me an absolutely contemptible offence of the first order. It is atrocious behaviour.

The second issue is, of course, the extraordinary funny-money deal to do with the assault — that is the only word to use — on the assets of the Estate Agents Guarantee Fund. During a hearing of the Public Accounts and Estimates Committee we found out, my memory tells me, that there is around $450 million in the trust funds associated with bonds, real estate guarantees and so on. Obviously if that money is there and it is accumulating, you will get the old sharks on the other side looking for ways to get their hands on it — not their hands, their teeth, so they can take a big bite out of it! We have a bloke who said the law says that this money can only be used for projects. So he decided to 'projectise' some of the existing operations of a department for a three-year period, call it a project and fund it out of the Estate Agents Guarantee Fund. That is fraud. You cannot do that. You cannot dream up funny-money deals and bring them to this place or anywhere else in an attempt to get your hands on funds that are not rightly yours.

I invite honourable members to go through the Ombudsman's report in detail. The people who dreamt up this scheme to rort the guarantee fund called it a 'round robin'. Anyone who has been in finance, and a number of people in this house have been involved in finance over the years, knows what a round-robin scheme is. It is an artifice that is designed to do things that are hidden to the particular benefit of particular people. It is not about being upright, it is not about being honest, open, transparent and accountable. When they got into government these people said: 'We will be honest; we will be transparent; we will be accountable!'. I throw it back in their faces, because the evidence before the house today as adduced by the Leader of the Opposition and by Mr Baxter is that this government cannot follow proper financial practices, has not followed proper financial practices, will not follow good financial practices and, to top it off, cannot use the probity system!

I can go through any number of projects. The Melbourne Cricket Ground redevelopment is a classic. The government threw away $77 million. Why? To look after its friends at Trades Hall. That is the only reason. It had nothing to do with the Commonwealth Games, not a single thing — $77 million — —

Hon. S. M. Nguyen interjected.

The DEPUTY PRESIDENT — Order! The Honourable Sang Nguyen is interjecting from out of his place.

Hon. BILL FORWOOD — Yes, get in your place and I will reply to you. You know, as other honourable members do, that the only reason this state lost $77 million of federal funds was that this government could not stand up to the union movement.

Honourable members interjecting.

The DEPUTY PRESIDENT — Order! Mr Forwood should address the Chair. The honourable member's time has expired.

Mr SMITH (Chelsea) — I rise to speak in opposition to the motion. The principal reason I do so is because this is a puerile motion. It has no substance and is full of innuendos and inaccuracies, and I will expose it. I start with the attempts by members of the opposition to portray themselves, the conservatives, as the only party that can truly be trusted with the money.

Hon. Bill Forwood — That is the evidence!

Mr SMITH — The only government from the conservative side of politics is the federal government. I raise two points in the federal budget announced recently by its hero, the federal Treasurer, Peter Costello. I refer to the $5000 million of taxpayers money lost on the foreign market — the funny-money market. He has lost $5000 million.

Hon. Bill Forwood — Don't go there. What about Workcover!

The DEPUTY PRESIDENT — Order! There is too much comment across the chamber. Mr Smith should address his comments through the Chair. Honourable members should not be interrupting the speaker.

Hon. Philip Davis — On a point of order, Deputy President, I remind the house that this motion deals with the Victorian state government's failure to follow proper financial practices and exercise probity in dealing with public moneys. It is appropriate that you, Deputy President, draw the member's attention to the fact that he should restrain his comments to those issues.

Hon. Kaye Darveniza — On the point of order, Deputy President, Mr Smith is only a couple of minutes into his 15-minute contribution. The Leader of the Opposition is being precious in wanting to bring him back to the motion when he has only had a couple of minutes to develop an argument. There is no point of order.

The DEPUTY PRESIDENT — Order! Mr Smith is only a few minutes into his contribution. He is allowed to develop his arguments. I do not uphold the point of order.

Mr SMITH — I finish off my comments about the federal Treasurer by referring to his credibility. I refer to the price for Telstra shares, which he overstated in the budget to the extent that the budget figures were out by $3000 million — funny money, sure! Mr Philip Davis suggested that Labor and money were like oil and water or wooden stakes and Dracula — they just do not go together.

All evidence is to the contrary. I have to admit that previous Labor governments did not cover themselves in glory with regard to financial management — —

Hon. Bill Forwood interjected.

The DEPUTY PRESIDENT — Order! Mr Forwood, that is inappropriate behaviour!

Hon. Bill Forwood — I know; I can't help it!

Mr SMITH — The opposition cannot handle the fact that we on this side of the house have learnt from the mistakes of previous Labor governments. It does not like it; in fact, it hates it. We have learnt so well that for the first time in the history of this state we control this house, and the opposition hates it. That shows what the public of Victoria think of our financial management and our credentials — they all but love us.

The opposition talked about the Scoresby freeway, lied about Scoresby, about tolls, et cetera. What happened? In the next round of polls we went up 2 per cent. My God, what is going on out there? The opposition has no credibility — certainly in the eyes of the general public. The Auditor-General is a favourite subject of ours, someone we feel is extremely important to the financial wellbeing of this state. Let us not rehash what the opposition tried to do to the Auditor-General in terms of neutralising — —

Hon. Kaye Darveniza — Why not, Bob? Go on.

Mr SMITH — No, it has been rehashed many times, Ms Darveniza. But I will just remind those opposite what we did about the Auditor-General. We guaranteed — in fact, we insisted — that the Auditor-General now sign off on our forward estimates and give them credibility, that as long as they were a reasonable estimate he would okay them.

We also gave a commitment that we would remain $100 million in the black. This was like a wooden stake driven through the heart of the conservatives' arguments about financial management. One of their own actually gave our budget projections the big tick. In the recent Auditor-General's report, he asked for a couple of things. One was that he be allowed to audit all companies that are owned or part-owned by the government. Previously he was not able to audit those companies which were not 100 per cent owned by the government. Now, as a result of his request, he will be entitled to audit them as long as they are majority-owned by the government. We have strengthened the Auditor-General's independence, have given greater protection to his office and reports — as he has requested — and have given indemnity to him and his staff for performing this task in good faith.

These are the acts of a government which seriously wants to defend and increase the power and authority of the Auditor-General. It is inconsistent to suggest that we are irresponsible with money when we have set everything in train to ensure that people are properly

audited. I argue that this demonstrates our commitment to financial responsibility.

We have a $264 million surplus — we are in the black — despite what we have had to do in the last few years in terms of rebuilding the public service. Those opposite may argue that they did much better: they had one-point-odd-billion-dollar surpluses. They did — and didn't they pay the political price for it? Those surpluses were built because of their slashing of the public service. They sacked 50 000 public servants. Police, teachers and nurses, in particular — my good friend Ms Darveniza reminds me — were cut to the bone, and people hated it. We promised to bring them back, and we did. Hence the significant reduction in the surpluses that were left behind.

The opposition likes to think that we inherited them. What a joke! It left them behind because it would not spend the money where taxpayers wanted it spent. We have done it; that is why we are here, and the members of the Liberal Party are over there — and will be for some time, I might add. We have reinstated all those public servants and remained in the black. To me, that is financial management. That is credibility. The opposition can say whatever it likes, but you cannot argue with the scoreboard. The scoreboard says we are goals in front.

Federation Square was raised by the opposition. We will end up with the premier sporting facilities in the world, bar none — and everyone will love it. There have been some shenanigans going on there, political interference from our colleagues federally. The zealot, the monk, Tony Abbott, tried to blackmail this government into allowing his industrial police onto the job to find anything he could to highlight the need for his royal commission. He was barred; we would not fall for that. We have to deliver it on time, and we will. The unions are cooperating in an exemplary fashion. It is on song — —

Honourable members interjecting.

Mr SMITH — I know you hate it, but the project is on song. It will be delivered on time and — I will take a little wager — under budget, despite the interference from those opposite and their decrying of it. At the end of the day Federation Square is turning out to be an enormous benefit to Victoria and a great tourist attraction despite the problems, most of which were generated by those opposite. The management practices earlier were just abhorrent — that is in the Auditor-General's report. They were hopeless. The opposition's mates, set up to complete this project, botched it.

The opposition talks about cost blow-outs there. If it is so hard-nosed about it, why were the construction unions so easily able to extract an industrial agreement for a 35-hour week — —

Hon. R. G. Mitchell — From Jeff Kennett!

Mr SMITH — From Jeff Kennett. What did Peter Reith think about that? He went white with fright when he heard about it. But the opposition rolled over at the drop of a hat. It said, 'We will sign up. Where do we sign?'.

Let me make it very clear that I do not begrudge workers a 35-hour week, but I have not seen an agreement reached so quickly and with such a minimum of fuss as that one. If you look at the oil and chemical industry or other places where they have a 35-hour week, you see they are green with envy.

Hon. Kaye Darveniza — It's the Chicken Man syndrome!

Mr SMITH — All credit to the Chicken Man!

The opposition says the government has abrogated its responsibilities with regard to the financial dilemma the Royal Melbourne Institute of Technology finds itself in, but all the evidence is to the contrary. When it became known that RMIT was in some financial trouble, the Minister for Education and Training in the other place immediately requested the Auditor-General to audit RMIT's financial management practices and the state of RMIT and its problems. The report made certain recommendations, and RMIT has agreed to closely consider those recommendations — and we all know what that means! It will follow them. You do not have to be clever to read between the lines on that one. Even you, Mr Forwood, can work that one out.

Hon. Bill Forwood — Do you reckon Dunkin will see the year out?

Mr SMITH — I can't go off the record here, can I?

The minister has given RMIT 12 months to get its act together. How is that for financial responsibility? Immediately the minister became aware of the problem, she stepped in, did everything in accordance with her responsibilities, got the Auditor-General involved and got the result the government required.

I will turn now to the Docklands project. The opposition just hates it when the government gets on top of things and starts to deliver anything that is good for Victoria or Victorians or which highlights us on the world stage; it abhors it. The opposition thinks it should

be the one to deliver all the infrastructure projects and the goodies for Victorians, but we are doing it. So the opposition decries it, bemoans it and tries to talk it down. As Rob Lowe, who stars in the TV show *The West Wing*, said, 'If you want to get into the game, you need to have a world-class studio'. Maybe Rob Lowe, also known as Sam Seaborn, could be engaged as a consultant to give the opposition some political advice. Members on the government benches know that the opposition sorely needs it.

This motion is a furphy. The opposition has nothing better to do. As I said at the start, I oppose it: it is a puerile motion and it should be condemned.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I am pleased to speak on the motion condemning the government for its handling of financial matters moved by the Leader of the Opposition in this house this morning. It is extraordinary when the most credible speaker the government can put forward on this issue is Mr Smith. Where was the Minister for Finance? This is a question of the government's financial credibility, and the person it puts up to make the case is Mr Smith. It demonstrates just how desperate the government is if Mr Smith is the best person that can be put forward to defend the argument for the government.

The Leader of the Opposition highlighted the funny-money deals which are a return to the Cain and Kirner way of doing business. As we highlighted yesterday in the debate on the Victorian Urban Development Authority Bill, the practices the Bracks government is engaging in are the same as the practices we saw from the previous Labor government. The Honourable Theo Theophanous was a minister in the Kirner government, and with his resurrection to cabinet this year we are seeing those same practices introduced by the Bracks government. Back in the Kirner government days we had the dodgy deal with drivers licences when the government suddenly decided to issue 10-year drivers licences so that it could bring 10 years of licence revenue forward and book it in one year to help prop up the state budget.

Yesterday we saw the Victorian Urban Development Authority Bill, which takes the loss-making and technically insolvent Docklands Authority and combines it with the profitable Urban and Regional Land Corporation to fix up that accounting problem. Time and again we see this government attempting to patch up financial holes.

Yesterday we had the instance of the then Department of Tourism, Sport and Commonwealth Games making payments for Federation Square, for employment programs and for the timber industry reforms. If that is not a round robin, funny-money deal, I do not know what is. How on earth can timber industry reform be related to the Commonwealth Games? The fact that the minister responsible for the Commonwealth Games had no knowledge of it yesterday suggests that he is not on top of his department. Indeed, the fact that he had no knowledge of whether his department had an audit committee, let alone whether he had been to it, suggests that probity and management of that department leave a lot to be desired.

In my own portfolio area of the Commonwealth Games, time and again we are seeing dodgy deals being done, and the most visible of those is the Commonwealth Games village at Royal Park. A deal with developers has been put in place at Royal Park which will allow them to establish a private sector housing development on the Royal Park site over the next seven or so years, exempt from the ordinary planning and environment requirements. The proponent for that site, the Minister for Commonwealth Games, will also be the planning minister. He will be proponent and minister and planning authority.

He will put up the proposal and rule on it himself. If that is not a dodgy deal, I do not know what is. We have the government contributing working capital to that program. Not only is the government paying for that development but it is contributing working capital, making a sweetheart deal on the planning and environment aspects and allowing 80 per cent of that project to be developed after the Commonwealth Games are concluded. Mr Davis pointed out earlier that that village site will not really be appropriate for the next Commonwealth Games, yet most of it will not even be built until after the 2006 Commonwealth Games have concluded.

Mr Forwood touched earlier on the issue of budget papers. In 1999 the Bracks government gave a commitment that it would have comparability between budget papers from year to year. That commitment has been broken. Every year the budget papers are presented in a different format to ensure that they cannot be compared from year to year. This year we have machinery-of-government changes in the middle of the budget papers — to guarantee that there is no way of comparing them. We have some ministers saying the machinery-of-government changes will not be made until 1 July; other ministers are saying machinery-of-government changes took place on 1 January. So there is not even consistency among the cabinet as to how the budget papers and the machinery-of-government changes have been made. Clearly this government is engaged in a number of

funny-money deals. This government and the Premier stand condemned for the way they are handling the state's finances.

Hon. KAYE DARVENIZA (Melbourne West) — I am very pleased to stand and oppose this motion. What a joke! What a joke that the opposition comes to this chamber and puts forward a motion like this one, condemning the government for its — —

Hon. Philip Davis — Rebut it, then!

Hon. KAYE DARVENIZA — I will do my best to rebut it in the 5 minutes that I have available! Don't you worry, I certainly will!

First of all, let me say one of the things about our government demonstrating its fine financial management of this state is the surplus that we had for this financial year — $245 million in surplus! Not only that, but one of the other things that you guys just cannot stand is that both Standard and Poor's and Moody's have confirmed Victoria's AAA rating. Boy, do you hate that! Every time they tell us again that we have a AAA rating it drops your mood considerably, because you do not like it. You do not like the fact that — —

Hon. Bill Forwood — You lost it! We got it back!

Hon. KAYE DARVENIZA — And we have maintained it! We have maintained it well because we are doing a good job running the state's finances.

Let me deal with a couple of the issues. The Melbourne Cricket Ground (MCG) is one I just love. That is always my favourite. You guys bring it up time and time again. What happened at the MCG? What did your mates in the federal government — your mate Howard and your mate Abbott — do? They withdrew $90 million. Why did they do that? They were not prepared to put in place what are standard and normal industrial relations practices.

Hon. Bill Forwood — Is that what you call it?

Hon. KAYE DARVENIZA — Exactly! We went into a process of tendering and agreements were made. Enterprise bargaining agreements were entered into under the federal industrial relations legislation — legislation you guys support! Legislation we do not support — legislation we want to see changed. A whole range — —

Hon. Bill Forwood — Why?

Hon. KAYE DARVENIZA — Because it is not good legislation, that is why. But it is certainly legislation that you support.

So enterprise bargaining agreements were entered into in good faith, under legislation that you support, and what happens? The federal government changes its mind. It says, 'Not good enough. You have got your agreements under Abbott's legislation — under our legislation — but that is not good enough. We want more. You are special, Victoria. We want more. We will withdraw our $90 million'.

So the issue of the MCG has nothing to do with poor financial management — nothing at all! Do not kid yourselves. Look at what the truth is — the reality. The reality is that the federal government should be supporting Victoria in its bid for putting on the best possible Commonwealth Games.

The Commonwealth Games will not only be a credit to this state but will showcase the whole of Australia. And what has the federal government done? Because of its staunch ideological bent on industrial relations practices it has pulled out $90 million. I am happy to make a comment on that.

In the time available I will quickly refer to another project where the Bracks government has fixed up the mess — that is, Federation Square.

Honourable members interjecting.

Hon. KAYE DARVENIZA — The opposition does not like it, but it will have to admit to it. I know the opposition does not like it, but the Auditor-General's report identified failures — the previous government's failures — in the financial management of the contracts in the early stages of the project. This is from the Auditor-General, it is not just me saying it. It is the Auditor-General identifying failures.

What has the government been doing? The government has been getting on with the job of creating one of Victoria's most popular tourist attractions. That is what it wants to happen. The government wants Federation Square to be completed, and it wants the private sector to put money into it. This is a bad motion. I do not support it; I oppose it.

Hon. PHILIP DAVIS (Gippsland) — I could not possibly respond to Ms Darveniza's comments, so I will respond to Mr Smith's comments. Mr Smith acknowledged the errors of previous Labor governments. His words were, 'Previous Labor governments have not covered themselves in glory'. I

am delighted to accept that admission, because it is a good starting point for the house to concur with the motion before it today, which is that the government has failed in its proper processes in relation to probity and financial practice.

There are three things I wish to observe about Mr Viney's comments. Firstly, with respect to Mr Mike Fitzpatrick, I have made no reflection on him as an individual. Indeed he is very capable, and I respect his various skills. But there is the look of a conflict of interest about the matters in which he is involved in relation to a $15 million Victorian government project to build a bridge at Portland, the Infrastructure Planning Council and his role as a director of Pacific Hydro. I warn the government that that conflict of interest perception is damaging public confidence in government processes.

Mr Viney asserted that Seal Rocks was a flawed project from the start. As a matter of public record and judicial decision, Seal Rocks fell over because the Victorian government chose to not comply with the contract arrangements. The reason for an $80 million liability to the state of Victoria, as found by the Victorian courts, was the government's failure to stick by its obligations under contract law. Therefore it has cost Victorian taxpayers $80 million.

Finally, I refer to comments on the processes followed in timber industry exits and other matters and the purported new accounting system that is coming into place on 1 July, and I hope the minister has been briefed on this because it is obvious that there will be subsequent questions on it. The opposition believes this is consistent with what we saw with Labor in the 1980s, which is the government putting its hand into hollow logs. The government does not know how to fund its obligations, so it has started to fund, from the hollow logs of available funds, programs that have no bearing or relationship to government departments.

I conclude the debate by thanking my colleagues on this side of the house for their support of and contributions to the motion. It has been an informative and robust debate. It summarises why it is that the opposition has persisted over the last several months with a series of questions which, in my view, highlight the deficiencies of the Victorian government's ability to follow proper financial practices and to exercise probity in its dealing with public moneys. I urge the house to support the motion.

House divided on motion:

Ayes, 17

Atkinson, Mr	Hall, Mr
Baxter, Mr	Koch, Mr
Bishop, Mr	Lovell, Ms
Bowden, Mr	Olexander, Mr
Coote, Mrs	Rich-Phillips, Mr
Davis, Mr D. McL.	Stoney, Mr
Davis, Mr P. R.	Strong, Mr
Drum, Mr (*Teller*)	Vogels, Mr
Forwood, Mr (*Teller*)	

Noes, 21

Argondizzo, Ms	Madden, Mr
Broad, Ms	Mikakos, Ms
Buckingham, Ms	Mitchell, Mr
Carbines, Mrs	Nguyen, Mr
Darveniza, Ms (*Teller*)	Romanes, Ms
Eren, Mr	Scheffer, Mr
Hilton, Mr	Smith, Mr
Hirsh, Ms	Somyurek, Mr (*Teller*)
Jennings, Mr	Thomson, Ms
Lenders, Mr	Viney, Mr
McQuilten, Mr	

Pairs

Brideson, Mr	Hadden, Ms
Dalla-Riva, Mr	Theophanous, Mr

Motion negatived.

CORRECTIONS AND SENTENCING ACTS (HOME DETENTION) BILL

Second reading

Debate resumed from 10 June; motion of Hon. T. C. THEOPHANOUS (Minister for Energy Industries).

Hon. R. DALLA-RIVA (East Yarra) — I am happy to be the lead speaker for the Liberal Party in debate on this bill. It is important to note that the Corrections and Sentencing Acts (Home Detention) Bill 2003 is similar to the bill that was first introduced in the Bracks government's home detention proposals in May 2001. Then, as it has now, the opposition undertook a wide-ranging consultation process on this matter, and I hope government members take note of the contributions other honourable members on this side of the house and I will make, because the last time this was opposed in this house was in September 2001. It is clear with the numbers here that the government can pass this legislation — —

Hon. D. McL. Davis — Force it through!

Hon. R. DALLA-RIVA — Force it through, as Mr David Davis points out. The fact is that, as we did

last time, we will be doing the same this time — opposing this bill. In doing so, can I first thank the government advisers and staff for the briefing they provided on this particular matter. I note that they provided an extensive consultation to not only the Liberal Party but also the National Party. It is appropriate to acknowledge the commitment they have shown — irrespective of our view on the bill — to listen to our concerns and, on balance, to try and answer them openly and honestly. It is important to put that on the record.

Essentially the bill is broken into two parts. We have what is called the front-end provision, which relates to the amendments to the Sentencing Act. That provision relates to the sentencing of an offender who has been brought before the court. The other one is called the back-end provision, which refers to the end part of the process that the prisoner is in, and that makes amendments to the Corrections Act, being the principal act for enforcing correctional orders within this state.

I propose to briefly touch on why we say that the government should not blindly follow as it has done in the past. This is an important bill which has raised a significant amount of community interest from various groups. As I said, honourable members on this side will be making contributions in that regard. I hope the government takes into account the views that the opposition puts forward.

To put the issue into a correctional perspective, it is clear that the prison system is overcrowded and operating above its designed capacity. We can debate it all we like, but I had a good briefing today from the Department of Justice and from the Correctional Services Commissioner, from the chief executive officer of the Public Correctional Enterprise, CORE, which operates under all those provisions, and it is clear that those people are working under enormous pressures in trying to deliver a world-class correctional services system within a government framework that is clearly not addressing their concerns.

Yes, they will talk about the prison design rate meeting the needs, but the reality is that by their own admissions today bunk beds in single cells and portable prisons make up the balance. At the bottom end of the scale is the actual capacity rate that the prison system is designed for, but the government is saying that 941 additional beds have been found as a result of using bunk beds. I am not too sure whether the beds they put in cells are the types of bunk beds that you buy from the army disposal stores. I am being flippant, but that appears to be the view put forward.

So a purpose-built cell for one bed is having two or more beds placed in it. Around 640 additional beds are in the prison system; 640 cells that have been designed for only one bed are being used for multiple sharing. The remaining 341 beds are provided as a result of portable prisons. I had the opportunity of visiting the portable prisons and I do not wish to disclose anything other than to say that they are portable prisons and they are questionable in the context of providing security, given that the Correctional Services Commissioner said today that, unlike prisoners in the other states, the majority of people in the Victorian prison system are housed within maximum and medium-security prisons. That is important in the context of this bill because the other states have different systems in place for dealing with offenders and with the prisoner population.

It is important to put on the record that although I have said that the prison system is overcrowded and the prison population is growing at an enormous rate, the reality is that it is still the lowest prison population per 100 000 in Australia. This notion that the Liberal Party is out there to lock everyone up is absolutely wrong, and I think that assertion may have come from the government. It needs to be put on the record that Victoria has the lowest incarceration rate in Australia — just over 90 persons per 100 000. That is important because we do not over-jail, and therefore there is no need for the argument to be put in this house or before the community that we should be providing home detention.

It is clear that the home detention process is being engaged as a means of cost shifting. It is clear from the records that have been provided in the press and in the documentation that the cost of housing a prisoner under home detention will be substantially lower, but it will not be that much lower. It will still cost on average $20 000 per prisoner per year, and the average cost of housing a prisoner per year in Victoria is exactly $56 901, so there is a substantial cost differential between the two. I see home detention being used in the short term as an artificial tool for decreasing overcrowding and for hiding the inability of this government to deal with the prison system. It is now in its second term of government, which will be for four years, so it has had an opportunity to deal with the system and it has taken the easy solution by reintroducing a bill which has had significant opposition from both the community and within the government. So that puts the correctional side of things in perspective.

As to judicial perspectives, which I refer to as the back end, we believe that the judicial independence of the courts should be maintained. There are a number of

reasons why a person is sentenced to a term of imprisonment within a facility. These, as I have outlined before in previous debates, relate to five areas: punishment, deterrence, rehabilitation, denunciation and protection, or any combination thereof. So when a judge or a magistrate provides a sentencing option there are five issues they consider under the Sentencing Act.

Judges or magistrates also have a range of other options available to them in addition to a jail term. We have intensive correctional orders, community-based orders, suspended sentences, partial custodial sentences and release on conditions, as well as the usual fines and other things that go on. In other words, the back end of the system — and I will explain that a bit more later on — undermines the justice system. It undermines the judge's right to impose a jail term he or she sees as appropriate. The front end, as I said, is really about limiting the number of prisoners going into the jail system. It is running in every state so we should run it in our state.

As I have just said, we have the lowest incarceration rate in Australia. We also need to put that in the context that other states have different types of custodial processes even before home detention. Victoria is one of the few states that still does not have, for example, periodic detention. A recent case that has come to light is the Rene Rivkin case, where he was given weekend detention.

The PRESIDENT — Not any more.

Hon. R. DALLA-RIVA — The President says, 'Not any more'. That is in fact correct, but what I am saying is that in New South Wales there are opportunities for weekend detention, which in terms of the process means that we have gone to the far end with this bill.

I suggest that there is not included in this proposed government legislation the results of the discussions on or consideration of other alternatives provided within the correctional services system that would enable people still to be sentenced to a term of imprisonment to reflect the community's expectations and not to have the easy option of home detention.

There are a number of flaws in the bill, and I will start with discussion of the front-end issue of home detention. Where a judge or magistrate is presented with a person who has committed an offence that requires a sentence of 12 months incarceration or less the legislation will give the magistrate an opportunity to see if the person to be sentenced meets the criteria. The important part, however, is that whatever occurs there is an assessment stage in the process. That is the issue that really concerns the Liberal Party and the majority of community groups, including legal centres.

The reason for all that concern is that in the assessment stage offenders will be interviewed to see if they are suitable, but the act also contains provisions concerning co-residents. A co-resident can be a wife, a husband, a partner or anyone who is a co-resident within the home. In our view the thing becomes a bit muddy there because we are saying to the Victorian community, 'A person can commit an offence but we will put them in their own home. In addition, overarching that we will go to the partner, who may have had no involvement in the commission of the crime, and force the partner to make a decision'. I will discuss that a bit later in terms of the evidence from New South Wales.

What will happen is that the supervisor operating within the correctional services system will go out and see the partner and say, 'Do you want Billy Smith to be on home detention? He has just committed an offence. Do you want him in your home?'. That puts the co-resident or spouse in a very awkward position in my view. What is the co-resident to do? Of course they do not want their loved one to be locked up, but the situation might require — because of the circumstances of the crime, the activities of the partner and the effect on the family — that the co-resident has no choice but to accept what I would call a limited supervisory role.

I say 'limited' because in our briefing it was indicated in the notes I have referred to just recently that the supervisor will probably check the home of the detainee once a day on average. That is a long time between drinks. Indeed the New South Wales evidence will indicate that a lot of home detainees continue to drink and take drugs — and that they continue to reoffend. But I will get on to those factors a little later on.

The assessment stage is very concerning, because if the co-resident rejects having the capacity for the partner to be at home under home detention the offender will be able to appeal. That is laid out in the bill in the amendments to the Sentencing Act and the Corrections Act.

I again refer to my notes from our discussions in the briefings. It was made clear to us that the rules of natural justice shall apply in the process, which is fair in terms of an appeal, but that as part of the rules of natural justice — in the view of the people who briefed us — the legal people, the offender and/or their representative will be able to review the assessment and there will be the capacity for the offender or the legal adviser to review the assessment documentation.

Say for example that Billy Smith is the offender and Jane Smith is the wife. If Jane says, 'I do not want Billy back in my house because he is a thug, he drinks, he is disruptive, he committed the crime and he should do the time in jail as part of his rehabilitation', remembering all the issues I referred to in relation to sentencing — rehabilitation, denunciation, protection, punishment and deterrence — she will then have to meet with the supervisor and be exposed in an open court. This is hardly the surest way to encourage family reunions. This home detention bill is going very much the wrong way. As I said, honourable members will talk about that in more detail later.

I make the point that the appeal process is very dangerous because it will involve pitting spouse against spouse — husband against wife, wife against husband — and children against parents. The Liberal Party sees that as a further denigration of the family unit and a further denigration of the process. It will ensure that we have a prison system that is maintained within the home whereas it should continue to be within the correctional services facilities provided. If they were being built on time as needed to meet the growing demand from the increasing numbers of prisoners we would not need to debate home detention.

I repeat that this is not an issue in New South Wales and the other states because although they have significant prisoner populations they also apply other mechanisms even before home detention. It is important to place that on the record because there cannot be a comparison with the other states, which I predict will be in issue.

The back-end sentencing option is a major concern. I will give an example. A person sentenced by a court to five years in jail with a minimum of two years can be out in home detention in 18 months provided they meet the criteria, and I will get to the criteria for what makes a person suitable a bit later. I think most people would be shocked if they realised exactly what the home detention bill is about, based on other experiences. It essentially means that a judge can sit on the bench, take independent advice, listen to the person and to legal counsel, and say, 'You are given 5 years in prison with a minimum of 2 years' and the person can go into the jail system, but if that person meets the eligibility criteria they can be out in home detention in 18 months.

That is of concern because it will undermine the principles of truth in sentencing and undermine the judiciary as independent arbitrators. The judiciary is able to determine, after taking into account all the evidence and the circumstances, a suitable offence, and I do not think the Victorian community would be very pleased if a person who had been convicted and sentenced to 5 years could be out and in their home after only 18 months. If government members see that as appropriate I look forward to hearing their arguments on how that would be a suitable outcome during their contribution to the debate. They will argue that it will involve low-risk offenders and so on, but I think their arguments will be shot down by the evidence of what has happened in other areas where home detention has been in place.

There is another argument, and it is the important part in terms of the assessment stage. As I said, the front-end criterion is a jail term of less than 12 months and the back-end criterion is a two-thirds minimum sentence having been served. Within the context of the amendments to the Corrections Act and the Sentencing Act an assessment process is undertaken to determine whether a person is suitable based on a number of criteria as outlined. The government may say it involves low-risk offenders, but the first concern is that the criterion for determining what makes an offender suitable for home detention has still not been clarified. Hopefully it has been determined, but in our discussions during the briefing — and again I refer to my notes — it was quite clear that the criterion for determining what makes a person suitable for home detention had still not been established.

That is important in the context of a major report I now want to refer to. New South Wales introduced home detention in 1996. Three years later there was a review — as is proposed in this bill — entitled 'Review of the New South Wales home detention scheme — a study undertaken by the New South Wales Department of Corrective Services' and dated February 1999. It should be essential reading for those on the government side who feel compelled to send people out there and who believe it will all be rosy and the problem will not surface, because I can tell them that it will surface.

I know that the legislation will pass, and I will be disappointed that those on the other side, who have not made an independent assessment of the bill, will support it, but I place on the record that as the opposition corrections spokesperson I will jump on the very first home detainee who commits a crime and breaches their home detention order, because it is clear that the community does not want this system. I will make sure any home detainee who breaches their detention is held to account. I will certainly hold the government to account.

I have digressed briefly from the bill, President. This is not about my personal view; it is about the view of the party. The party voted on this and felt strongly that the

bill is flawed. We have had many flawed bills presented to the house, but we vehemently and totally oppose this bill.

It is important to note the New South Wales experience. I turn to some of the issues there. Earlier I said there was confusion about what determines a low-risk, low-grade offender or a low-risk, low-grade prisoner that enables them to be eligible for front-end or back-end release. What would be low risk? On the advice we have received it could mean people who have been convicted of drug trafficking.

Again I cite the New South Wales example. New South Wales has had people on home detention who were convicted of possessing and supplying a drug of dependence. The equivalent offence in Victoria is drug trafficking. New South Wales even had people on home detention who were manufacturers of illicit drugs. The report I referred to earlier recognised that there was a significant problem in determining what makes a low-risk offender. That goes to the point of the debate.

The other compelling issue, which should be of interest to the house, is that people have been placed on home detention in New South Wales after their conviction of an offence known as 'death caused by a motor vehicle'; in Victoria we call it culpable driving. People are being released into their homes while sitting in the driveway could be a car owned by their spouse. The spouse may have been forced to take in the offender, who may also have a drinking problem. The evidence is quite strong. A significant majority of those who breached their home detention orders in New South Wales were found to have significant alcohol or drug-related problems. You could have a person who cannot stop drinking living in a home that has a car sitting in the driveway. I am putting to the house what may happen.

He may have been convicted and sentenced to five years with a minimum of two years and be out after 18 months. He is then sitting in his home while wearing a bracelet and being looked after by his spouse, who does not want him living there. She knows he is still a drunk. You could say, 'They have come out of the prison system and will not be affected by alcohol or drugs'. The briefing I had this morning was riveting because of the information given about the amount of alcohol and drug use in the prison system.

If members think a person's going into home detention will diminish their drug and alcohol usage when they come out, they should be dancing with the Democrats at the bottom of the garden, because that is clearly not the case from what I heard today. It is important to acknowledge — —

Hon. R. G. Mitchell interjected.

Hon. R. DALLA-RIVA — I do not find this humorous. It is unfortunate that there will be breaches, as I said earlier. Another important factor to note in debate on the bill is that the release within the back-end provisions will be administered by the Adult Parole Board. It is an independent board, as we know.

Recently I raised an issue about the Adult Parole Board. Over the last three years the board has increased the number of people on parole by 70 per cent. There has been an exponential growth. I make no observation other than to tell members to look at what is in the board's most recent annual report, which is for 2001–02. It shows an exponential growth in the number of people being released on parole. Of more concern is that over three years there was a 287 per cent increase in breaches of parole where no action was taken.

Hon. A. P. Olexander — What happened?

Hon. R. DALLA-RIVA — That is the question, Mr Olexander, what does happen?

The proposal in the legislation will place the issue before the Adult Parole Board. As I said, I have had a briefing. The processes and protocols have not yet quite been established. I have seen the machinery, but the government has not yet got that quite right. It is looking at the New South Wales model.

The bill gives enforcement powers to the Adult Parole Board as the responsible authority. The board will need to enforce home detention regardless of whether the person has come in from the front end or the back end. I may be thought of as being a little flippant, but let us use logic in this debate.

Hon. J. M. Madden interjected.

Hon. R. DALLA-RIVA — You want to throw the prisoners out into the community. You do not want to deal with the prisoner population or the prisoner issue. All you want to do is throw them out into the community. You want to place them with their children and spouses. Are you going to take in Billy Smith?

Honourable members interjecting.

Hon. R. DALLA-RIVA — Why not? We have already discussed this, and it will be raised later. Are you telling me your spouse would not say, 'Yes, I will take him or her in.'?

Hon. J. H. Eren — Take out a restraining order.

Hon. R. DALLA-RIVA — A restraining order? Now we are going to go through the process and tie up the police by taking out restraining orders — thank you, Mr Eren. We will send them into the home — —

The PRESIDENT — Order! Through the Chair, Mr Dalla-Riva. Mr Eren will have his opportunity.

Hon. R. DALLA-RIVA — We will send them out, as Mr Eren said. They will breach their detention order, but we will just get a restraining order. We had a debate the other day where I said, from the most recent figures from one of the annual reports of a couple of years ago, that 21 000 restraining orders were issued. Mr Eren proposes that we just have an extra few hundred restraining orders because we cannot manage home detention. What an absolute joke! If that is the way he is going to review it, if that is the way he is going to make his contribution to this debate, we look forward to it because he has no idea what the issues are.

Let us look at a possible scenario. The Adult Parole Board is the supervising authority. I pose this question because it can happen. I have evidence here from New South Wales. I have given the house the source document. Members can look at it; it might be hard to find, but it is in the parliamentary library. Let us see what happens. A breach occurs at 2.00 a.m., Johnny has gone off, he has hit the grog and he has gone away. The alarm has gone off. The supervising officer responds to the fact that the alarm has gone off indicating that Johnny has shot off. For the Adult Parole Board to consider the breach by that person it must convene a quorum — this is the advice I received in our briefing — and part of that quorum must include a judge or a justice to issue a warrant for that breach. The Adult Parole Board is an independent body, but I put on the record and ask: are you honestly saying that the Adult Parole Board will convene at 2.00 a.m. — —

Hon. A. P. Olexander — Three o'clock in the morning.

Hon. R. DALLA-RIVA — Yes, it would be 3.00 a.m. by the time the supervising officer got around to the case. Say it were on a Sunday morning, at which a judge or a justice must be present, with a quorum, to issue a warrant before the person can be arrested, would the board convene? This is the logic of this bill. What an absolute joke!

The government will say, 'Yes, that would happen'. Again that is where the pixies are near the Democrats; they are dancing around the little fairy mushrooms. The Labor Party has a belief that home detention is around the little fairy mushrooms — you know, they dance around — and the Adult Parole Board will convene at 3.00 a.m. with a quorum with a judge or justice of the court. Meanwhile the offender has his bracelet — gee, that is good! It will really stop him — but he is off committing a new crime. I will get to the New South Wales evidence in a moment and show exactly what occurs. There is no guarantee that you will have proper supervision as you would within a prison system, and that is a shame.

Let us look at the success of home detention in New South Wales in terms of the number of offenders who were placed under home detention, and look at what some of the offences were. I start at the bottom end of the scale: 'drive whilst disqualified' might have involved a person convicted of culpable driving; 'drive without a licence', again it might have been a culpable driver; and 'shoplifting' — why were they out in the shops when they should have been at their home? Another one — and this is from the same report, and I implore members to have a look at it — is 'larceny', which is theft. Again, what are the offenders doing outside? Another good example is 'receiving stolen property' — —

Hon. A. P. Olexander interjected.

Hon. R. DALLA-RIVA — They were probably receiving it at their home, and that would be a fair call. The other one, 'break, enter and steal' — for those members who do not know is called burglary in our words. And it gets worse. Some of those people on home detention have been convicted and charged with robbery — that is, theft with violence, with force. The top of the range of course is armed robbery. Great home detention! I just cannot seem to recall that if a person is incarcerated in a prison they would have much of a chance to commit burglary of a person's house, shoplift in a shop, or drive without a licence. Armed robbery and robbery? What a joke! The government presents this legislation here, yet the evidence from New South Wales is quite outstanding.

I would like to talk a lot more on this important bill — I would like to talk for another 23 minutes — but I am not in a position to do so at this stage. The other points I have concern about are the government's weak-on-crime approach and its weak-on-dealing with custodial issues. In effect it wants to say, 'You've committed an offence, we're very sorry, go home and watch the telly and be a good boy. Don't beat up your wife, don't beat up anyone, just be at home. And don't drink'. This is all fairy mushroom, bottom-of-the-garden material. Government members ought to be with the Democrats, because that is where

they are heading. The government is heading into oblivion with this bill.

I put on the record again my concerns about when the first person breaches this detention system. And they will. The evidence is quite strong throughout all of Australia. I have not touched on other issues about some of the groups that have concerns. I have not touched on the bribes prisoners provided to the supervisors in South Australia. There are a number of other issues that I could go to the heart of. I just put on the record that this is a bill that the opposition strongly opposes. I implore upon the members on the other side that we have not taken this lightly. We have looked at the evidence, and I am quite happy to provide members with the evidence. It is quite clear that it is a flawed system.

I would implore members to consider other alternatives in terms of custodial sentences. I would implore members to remember that there are alternatives prior to the extreme level of home detention, which will place undue pressure not only on Victoria but also on the spouses of those offenders. I think that is a great shame. It is a further diminishing of the family unit and I strongly oppose this bill.

Hon. P. R. HALL (Gippsland) — On 25 September 2001 I spoke in this chamber in opposition to a bill titled the Corrections and Sentencing Acts (Home Detention) Bill, and I do so again today on a bill with exactly the same title and almost entirely the same contents. On that day I gave six reasons why the National Party was opposing the home detention bill, and those reasons are as valid today as they were back in September 2001. I am not going to go through all of them apart from listing them at this point. I will expand on just some of them during the course of my contribution to this debate today.

The first of the reasons why I said that the National Party opposes the bill was that home detention was not consistent with current community expectations on sentencing. I do not think community expectations on sentencing have changed in 18 months. The community still believes that we need to be strong on crime, and the perception is that home detention is a soft option for crime.

It is interesting that no-one appears to be calling publicly for home detention as an option for sentencing. Certainly there has not been one piece of correspondence through my electorate office advocating that home detention should be implemented.

The second reason why the National Party opposed the bill back in 2001 and is opposing it again today is that it believes that the current range of sentencing options now provides the judiciary with sufficient flexibility to accommodate most offences. I will later in my contribution mention some of the range of sentencing options available to the judiciary.

The third reason is that we believe that home detention is a cost-cutting exercise for this government. I will talk a little bit about that later in my contribution as well.

Fourthly, we believe that there is no evidence that home detention will reduce reoffending rates. There have been no studies brought before this house to substantiate that there is a benefit in that home detention does reduce reoffending rates — quite to the contrary. I think the New South Wales experience, which the Honourable Richard Dalla-Riva spoke about in his contribution, and the experience of people in England and Wales that have home detention is that there is no reduction in reoffending rates.

Fifthly, we believe that there are more appropriate means of rehabilitating prisoners back into the community and that home detention is not automatically the best option for rehabilitation.

The final and most overwhelming and compelling reason why we will again oppose home detention is because of the impact it will have on co-resident family members. I want to spend some time talking about that today as well.

Let me deal quickly with the costs issue. The second-reading speech makes it very clear that the government believes that there are savings to be made by implementing home detention. It suggests that home detention will cost on average $20 000 per prisoner — if we are still going to call them prisoners in home detention. Do we, in home detention?

Hon. A. P. Olexander — Detainees.

Hon. P. R. HALL — It will cost $20 000 for home prisoners — or detainees. Supervision of those detainees will cost $20 000 per year as opposed to $46 000 for a prisoner in a minimum security facility.

We are also told that at any one time there will be a maximum of 80 people under this program. Taking the assumption that we might achieve a maximum saving of $26 000 per prisoner, that amounts to in the order of $2 million per annum that could be saved. It is not, I might add, an insubstantial amount — $2 million is a significant amount. Coincidentally that was about the figure that we were looking for to try to upgrade one of

our minimum security prisons in country Victoria — Won Wron prison in South Gippsland: $2 million or $3 million would have upgraded that facility.

A lot of the costs of housing prisoners in minimum security prisons could be reduced by making the current minimum security prison facilities more efficient and more flexible. Perhaps the expenditure of $2 million or $3 million on facilities like Won Wron will achieve some of the cost savings that it is suggested home detention may achieve.

It is interesting to note also that at a previous election the government promised to establish I think three minimum security facilities in Melbourne suburbs. I think that was a 1999 election promise made by the then Labor Party. Certainly to my knowledge those facilities are yet to materialise. One wonders what has happened to that particular promise.

But on the whole issue of costs, the hope that I have is that cost cutting is not a prime driver for these reforms because if it is we have got it sadly wrong — or this government has got its priorities sadly wrong.

That being said about the costs issue, I wish to acknowledge that the government has gone to some lengths to put in place what we might call some safety nets in this proposed legislation. A fair bit of detail in the bill before the house goes to restricting and regulating the concept of home detention. We know, as was spelt out very clearly, that this is a trial for a three-year period; the bill actually provides that this legislation sunsets after three years.

An honourable member interjected.

Hon. P. R. HALL — I am getting to that. If there is no legislative change beforehand, then after three years home detention will automatically expire. It will be reviewed after two years and I guess the review process will give the government at least 12 months to bring into effect any legislation that may be considered necessary as a result of the review to be undertaken.

We are told that this program will be restricted to a maximum of 80 persons. There is no specification as to the gender of those persons, so one can only presume that the mix of people under home detention will roughly correlate with the mix of people held in detention now, which I think is something like 93 per cent male and 7 per cent female. The only fair assumption one could make is that the vast majority of the people proposed to be on home detention will in fact be males.

Sitting suspended 1.00 p.m. until 2.02 p.m.

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Victorian Communities: interdepartmental finances

Hon. PHILIP DAVIS (Gippsland) — My question is to the Minister for Commonwealth Games. The minister's department has a number of obligations under the Financial Management Act and the ministerial directions issued pursuant to it. What mechanisms has the minister put in place to ensure that his agency is complying with its obligations under the Financial Management Act?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I welcome the member's question. There are a number of processes in place to ensure that the department, the Office of Commonwealth Games and the other authorities under my portfolio responsibilities comply. We have strategies and processes in place and are ensuring they are complied with.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — That was a rather brief response to that question. Therefore, I ask: is the minister satisfied that payments for the timber industry and Federation Square by the Commonwealth Games department comply with ministerial directions relating to the use of departmental bank accounts?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I am happy to clarify and answer questions in relation to this matter, as I was yesterday. President, you would appreciate that under this government we have established the Department for Victorian Communities. That department has been established, but there are machinery-of-government changes that take some time to be implemented. Some of them will be implemented from 1 July. As part of that process there have been a number of amalgamations, I suppose, of other departments, and hence payments from those departments have been part of those machinery-of-government changes.

Gas: rural and regional Victoria

Mrs CARBINES (Geelong) — I refer my question to the Minister for Energy Industries, the Honourable Theo Theophanous. Can the minister advise the house of the community's response to the launch in Bendigo this morning of the government's $70 million plan to

extend the natural gas network throughout country Victoria?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I thank the honourable member for her question. I am very pleased to be here to answer this question. I was delighted to have joined the Minister for State and Regional Development, John Brumby, in Bendigo this morning to outline Victoria's gas extension program, which will extend gas to up to 100 000 homes in regional Victoria. As well as the Minister for State and Regional Development, also in attendance were the following members: Joanne Duncan, Joe Helper, Ben Hardman, Geoff Howard and Danielle Green from another place, and Dianne Hadden from this place. It was not bad representation from country members of the Labor Party. Guess how many members of the National Party and the Liberal Party were there?

Honourable members interjecting.

The PRESIDENT — Order! Mr Forwood!

Hon. T. C. THEOPHANOUS — None! Not a single one.

Honourable members interjecting.

The PRESIDENT — Order! Mr Forwood!

Hon. T. C. THEOPHANOUS — There was no-one.

Honourable members interjecting.

The PRESIDENT — Order! Mr Forwood!

Honourable members interjecting.

The PRESIDENT — Order! Mr Forwood! I will name you. I asked you to come to order on three occasions in that barrage. I ask you to desist and allow the minister to continue his answer.

Hon. T. C. THEOPHANOUS — Thank you, President. There were over 200 people in attendance at the event, including chief executive officers and mayors from across rural and regional Victoria. There were representatives from Victoria's gas distributors and retailers and consultants who have assisted the state government to develop the project to this stage. This is the biggest infrastructure gas project in country Victoria for decades. It will create hundreds of jobs and new investment. For up to 100 000 country — —

Hon. Bill Forwood interjected.

Hon. T. C. THEOPHANOUS — Mr Forwood might not be interested in it, but for up to 100 000 country Victorians it will mean paying about a third of what they currently pay for liquefied petroleum gas, or a saving in many instances of up to $30 a gigajoule.

Just imagine how many existing businesses will suddenly become more profitable in regional Victoria. Imagine how many new businesses using gas will see country Victoria as a real option. What did the National Party do during the course of this? We had the National Party leader, Peter Ryan, going out this morning pouring cold water on the project. That is the extent to which the National Party — —

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — It is true to form because, let me make this absolutely clear, the National Party did not spend one cent, not one cent during its whole time in office in extending natural gas to regional Victoria. The moment we committed to $70 million, instead of hanging their heads in shame and saying, 'Thank you very much. It is a good project', all National Party members have done is bag it. Peter Ryan's attitude to gas in regional Victoria when the Gas and Fuel Corporation was being privatised was to say that anybody who wanted to run gas to non-commercial areas — —

The PRESIDENT — Order! The minister's time has expired.

Answer ordered to be considered next day on motion of Hon. P. R. HALL (Gippsland).

Victorian Communities: interdepartmental finances

Hon. PHILIP DAVIS (Gippsland) — I direct a further question without notice to the Minister for Commonwealth Games. Yesterday the minister cautioned me about making statements about cheques for the timber industry being drawn on the Commonwealth Games department. Given the minister now knows those statements by me to be true, will he explain why he allowed those payments to occur?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — Again I welcome the member's question in relation to this issue, and I will explain it again, as I have on a number of occasions. A number of machinery-of-government changes have taken place. There has been an amalgamation of the Department of Tourism, Sport and Commonwealth Games into the Department for Victorian Communities,

and in that process many things have to come on line and on stream. Some of those are the processes and mechanisms in relation to banking facilities. As part of the machinery-of-government changes, those payments have been made under the existing government arrangements or structures from those departments. That has been the case, and I have explained that on a number of occasions. I am happy to continue answering those questions, but that is the brunt of it.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — The minister is going to have to dig a pretty deep hole to hide in on this one, because my supplementary question is: given that the timber industry exit program is managed by the Rural Finance Corporation under the Department of Treasury and Finance, which, despite machinery-of-government changes, has never had anything to do with the Commonwealth Games department, why were cheques issued by the Commonwealth Games department instead of the Rural Finance Corporation?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — This is where the member fails to understand what we are doing as a government in relation to the employment program. Part of the employment program structure which was established in the Department of Innovation, Industry and Regional Development, which was a complementary department established with the former Department of Tourism, Sport and Commonwealth Games, was implementing that program. These payments were made as part of that employment program prior to the machinery-of-government changes to establish the Department for Victorian Communities.

Housing: government initiatives

Hon. C. D. HIRSH (Silvan) — I refer my question to the Minister for Housing. In the past week a number of reports have been released about the supply of affordable housing in Australia. I ask the minister to inform the house of how the Bracks government is getting on with the job of addressing affordable housing issues in Victoria and nationally.

Ms BROAD (Minister for Housing) — I thank the member for the question and for her interest in affordable housing. The Bracks government believes Victorians and Australians need a national affordable housing strategy now more than ever. We believe one of the most effective actions we can take to make Victoria a fairer community is to expand access to affordable housing. We are concerned that the commonwealth has cut housing funding to Victoria over the last decade by some 30 per cent, which is $430 million that Victoria is missing out on.

At the recent housing ministers conference held in Brisbane, Victoria took the lead to reach agreement on a national affordable housing strategy involving all tiers of government. It was therefore interesting at the weekend to see the Prime Minister choosing to become personally involved in the affordable housing debate, with the release of his Menzies Research Centre *Home Ownership Task Force* report.

The report contains some interesting proposals to address the issue of housing affordability, but I am disappointed that the Prime Minister has not taken advantage of the opportunity to make a firm commitment to the development of a truly national affordable housing policy. I am also concerned that the report does not focus on the affordability issues impacting on our most vulnerable low-income families and older people or the difficulties facing young Australians seeking to enter the housing market.

Victoria will consider the report's proposals in good faith, although I note that the commonwealth Treasurer, Peter Costello, is less than enthusiastic, which is not very encouraging when the supply of affordable housing is strongly influenced by the economic levers at his disposal.

The Bracks government is strongly committed to the development of this strategy which is critical to building a sustainable social housing system. We are governing for all Victorians by investing an extra $88 million in our housing budget, as well as maintaining a strong budget position with a AAA credit rating to protect Victoria's future, in spite of commonwealth funding cuts.

This is exactly the sort of issue the opposition should be prepared to stand up for — expanding access to affordable housing. However, I note its complete lack of interest in the housing portfolio. In the seven months I have been the Minister for Housing, not one housing-related question has been asked of me by the opposition. The Liberal Party web site does not contain one statewide housing release, nor does the opposition have any stated policy on the housing portfolio.

In contrast, the Bracks government will continue to lead the way forward on a national affordable housing strategy — getting on with the job, as Victorians have asked us to do.

I invite the Prime Minister and the federal Treasurer, and indeed the state opposition, to consider seriously

the important challenges ahead of us with affordable housing. I know this is a big ask for the opposition, to reform — —

The PRESIDENT — Order! The minister's time has expired.

Bendigo: arts funding

Hon. D. K. DRUM (North Western) — My question without notice is to the Minister for Local Government. As she would be aware, the City of Greater Bendigo recently decided not to proceed with the building of a new capital arts theatre. That was in spite of having received a promise of a $4 million grant from the state government to help build that arts theatre. The reason for the City of Greater Bendigo not wanting to proceed with that venture is the fact that it would have been forced to borrow funds of up to $15 million additionally to get that capital arts theatre built.

My question is: in the next few weeks, when the City of Greater Bendigo will be approaching this government, will the minister be supporting its claim that that $4 million grant should stay within the City of Bendigo for other worthwhile projects?

Ms BROAD (Minister for Local Government) — In relation to the matter of the capital arts theatre and arts grants, those I am sure are important matters which the Minister for the Arts will be dealing with. In relation to the question of approvals, which are required under the Local Government Act in relation to particular borrowings and a range of other financial arrangements which local governments wish to enter into from time to time, those procedures require the approval of myself and the Treasurer. I am not certain where that is up to in administrative procedures. But it is certainly my practice, on receiving those types of applications, to do everything that I possibly can, along with the Treasurer, in facilitating investments and developments by local government in a range of areas, including the arts area.

So I will certainly ensure that, to the extent that I am asked to consider approval for borrowings, subject to them meeting the requirements under the act I would facilitate them as quickly as possible.

Hon. D. K. Drum — I am not quite sure whether the minister has got the point of the question. That project is finished, kaput, and will not be built. The question was, clearly: will the minister enable the city to retain money that was specifically given for one project so that it can use it for another project?

Ms BROAD (Minister for Local Government) — I had understood that the member was indicating that the City of Greater Bendigo was going to be making an approach about another project, but if that is not the case and his question is in relation to grants for a particular purpose, then that will be a matter for the Minister for the Arts in relation to an arts project. If the funding has come from the Community Support Fund, then that will be a matter for the Deputy Premier.

The PRESIDENT — Order! I call Mr Smith.

Hon. D. K. Drum — Excuse me, President, that was a point of order. I have a supplementary question.

The PRESIDENT — Order! Are you raising a point of order?

Hon. D. K. Drum — The minister did not answer the question.

An Honourable Member — You asked a supplementary question.

Hon. D. K. Drum — No.

An Honourable Member — You did not say it was a point of order.

Hon. D. K. Drum — The minister did not answer the question.

Honourable members interjecting.

The PRESIDENT — Order! I just need clarification from the member, because I thought the last time he was on his feet he was asking a supplementary question. If that is the case, the question is answered. If the member was raising a point of order he should make that clear at the outset.

Hon. D. K. Drum — I did not make myself clear that it was in fact a point of order because I simply got to my feet and said the minister did not understand the question. So you are right; I did not say — —

Honourable members interjecting.

Hon. D. K. Drum — I am only new. I am really sorry.

Honourable members interjecting.

The PRESIDENT — Order! The last time I called the member I called him on a supplementary question.

Hon. Bill Forwood — Rule on the point of order first.

The PRESIDENT — Order! There was no point of order, if raising a point of order was what the member

was doing. If he will ask his supplementary question we will start the clock again. I ask him to make it very brief.

Supplementary question

Hon. D. K. DRUM (North Western) — Thank you very much. I simply wanted to draw the comparison — —

Honourable members interjecting.

The PRESIDENT — Order! I ask the member to ask his supplementary question.

Hon. D. K. DRUM — I want to ask the minister how she arrived at that understanding, given the fact that the federal government has just recently allocated over $400 million for a project in this state, and the state is no longer going to build a freeway — it is going to build a tollway — and does not want that $400 million, and yet it still wishes to have that money spent in Victoria. I want to know whether or not the same principles apply for federal-to-state funding as applied for state-to-local-government funding.

Ms BROAD (Minister for Local Government) — President, I think the house has been very generous; however, I think the answer is that there is no connection between the question and the supplementary question, if that is what it was, on the third attempt.

Fuel: ethanol labelling

Mr SMITH (Chelsea) — My question is directed to the Minister for Consumer Affairs, Mr Lenders. The minister has previously informed the house about Victoria's initiative on ethanol labelling. Can the minister now share with the house any update from the commonwealth government regarding its position on ethanol?

Mr LENDERS (Minister for Finance) — I thank Mr Smith for his ongoing interest in matters concerning fuel. Sadly I have very little to report to the house on my dealings with the elusive Drs Kemp and Poggioli, but I do have some news for the house.

Here in Victoria we are getting on with the job. We are steering ahead, and we know in this place that Victoria was the first state in this great country to introduce mandatory labelling of ethanol-blended fuel at the pump. The government did this to protect the interests of consumers, while the commonwealth government put its foot on the brakes.

The mandatory labelling standards for ethanol-blended petrol started on 1 May. This has meant that consumers are better informed because they know what is in the fuel at the pump. There are two labels on petrol pumps so that motorists know the ethanol content of the petrol they are buying. An amber label means the fuel contains up to 10 per cent ethanol, and a red label means the ethanol content is greater than 10 per cent.

Of course, as I have always said, the introduction of these labelling standards did not remove the need for the commonwealth to act decisively and stop dithering. It seems, however, that the issue of regulating of ethanol content in petrol has got too hot for Drs Kemp and Poggioli, and they have handballed the problem to the Leader of the National Party, Mr John Anderson. The two doctors from Victoria have handballed it because it is too hard for them in a Sydney-centric government!

It is with pleasure that I can tell the house that lobbying by the Victorian government and industry has finally produced some results. We recently received a letter from Mr John Anderson — John Anderson returns his mail; John Anderson knows where the postbox is, unlike Dr Kemp. It is good to see that the commonwealth government has now followed Victoria's example and taken some action.

Mr Anderson told us that national legislation to cap ethanol at a level of 10 per cent in petrol will come into place on 1 July, and he has formed two task forces — the commonwealth government is big on forming task forces — one to develop ways to restore public confidence in E10 and the other to consider labelling requirements. The Victorian government has not been told the details of the commonwealth labelling standards or the commencement dates, so it cannot make an assessment at this stage, but we do know that the commonwealth government when faced with a decision has set up not one, but two task forces — lots of committees exploring, reviewing, looking at the question. It is a bit hard, so it has set up two committees, not one.

I have written back to John Anderson, letting him know that we in Victoria support national labelling standards and a 10 per cent cap on the amount of ethanol in petrol. I also suggested that Victoria has a lot to offer. While the commonwealth government and Drs Kemp and Poggioli may be Sydney-centric, we in Victoria represent one-quarter of the population of this nation, and we have led the way with labelling in these areas. If this Sydney-centric commonwealth government is setting up a task force and trying to engage the community, it could perhaps engage the great state of

Victoria, the state that has led the way on ethanol labelling and looking after consumers.

The question from Mr Smith was where do we stand on this issue and was there anything further to report. I can report that Mr Anderson posts his letters; Dr Kemp does not; so that is an improvement — one to the commonwealth government. I can report that the commonwealth is following the lead shown by the state of Victoria, and that is good news. Sadly, the commonwealth is short on detail, it is not interested in making any quick decisions because it has set up not one, but two committees to deal with this matter.

So in the end the commonwealth government is non-responsive, unlike the Victorian government, which listens and acts. The commonwealth is not getting on with the job, unlike the Victorian government. Not only is it not governing for the whole country, it is not governing for Victoria; it is Sydney-centric, unlike the Victorian government, which is governing for the whole state.

Government departments: Casselden Place lease

Hon. D. McL. DAVIS (East Yarra) — I direct my question without notice to the Minister for Finance. I refer to the office development at Casselden Place owned by union superannuation funds and funded by an extraordinary $300 million lease deal entered into by the Bracks Labor government. Is it a fact that a $51.8 million budget allocation listed as an output initiative for 2004–05 that will fund the swank Casselden Place fit-out is additional funding that comes directly from the Department of Human Services budget and that this new funding is not contained in the $300 million leasing agreement costs for which he is responsible?

Mr LENDERS (Minister for Finance) — It is an absolute delight to take a question from Mr David Davis in my portfolio. I thank him for asking the question; I have looked forward to it for a long time.

I am also delighted that he has asked a question about Casselden Place. It is a pity he was not listening to his colleagues Mr Forwood and Mr Clark, from the Legislative Assembly, who asked these questions at the Public Accounts and Estimates Committee (PAEC) meeting. I am happy to go through the question of Casselden Place and some of the relevant issues with him. But first I want to enlighten Mr Davis. Casselden Place is a project that is owned by a whole range of Victorians, a number of them through the superannuation funds he addresses. I believe the Anglican synod of Melbourne is a part shareholder in this project. I would need to confirm that, but I think Mr David Davis should not be so quick to try to besmirch the savings capacity of Victorians through superannuation funds, because while the Hawke-Keating government led the field in getting superannuation in place I would have thought that the state Liberal opposition would at least have supported retirement savings for Australians. A forward-looking Hawke government in 1985 put it in place. But leaving that aside, Mr David Davis likes to mock people who want to invest their savings in property.

Let us leave that aside and move on to the Casselden Place project itself. Casselden Place is a state-of-the-art building built in Melbourne, which was put out to a competitive tender. It is now offering facilities for the Department of Human Services to move into. Mr David Davis quotes figures all over the place and I guess that if he listened to my answers and read *Hansard* or perhaps the transcript of the PAEC meeting he might have learnt. The opposition is not very good at listening.

I will repeat some of the circumstances of Casselden Place. There was a public tender for Casselden Place. The plan for Casselden Place was to move five separate parts of the Department of Human Services into a central location at the eastern end of the central business district (CBD). A great plan put in place by guess who? By the great visionaries Jeff Kennett and Roger Hallam. This great plan of those two great men was followed by this government because it was sensible and prudent to locate government at the eastern end of the CBD for long-term savings for government.

Mr David Davis aspires to be a minister one day. If he worked at administering a department he would find that to get officials from five separate places together for meetings is non-productive. To deal with five old buildings that need big fit-outs is non-productive. The government — with its foresight, prudent financial management, and being conscious of the bottom line and very proud of its AAA rating — has made a prudent financial decision about what is best for the long-term interests of the government and brought forward the capital fit-out of five parts of Human Services into one new building to save taxpayers money over the long term.

This government looks to the financial long term — unlike the opposition, unlike Mr Davis and unlike Mr Rich-Phillips, who is on his share transactions all the time. The government looked to the long term financially and made a good investment decision which is good for Victoria — a competitive tender and good

quality accommodation for the public servants in Victoria because we actually care about their working conditions, good government — —

Hon. D. McL. Davis — On a point of order, President, the minister now has 7 seconds remaining and he has not answered the central point of my question at all — he has simply debated the issue. The key question I asked, and I will restate it in case the minister did not understand it — —

The PRESIDENT — Order! No, the member will not restate the question on a point of order.

Hon. D. McL. Davis — It is important to understand that he is — —

The PRESIDENT — Order! I advise the member that raising a point of order is not an opportunity to restate the question; the member must raise a point of order.

Hon. D. McL. Davis — I wondered if you heard it clearly.

The PRESIDENT — Order! I heard the member's point of order. The minister has been responsive to the member's question so I do not uphold the point of order.

Mr LENDERS — I would succinctly sum up by saying: prudent financial management, governing for the whole state, governing for the long term, AAA here to stay — and it is a very good outcome.

Supplementary question

Hon. D. McL. DAVIS (East Yarra) — I thank the Minister for Finance for confirming to us today that this is $51.8 million of new money from the Department of Human Services that will pay for the swank fit-out on top of the $300 million. Will the minister now accept that the Bracks government's failure to negotiate a proper commercial fit-out deal with the Industry Superannuation Property Trust — a common practice of anchor tenants, which is what the government is — will force the Department of Human Services to reallocate more than $50 million of asset initiative money and take it away from hospitals to subsidise Labor's union mates?

Mr LENDERS (Minister for Finance) — Firstly I would say to Mr David Davis that the procedure followed for issuing tenders is above board and totally clean. The only difference in it from the Kennett government that Mr Davis is so proud of is that this government actually discloses large tenders on a web site — that is the only difference. We are following the Kennett practice but have made it more transparent.

On the second issue of use of money, I suggest that if Mr Davis aspires to one day administer a portfolio of many billions of dollars he needs to start looking to the long term and not at cheap popular stunts. If he looks to the long term he will know that it was a prudent decision to remove and reduce costs from the next 15 years by bringing them forward. By bringing forward the fit-out cost of making these buildings energy efficient and green we will save money, and there will be productivity savings from co-locating five parts of Human Services. It will save the Victorian government money so it can concentrate on hospitals, police, schools, rural Victoria, water, democracy and governing for the whole state — the key priorities of this government.

Sport and recreation: community facilities

Hon. R. G. MITCHELL (Central Highlands) — I refer my question to the Minister for Sport and Recreation. Yesterday the minister advised the house of recent sport and recreation community facility funding grants provided by the Bracks government to the south-western region of Victoria. I ask the minister to inform the house of what action he has taken to improve sport and recreation facilities in north-eastern Victoria.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I welcome the member's question, and I certainly welcome his interest in this issue, particularly in his own province in north-eastern Victoria. Yesterday I advised the house of 23 projects that will receive funding under the sport and recreation community facility funding program in the 2003–04 financial year. Today I am pleased to announce that 29 projects in the north-eastern part of Victoria will receive funding from the community facility funding program. The value of funding provided by the Bracks government to north-eastern Victoria for sport and recreation facilities is just under $1.5 million. This is yet another example of our government strengthening communities.

The projects that have been successful in gaining sport and recreation community facilities funding include $300 000 to the Wodonga Rural City Council for the Wodonga Diamonds soccer club relocation project; $50 000 to the Benalla Rural City Council for the Swanpool sports and recreation centre in Benalla; and $30 000 to the Mansfield Shire Council for the Mansfield equestrian centre.

Through the community facility funding program the Bracks government has provided more than $18 million across the state for the 2003–04 financial year. This will enable more than $40 million worth of sport and recreation facility projects to go ahead across the state.

This is the culmination of the partnership between government, local government in particular, and local communities. It is a prime example of the Labor government connecting with Victorians, unlike the opposition. We are growing the whole state and governing for all Victorians in stark contrast to the opposition, which is divided, which stands for nothing and which does not care.

Hon. Philip Davis — On a point of order, President, the minister repeatedly abuses question time by debating the question. I ask you to advise him that he is out of order.

The PRESIDENT — Order! The minister was straying from his response. I ask him to complete his answer.

Hon. J. M. MADDEN — I know if I were the opposition the truth would hurt too. It again highlights how this government is governing for all Victorians — how we are growing the whole of the state and displaying that sport and recreation can build opportunities; can grow, develop and strengthen communities; and can grow the whole state, particularly rural Victoria, which was so neglected by the Kennett government.

Commonwealth Games: athletes village

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I direct my question to the Minister for Commonwealth Games. Given that the minister is the planning authority for the Commonwealth Games village, why has he failed to agree to protocols with the Minister for Planning, which would allow him to access planning expertise in the Department of Sustainability and Environment?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I know Mr Gordon Rich-Phillips has the opposition portfolio responsibility for the Commonwealth Games, but I fail to see any support from him for the Commonwealth Games. In fact, I fail to see any significant support from the opposition for the games. If the member read the legislation, particularly the most recent legislative amendments made to the Commonwealth Games Arrangements Act, he would appreciate the methodology by which I will receive advice on planning matters. In relation to planning matters I will receive advice from the planning advisory panels, which I can refer to or make determinations from.

I suggest the member thoroughly read the legislation and the committee debate on the bill. When he has done that he may understand the legislation and the process by which we are delivering the village — and he may support the games wholeheartedly.

Supplementary question

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — What process has the minister put in place to ensure an objective planning appraisal for the Commonwealth Games village project, given his clear conflict of interest as both the proponent and the planning authority?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — Again the member fails to recognise the method by which the village will be established and by which I will take advice in relation to an independent planning advisory panel. One of the quintessential elements of the legislation, whether it be in relation to a Commonwealth Games venue or a generic panel under the act, is that panels will provide independent expert advice to the minister. I may choose to accept that advice or I may choose not to accept it, but if I do not accept it I must make public the reasons why I will not accept that advice.

Again I suggest that the member read the legislation and the terms of reference the panels have received so that he may appreciate the way in which those panels are implemented and appointed and understand how the process will operate.

The PRESIDENT — Order! The minister's time has expired.

Seniors: dental services

Hon. S. M. NGUYEN (Melbourne West) — I refer my question to the Minister for Aged Care. Will the minister advise the house of actions taken by the Victorian government to assist older Victorians in obtaining access to dentures and dental services?

Mr GAVIN JENNINGS (Minister for Aged Care) — I thank the member for the question, because it is an opportunity for me to outline to the house another example of how the Bracks government has listened, acted and is getting on with the job. Yesterday I approved the commitment of $160 000 to provide additional money to the Victorian denture scheme. This builds on the $900 000 provided for the pensioner and

dental program last year — a total of over $1 million in additional funding in the last financial year.

Given that this may be the last question time of this sitting I thought I would provide the house with the policy context in which the government makes the announcement. All members of the Parliament will be aware that the Bracks government was elected to be a socially progressive and financially responsible government, and indeed we have a program of being open and accountable. The Bracks government embarked upon the four pillars of restoring democracy, introducing responsible financial management, growing the whole state, and rebuilding the health and education systems and restoring confidence in community safety and our police force.

Indeed, during the first few years of the Bracks government we turned things around. We did so in the context of keeping the budget in the black. In fact, AAA is here to stay! By the end of the term it was very clear that the Bracks government was prepared to listen and to lead. By the time of the 2000 election people realised we were a government that was for the people of every suburb, every town and every street, that was delivering for today and building for tomorrow, and that was governing for all Victorians.

In 2002 the people of Victoria said to us that they knew we were a government that restored the flow to the Snowy River and that we were taking on the greatest environmental challenge — water. People knew that we were tough on crime and tough on the causes of crime. The people said that we were committed to responsible gaming and to environmental sustainability through drought, bushfires and flooding rain. We listened to the people, and they told us to get on with it. So now we are bringing forward these dentures to the people of Victoria — —

Hon. W. R. Baxter — On a point of order, President, this is Parliament — it is not a stage or a theatre. We are not at a vaudeville performance. This minister is demeaning the house; he is unfair to the Hansard staff and is totally unfair to anyone who is attempting to listen and make sense of what he is saying. I believe that you should call him to order and have the question answered in a proper and decent manner.

The PRESIDENT — Order! I do not uphold the point of order. The minister is responding to the question he was asked, and he can continue with his response.

Mr GAVIN JENNINGS — I thank the member for his point of order. It puts into context the important role that dentures play in the daily lives of older Victorians. They have to have good dental equipment and good teeth to be able to eat and stay healthy.

I have taken the opportunity on the last day of this sitting to put this significant investment in public health into context. I would like to continue in that spirit, if I may, to indicate that we will deliver these dentures on time and on budget, and we will go down the path of making this important dental reform. This is very important. We will make this a promise.

We are a government that will deliver on its promises, and we only promise what we deliver. This is in stark contrast to the opposition. Where is it on dental care? It is a policy-free zone. It has not learnt the lessons of the elections in 1999 and 2002. On denture policy it is divided. It has a do-nothing dental care policy. In the words of the Leader of the Opposition in the other place, Robert Doyle, members of the opposition are crawling before they are walking, they are whining and they are carping, and they are condemned to undertake psychological assessment.

We will go beyond this. We will seek some bipartisanship in the future in relation to the way we present ourselves in question time and the way we present ourselves on important public health matters. I look forward to the day that Mr Baxter, his colleagues and all members of the opposition will engage in consideration of important public health matters. I would welcome that day.

QUESTIONS ON NOTICE

Answers

Mr LENDERS (Minister for Finance) — I have answers to questions 190, 200, 205, 230, 235, 252, 260, 269, 274, 292, 300, 375, 388, 390, 423–8, 434–7, 509, 510, 533, 535 and 538–41.

I advise that further answers will be coming in, and we will post them to members if we have not had the opportunity to table them in the house.

CORRECTIONS AND SENTENCING ACTS (HOME DETENTION) BILL

Second reading

Debate resumed.

Hon. P. R. HALL (Gippsland) — Before the luncheon break I was acknowledging that the government has made a fair bit of effort to ensure that home detention is restricted and regulated as much as it possibly can be. I spoke about this being a trial program for three years with a review after two years, about the fact that this program is restricted to a maximum of 80 prisoners at any one time, and about the likely gender mix of those prisoners. I was about to talk about some of the regulation regarding this project put in by things like clause 5 of this bill. Clause 5, which is set out on page 6 of the bill, talks about some of the criteria for home detention orders. It says that home detention orders can be given to a person sentenced to imprisonment for up to 12 months. That is what the opposition calls the front-end aspect of home detention. The bill also says that a prisoner may serve home detention as the remaining six months of a sentence — what the opposition terms the back end of home detention.

Clause 5 also talks about the type of custodial orders that home detention does not apply to. It also says that a court must not make a home detention order unless it is satisfied that all persons of or over the age of 18 years who will be residing with the offender have agreed to it. I will come back to that point about consent of co-residents.

Clause 5 also says that home detention will not be available for people convicted of certain offences. It describes these offences, and the reader of the bill is referred to the Corrections Act — particularly schedule 1 to the Corrections Act — to learn of these offences. It also talks about the suitability of the offender for home detention and lists some criteria that need to be taken into account before a person is granted a home detention order. A person under a home detention order will not be imprisoned in their own home for 24 hours a day. Of course there are approved work programs associated with home detention orders, and approval might be granted for a person undertaking home detention to be out in the work force, to undertake training or do a number of other matters — —

Ms Mikakos — So they won't be home 24 hours a day.

Hon. P. R. HALL — No, they will not be home 24 hours a day in the general case: that is exactly what I said.

Ms Mikakos interjected.

Hon. P. R. HALL — No, that is exactly what I said: that with the conditions associated with home detention the expectation will not be that all people will be home 24 hours a day — they will have different, approved programs to undertake during the course of the day. That is the point I was making.

The bill before the house describes those sorts of issues. The second-reading speech also talks about the views of the intended co-residents and how they are so important in the question of whether to grant a home detention order. The second-reading speech sets out some criteria for the consideration of the intended co-residents' views on home detention as well. I think that is extremely important. I understand the politics of this — the government has the numbers and this bill will go through the chamber despite the National Party and the opposition voting against it.

But if it is to become law then the views of co-residents are the most important things to be taken into account. That brings me to the strongest reason why National Party members oppose the bill before the house today — that is, the impact we expect it will have on families, particularly female partners of prisoners involved in or wishing to be involved in home detention programs. The bill uses the term 'co-residents', but the fact is that in many cases it will be the wife of the person who is the subject of a home detention application whose views will need to be considered most importantly. There is no doubt whatsoever that there is going to be tremendous pressure on spouses to consent to home detention; and, yes, they do not have to. The bill makes it very clear that they do not have to give consent, but there is going to be an enormous amount of subtle pressure for any partner of a prisoner making an application for a home detention order to agree to that.

What if they do not? What if the prisoner suspects that the partner has withdrawn or has not given consent for it? It will place enormous pressure on that particular relationship. So even the possibility of having home detention will put pressure on those people, whether or not an application has been made. Probably even worse, one could not conceivably imagine the consequences on a partner of withdrawing consent for home detention, and the bill states quite clearly that consent can be withdrawn at any time. The withdrawal of consent would lead to an irretrievable breakdown in a relationship. There would be tremendous and unfair pressure on a partner.

We know that many people have expressed views about this, and Mary Crooks is one of them. In an article in the *Age* on 9 May she made some excellent points. I do

not want to quote her extensively, but let me pick out three sentences from the article, which states:

> A woman faced with granting permission for her partner to become a home detainee is placed in an invidious position.
>
> Informed consent? Rather than a free choice, there is likely to be subtle and pervasive relationship pressure. What if she refuses? How will the partner construe her position?
>
> What if she grants permission, knowing full well she has done so just to keep the peace? Can she really feel safe against the risk of domestic violence just because the authorities reassure her that appropriate screening and protection will occur?

That is exactly the point that National Party members wish to make in this debate. That pressure is totally unfair on any partner of a person making an application for a home detention order. It will be more than subtle pressure; it will be overwhelming pressure for that person, firstly, to give consent, and secondly, to maintain consent throughout the term of the home detention order.

I have some real concerns that home detention is likely to have a very detrimental impact on children within a home detention environment. I know of children in a situation where one of the parents is missing for a period, and it places difficulties on them. It is difficult to have a parent at home who cannot take their son or daughter to the pictures, to a friend's place, to a football match or to a cricket or netball game. The fact of having, say, dad at home and his not being able to go out and having to explain that to all of their friends would place huge pressure on children in any family situation as well.

The bill states that surveillance will also take place. There is a high degree of surveillance on people under a home detention order so I suspect people will be driving past the front of the house regularly with their electronic scanning devices. There will be random checks, knocks on the door from time to time and phone calls at different hours during the course of the day. They are all intrusions into family life, and I think that is going to have an impact on young people in such a family.

In some difficult situations it is healthy for a family to have time apart. Sometimes you are better to have that separation to ensure that overall that family sticks together. There is no doubt that the home is a refuge; it is a safe haven and sanctuary for members of a family. If somebody in that family is under constant surveillance or if restrictions are placed on their movements it breaks the sanctity of that home for young people and co-residents.

I can understand the other side, and I could stand here and argue that in some cases home detention may assist in certain family environments, but at the same time if that is balanced against the likely negative impact on other families, National Party members cannot come to a conclusion other than that the negatives far outweigh the advantages that might be given to a small number of families.

I said at the beginning that the National Party believes that besides home detention there are a whole range of other options that can assist in rehabilitation that might be more appropriate to the crime committed. One only has to look through some of the headings in the Sentencing Act to see the vast array of sentencing options that are available to the judiciary. There is imprisonment, but there are also conditions associated with that, including parole periods and non-parole periods associated with a prison sentence. There is provision for indefinite sentences, combined custody and treatment orders, intensive correction orders, suspended sentences of imprisonment, youth training centre orders, youth residential centre orders and community-based orders, as well as a range of fines. The National Party says that within the Sentencing Act there is plenty of scope and flexibility to choose a sentence which is appropriate to the crime committed without needing to include home detention as a further alternative.

In conclusion, National Party members are not convinced that this proposal is something the Victorian community wants — we do not hear any clamour for its introduction. On balance we are not convinced that it is in the best interests of families and co-residents with a family member in prison. We are not convinced that this proposal will provide the outcomes claimed by government.

We do not oppose legislation lightly, as I have said before in the chamber, but this is a piece of legislation that overwhelmingly, we believe, is not in the best interests of Victorians. That is why the National Party joins with the opposition in expressing strong opposition to this bill.

Ms MIKAKOS (Jika Jika) — I rise to speak in support of the legislation. In doing so I want to begin by indicating that there is a long history to this bill. Members should recall that the Labor Party went to the 1999 election with a commitment to introduce home detention legislation. The Bracks government introduced legislation in 2001 that was opposed by the opposition parties which then had a majority in this chamber. The legislation was defeated on that basis, because of how the numbers lay at that time.

During the 2002 election campaign the Bracks Labor government reconfirmed its commitment to introducing a scheme of home detention in Victoria and with that history in mind we are now debating this legislation in the Parliament. When the legislation was first introduced consultation took place with a range of stakeholders, as occurred again when this bill came before the house. At the time of the first bill coming before the Parliament a number of organisations publicly supported the need for this introduction, including the Law Institute of Victoria, Victoria Legal Aid, the Catholic Commission for Justice and the Victorian Association for the Care and Resettlement of Offenders. So there has been support for the need for this legislation. I will come to some criticisms that have been made from some quarters later in my contribution.

I have given the need for this legislation a great deal of thought and consideration. I essentially come to consider this legislation with the view that prison should be regarded as a last resort, and that in many instances people end up in prison for what could be regarded as relatively minor offences. Given the nature of what prison involves, these offenders mix with some hardened criminals — and the often-used example is someone going into jail with a degree in shoplifting and coming out with a PhD in armed robbery. If it can be avoided, we should be looking at alternative and appropriate corrections approaches. This government is committed to a range of diversion measures; home detention is meant to be only one part of our overall approach to the corrections system. I come to this legislation with the view that diverting low-risk, minor offenders from prison represents an increased chance of successful rehabilitation and reintegration of an offender into the law-abiding community.

I should point out that Victoria is the only mainland jurisdiction that does not currently have a scheme of home detention. Home detention is currently in place in a range of overseas jurisdictions. In developing this legislative framework that will put in place a three-year pilot, we have taken on board the experiences of other jurisdictions. I believe we have learnt from the mistakes that have been made in other jurisdictions and have come up with a package, a pilot, that looks at measures that can promote rehabilitation and reintegration of offenders in addition to protection of the community.

I now turn to the key features of the scheme. It is a pilot scheme and the legislation will sunset after three years. The minister introducing the legislation indicated that there will be a review after the pilot has been in place for two years. At that time there will be an opportunity for a range of stakeholder groups, including women's organisations, to have input into that review process. Obviously the government will continue with the scheme only if it is successful.

This bill is largely the same as the bill introduced in 2001. There is one significant change relating to giving the Adult Parole Board the power to act more swiftly in cases where there is a serious breach. That alteration is a positive move.

Essentially there are two entry points for this scheme. A person can come in at the front end through a court order involving a court, firstly, imposing a sentence of imprisonment of 12 months or less on an offender. There are automatic exclusions from participation in the home detention scheme. Offenders who have been convicted and sentenced for sex and violent offences, firearms offences, breaches of family violence intervention orders or stalking offences will automatically be excluded from consideration.

The other method of participation is through what is known as the back end. Essentially a prisoner who is already in the corrections system who has served two-thirds of his or her sentence and is within six months of his or her parole eligibility can apply to the Adult Parole Board, which then considers whether the applicant is suitable for participation in this scheme.

A specialised unit will be established in the Office of the Correctional Services Commission to assess these individuals. A detailed assessment report will be prepared after consideration of matters such as whether an order would place at harm any person who might reside with or in the vicinity of the offender and whether there are any impediments to the effective monitoring and successful completion of the order, the potential that an offender will breach a family violence intervention order, and other matters relating to the offender's age, social history, medical and psychiatric history, education, employment history, financial circumstances, criminal history and special needs. Comprehensive assessments will be made by specialised supervising officers.

In the case of people coming in at the front end, despite what Mr Dalla-Riva suggested, the notes made by specialist supervising officers on interviewing family members who might co-reside with an offender will be available to an offender and legal counsel only upon leave of the court being given. It is not anticipated that this would be given in the normal course of events.

The government is very much aware of concerns about family violence arising in households participating in the home detention scheme. For this reason it has considered a number of safeguards to ensure that such

situations are minimised as much as is possible. I note, for example, that the intended adult co-residents of an offender must have acknowledged that they understand the aspects of the home detention and they must give a written consent for the prisoner to reside at that location before a home detention order can be made.

In addition the court or the Adult Parole Board must also be satisfied that any child who will be residing with an offender has been consulted about the offender residing with the child and consideration will be given to the child's views, with due regard to the age of that child.

It is important to stress that an offender will not have access to information relating to these consultations. In particular, a co-resident's refusal to provide written consent will not be disclosed to the offender.

The order will contain a range of conditions. For example, there will be detailed conditions about an offender accepting visits from a supervising officer, searches being allowed of the household, and the offender participating in breath, urine and other tests as directed to ascertain alcohol or drug usage. In addition an offender will be required to wear a lightweight durable electronic bracelet that will link into a unit that will be placed in the offender's home and be linked to a central computer that will be able to determine whether the offender is complying with curfew requirements.

Other applicable conditions will vary from individual to individual but may include such things as a requirement to attend employment or educational opportunities. These are important, of course, to ensure proper rehabilitation and reintegration into the community, and also to facilitate the ability of an offender to make restitution to the victim of the crime.

There will be other conditions, such as requiring an offender to participate in drug, alcohol, gambling and anger management programs. Research conducted in both Canada and Sweden points out that home detention programs can be effective where they are associated with other interventions as part of the program. By interventions I mean the participation in employment, drug use and gambling programs and counselling. Evidence has shown that these types of interventions have a positive impact in reducing reoffending.

As I indicated earlier, I come to this debate, and believe the government comes to this debate, putting forward this pilot scheme with a strong emphasis on increasing the ability of offenders to be rehabilitated back into the community and on reducing recidivism. Measures in the scheme relate to minor and serious breaches of home detention orders. I point out to Mr Dalla-Riva that, as he well knows, serious breaches will be referred to the Adult Parole Board, which can revoke an order — it is possible for the board to convene meetings by telephone in emergency situations — and of course revocation will be possible where family members also withdraw their consent.

On the issue of family violence, I point out that in the United Kingdom a Home Office evaluation of the home detention curfew published in 2001 found that 94 per cent of co-residents interviewed stated that the electronically monitored curfew had a neutral or positive effect on their relationship with the offender.

It is also important to remember that many women will be participating in the scheme. Numbers are limited to 80 individuals, but in many cases where a woman is a prisoner that can have a huge impact on that woman's children, particularly where she is the primary caregiver. We know that unfortunately many women prisoners are sole parents. It is important to note that in those instances — —

The DEPUTY PRESIDENT — Order! The member's time has expired.

Hon. W. A. LOVELL (North Eastern) — I rise to speak on the Corrections and Sentencing Acts (Home Detention) Bill and in doing so state that I oppose the bill, that the Liberal Party opposes the bill, and that I also oppose the bill on behalf of the women and children of Victoria. As Liberal Party spokesperson for women's affairs I have consulted widely with women and women's groups on this bill. I will speak of the impact the bill will have on women and children.

This bill does not extend its powers to and have an impact on only offenders — it extends the reach of the criminal justice system to a broad range of Victorians who are family members of or who live with those who may be eligible for home detention. The bill will turn families into jailers and it will turn homes into jails.

A definition of a home is something that we should all think about. A home is a place that is a safe haven from the pressures of the outside world. A home is a place that is a safe and positive environment for everyone, especially for children. A home is a place that is an intimate environment where relationships can be nurtured and sustained. A home is a place of relative freedom, pleasure and joy rather than a place of restriction and punishment. The home is sacrosanct.

It is ironic that the government considers the home a suitable place for detention and for entry by outside

authority figures. The second-reading speech talks of minimising the disruption to family life and in doing so recognises that there will be disruption to family life, otherwise why would there be talk about minimising disruption. The bill also speaks about ensuring the protection of co-residents but fails to address how co-residents will be protected against the breakdown of relationships that will inevitably occur when one partner becomes the other's jailer.

Women today lead complex lives. It is not unusual for women to be filling many roles. They play the part of wife or partner, mother, career woman, with all the complexities that each of those roles entails. The bill will add a new dimension to women's lives — the role of jailer.

Ms Mikakos — What about women prisoners?

Hon. W. A. LOVELL — I will get to those in a minute.

Of course the government says that co-residents will have the opportunity to say no to home detention. This may not be a free choice. Women may feel under pressure to accept home detention orders. This is especially worrying if there has been a history of domestic violence. The bill provides that prisoners with a history of violent offences will be excluded from home detention, but it is true that domestic violence is often not reported, and women who are faced with making the decision to send a loved one to jail are hardly likely to report domestic violence at this point.

Mr Smith in his members statement this morning raised the very important issue of domestic violence, in particular the example of the abuse faced by Joanne Pate. I shall quote a couple of lines from Joanne that appeared in an article in the *Sunday Herald Sun* of Sunday, 18 May. Joanne said:

> It was made to appear that this is a crime of passion, but the abuse had been going on our whole relationship.

She went on to say that her husband's abuse had become progressively worse over the years but that she excused the violence again and again. She says she does not know why, although she lacked the support to break away. She said:

> I had moved to Melbourne on my own with no family and he was a big star. I just loved him and the person he could be at times. That was it.

She just loved him, and that is the way many women look at men who abuse them. They do not believe it is the man's fault; the man makes them feel that it is their fault. In doing so the man is using more than physical abuse, it is mental abuse; and it is because women feel responsible and therefore do not want to blame the man that so many of these cases go unreported. The real question that needs to be asked is whether home detention will enhance or destroy relationships.

When tensions arise from the detainees' frustration at not being free to go where they want to when they want to, who will they take those frustrations out on? Victorian Women's Refuges and Associated Domestic Violence Services have raised concerns about domestic violence and home detention. I received a letter from Janine Bush, the policy coordinator of the service, which states:

> In the event that an offender who is also a perpetrator of domestic violence receives a home detention order, the home will become a prison for all residents.

Janine also raised the issue of women who will potentially be placed on home detention orders. The letter further states:

> There are serious implications for female offenders who are experiencing physical, emotional, financial or mental abuse within their personal relationships. If the female offender is confined to the home in such circumstances, her capacity to escape abuse will obviously be hampered.

Children's support workers have also raised concerns for children who co-reside with home detainees. I received a letter from Gabby Grasso, who writes on behalf of children's support workers in Victoria. Gabby says:

> Children may be placed in a position where they feel the need to lie or cover up for certain adult behaviour, for fear of their parent going to jail.

She goes on to say:

> Children may be vulnerable to increased anger, frustration, aggression and threats from an offending parent … Yet children are limited in their ability to protect themselves and in effect become co-prisoners in their home.

Gabby also says:

> The impact of the police having 24-hour access to the house — physically and through phone calls — may be perceived as threatening and intimidating by children who may already have distorted views of the criminal justice system.

Mary Crooks, the executive director of the Victorian Women's Trust, wrote an excellent article that appeared in the *Age* of Friday, 8 May. I will read a bit of this article because it goes right to the heart of the matter:

> Most prisoners are men. Most offenders deemed appropriate for home detention by the authorities will be men. The people granting permission will be mostly women. The people

urging detainees to stay on the straight and narrow will be mostly women. Those responsible under the act for reporting aberrant behaviour to the authorities will be mostly women. The people making sure that home detention does not negatively impact on families and children will be mostly women.

A woman faced with granting permission for her partner to become a home detainee is placed in an invidious position.

Informed consent? Rather than a free choice, there is likely to be subtle and pervasive relationship pressure. What if she refuses? How will the partner construe her position?

What if she grants permission, knowing full well she has done so just to keep the peace? Can she really feel safe against the risk of domestic violence just because the authorities reassure that appropriate screening and protection will occur?

A woman who lives in the same home as the offender has to make a critical psychological and relationship shift as wife and mother. In effect she is now part of the correctional services system.

She must watch her partner's every movement, his telephone conversations and conversations with visitors. She must coax him to stay within bounds if his frustration erupts. She must handle the communication about home detention with her children's teachers, local traders and neighbours.

At worst, even without the risk of domestic violence, the experience for her is likely to be demeaning and depressing.

Without committing a crime against the community, she herself becomes something of a prisoner, the home the prison.

Mary's point is very important to this debate. I seek assurance from the government that no woman will face domestic violence as a result of the home detention order. I will be monitoring this, and I will personally hold the government accountable for any domestic violence that does occur. We will certainly be out there in the press, highlighting the inadequacies of this system.

Mary Crooks goes on in her article to say a few things about women in politics, and I quote:

Electing more women to Parliament is not simply about raw numbers and equal representation. There is an important politico-ethical edge. Women's experience of the world tends to be very different from that of men. No matter how well intentioned, men cannot adequately represent women's needs and interests. Democracy is healthier and stronger when more women enter politics.

Importantly, however, when we elect women to Parliament, we need to be reassured they also represent the needs and interests of women rather than simply adopting uncritically the culture, paradigms and stance of their male counterparts.

Over a century ago, the women's suffrage movement argued that women should have the vote because government of the people, by the people and for the people, should mean all the people and not one half.

Suffragists knew that most laws affected women as much as men and that some laws press grievously on women.

There are now record numbers of women in the Victorian Parliament and around the cabinet table.

Yet, if ever there was a case for Labor and Liberal women to work together along bipartisan lines and vote down some legislation in the Victorian Parliament this week because it threatens to jeopardise the wellbeing of Victorian women, it is the home detention bill.

Then women everywhere would truly start to reap the benefits of more responsive political representation.

Mary received quite a few responses to her article, and I quote from a few because they are pertinent to the debate. The first states:

I am prompted to write directly to you having just read your excellent piece on women MPs in the *Age,* which I thoroughly endorse.

Another says:

Fantastic opinion in today's *Age*. Very eloquently put I thought! I totally agree with you. The whole home detention thing will use and abuse women in the same way as the government uses women to take responsibility for and care for everyone that the government wishes to shirk responsibility for …

Another states:

Thanks for your great article in this morning's *Age* regarding home detention. It always amazes me that politicians and the public can so often fail to analyse the full consequences of policies in the criminological arena …

I especially liked your linking of policy issues with the need for a culture change within Parliament along gender lines so that issues impacting upon women can be contextualised differently.

The recent focus on breastfeeding was demeaning of female politicians — —

Honourable members interjecting.

The DEPUTY PRESIDENT — Order! Ms Mikakos!

Hon. W. A. LOVELL — This next letter says:

What a thoughtful piece in today's *Age*. It highlighted something that hadn't occurred to me, but as soon as I read it the whole thing seemed obvious.

Another one:

Excellent article, Mary. I hadn't thought about the issue fully and the effect on women.

The final one said:

Great article! Good connection to make and why don't Emily's List come out and say something too?

The member for Gembrook, Ms Lobato, in her brief contribution to debate in the other place, was the only government member to acknowledge the impact this bill would have on women and children. Clearly in her heart the member was uncomfortable in being compelled to toe the government line. I encourage all female members to read the member's contribution.

Hon. A. P. Olexander interjected.

Hon. W. A. LOVELL — Yesterday I wrote to all female members of the Legislative Council asking them to support the women and children of Victoria — —

Hon. A. P. Olexander interjected.

The DEPUTY PRESIDENT — Order!
Mr Olexander is making it difficult for Hansard to hear.

Hon. W. A. LOVELL — Once again I call on Ms Argondizzo, Ms Broad, Mrs Carbines, Ms Hadden, Ms Mikakos, Ms Romanes and the Honourables Helen Buckingham, Kaye Darveniza, Carolyn Hirsh and Marsha Thomson to oppose this bill.

Ms ARGONDIZZO (Templestowe) — I rise to speak on the Corrections and Sentencing Acts (Home Detention) Bill. It is an excellent initiative of this government and a very progressive one. The bill expands the sentencing options for magistrates or judges, giving them an additional option other than just jail alone. In response to Mr Dalla-Riva's comments on beds in prisons, the government has approved funding for construction of 1403 new prisoner beds at a cost of approximately $260 million. That is for the record.

Getting back to this bill, it allows a low-level offender a better chance of rehabilitation. Not all offenders are sex offenders or violent offenders, and a lot of offenders are women. We should consider that some of those women may have children and may be much better off in their homes as opposed to prison where they cannot look after their families.

The program is only available for low-violence, low-risk and low-security offenders and specifically excludes certain offences including violent or sex offending, stalking, and all offences involving firearms or prohibited weapons — so someone who has taken part in an armed robbery will not be approved under the home detention program — commercial drugs and trafficking, and the breaching of family violence intervention orders. Those people are not going to be subject to home detention approval.

Some of the concerns raised about people's freedom on home detention deserve mention. There were concerns expressed in the newspapers about people on home detention being free to go off to the footy and doing all sorts of — —

Honourable members interjecting.

Hon. R. Dalla-Riva — They are. They are going to work.

Ms ARGONDIZZO — No, going to work is a little bit different from having social activity, Mr Dalla-Riva. Those who will be granted home detention will be under strict surveillance. They will not be free to attend a lot of activities of their choice, but rather to attend only the appointments approved of by their corrections officers within their home detention orders. Some examples would be attending work or perhaps attending an appointment with their corrections officer, but not attending social activities, as has been stated. They will be subject to constant surveillance in their homes to make sure they comply with their orders. The Adult Parole Board will have the power to revoke the home detention order for a person who does not live within the conditions of the order.

Hon. R. Dalla-Riva interjected.

Ms ARGONDIZZO — Absolutely! They will convene at 3.00 a.m. if need be.

On the issue of women, there are many women prisoners, as I said earlier, and they are offenders who will be eligible for home detention. There have been discussions — —

Honourable members interjecting.

Ms ARGONDIZZO — There will be a high proportion of women on the program as a percentage of the number of women in prisons. Again that is just for the record. We are consulting with women's groups and organisations about the program's operational procedures and the training of staff. An offender is thoroughly assessed by a trained corrections officer, who is requested to provide an assessment report to the court on the offender. If this process is correctly followed there should be no risk to the family of the offender.

Hon. R. Dalla-Riva — Until he comes back and punches them up.

Ms ARGONDIZZO — Those offenders, the violent ones, should not be subject to home detention — and they will not be. As I explained earlier, violent people and people who have committed

crimes with firearms and so on are the exceptions. I commend the bill to the house.

Hon. B. N. ATKINSON (Koonung) — On a previous occasion when this legislation came to the Parliament I was not opposed to the concept of home detention because I believed it was a sentencing option that made sense for a number of offenders and in fact gave magistrates a choice and a wider range of options for dealing with particular offences. My position of that time did not necessarily endear me to my friend and colleague, the shadow Minister for Police and Emergency Services in another place who was at that time our party spokesperson on these issues. The benefit of public debate is often overlooked in terms of the decisions we reach and the conclusions we draw as members of Parliament on important issues.

An article in the *Age* written by Mary Crooks, whose views I would not normally pay particular attention to, was actually more persuasive to me than Mr Dalla-Riva or Mr Wells were within our own party room on why this legislation ought not proceed. Mary Crooks made some very valid points in that article about the problems in making women the jailers of people under this home detention scheme and the invidious position in which many women — or maybe even some women — will be placed under this legislative proposal.

Mary Crooks is a frequent commentator on public affairs and, as I said, she is not someone with whom I often draw similar conclusions; however, the views she put forward on this occasion were certainly persuasive to me, notwithstanding the positions I have adopted in the past even within my own party, and I would have to say I have no problem supporting the opposition's position in opposing this legislation. I believe the positions of Mary Crooks and the speakers from this party in both houses of Parliament are based on very valid points of view as to why this legislation ought not proceed.

Hon. J. H. EREN (Geelong) — I have been listening to some of the contributions made today, especially the contribution of Mr Dalla-Riva. In particular he highlighted a case in New South Wales which involves a person who is on home detention for what we in Victoria would call culpable driving. Mr Dalla-Riva on this occasion is dancing at the bottom of the garden with the fairies along with the rest of the opposition. I say that because the opposition obviously has no idea about its own policy on home detention.

I inform the house that there is an immigration case that is currently pending a decision by the federal government, and probably in the near future Mr Ruddock, the federal immigration minister, will make a decision on this case. I do not want to get into the nitty-gritty of what the case is about, but I do want to highlight it. I have here some newspaper clippings about the case. I do not want to put his name on the public record, but this person was allegedly wanted in his home country for allegedly committing some hideous crimes before he migrated to Australia. The newspaper articles report that it is alleged he was involved with a crime syndicate and that he has overseas convictions for kidnapping, extortion, attempted murder, drug offences, stabbings and other Mafia-related crimes.

Hon. R. Dalla-Riva interjected.

Hon. J. H. EREN — Now that this case has been highlighted for the minister, where does Mr Dalla-Riva think the person concerned is currently being detained? Is he being detained at the Maribyrnong maximum security prison, as I would call it? The federal government obviously believes the allegations to be true, and the federal minister and federal coalition government obviously have a policy on this issue — they obviously support home detention because the person I am talking about is being detained in his own home! It is not a Labor government that has this policy federally; it is the federal Liberal-National coalition that has this policy of home detainment.

Hon. R. Dalla-Riva — On a point of order, Acting President, I have been listening intently to the member's contribution to the debate. We are debating the home detention bill, which relates to Victorian statute law. For the last 3 or 4 minutes the member has just been debating an issue about a detainee who allegedly committed a criminal offence that took place overseas, and I am totally perplexed about his argument in this debate. I wish, Acting President, that you would call him back to order.

Hon. J. H. EREN — On the point of order, Acting President, this is very relevant to what we are talking about today, and I am coming to my point about home detention. I am merely saying that the federal government has a policy on this issue.

The ACTING PRESIDENT (Hon. H. E. Buckingham) — Order! I rule that the member is developing his point, and I ask him to continue and come to the point quickly.

Hon. J. H. EREN — Thank you, Acting President. We see the hypocrisy of opposition members when they scaremonger in the community for the sake of

opposing the bill. We are nowhere near saying that any of the people who should be detained in the home are people who have been convicted of serious crimes, as has the person who is being detained in the home by the federal government — nowhere near it at all.

There is no doubt that the issue of crime and punishment is a very contentious topic in our community. When members of our society break the law they deserve to be penalised. There is a belief in the community that criminals should not get off lightly, and the government also believes they should not get off lightly, especially when they pose a violent threat to the community, and that is what I think the opposition is saying by opposing this bill.

The home detention bill presented to us today will provide Victoria's justice system with more options in dealing with low-risk prisoners. It will allow offenders to serve a period of imprisonment in the community under highly restrictive and intensely supervised conditions. I highlight that they will be low-risk prisoners, unlike the person who is being detained by the federal government in his own home. The federal government obviously believes the allegations made against him are true or it would not be detaining him in his own home.

The scare tactics by the opposition should be condemned. They are striking fear into the community about this bill, and only for their own political gain. No government, especially the Bracks Labor government, will allow violent criminals to be part of a home detention scheme; the opposition knows that very well. Those who have committed violent crimes — including sexual assault, offences using a firearm or a prohibited weapon, stalking offences or a breach of an intervention order — will automatically be excluded from this program. It cannot be clearer than that.

Hon. A. P. Olexander — Who is in it?

Hon. J. H. EREN — You ought to read the bill and find out. I do not have enough time to explain it to you. But public safety is of paramount importance to the government, and that is why, as distinct from the previous government, we have put an extra 800 police into the system with another 600 to come. We care very much for the safety of our community. The government would not put at risk the wider community, and the opposition knows that very well.

Clearly the federal coalition government has a clear policy about this. It is home-detaining people. I do not know whether the state opposition is in touch with its federal colleagues, but it appears not.

Hon. R. H. Bowden — On a point of order, Acting President, I have listened for several minutes to the honourable member, and we are not here to hear a critique of the federal government. My suggestion is that we are not here to hear the federal government attacked but to debate a bill the state government is proposing. The criticism of the federal government is out of order, and I ask you to rule in that way.

The ACTING PRESIDENT (Hon. H. E. Buckingham) — Order! Perhaps the member is straying from the point. There is no point of order, but I ask the member to continue with his argument.

Ms Mikakos — We're very touchy today.

Hon. J. H. EREN — Absolutely — very touchy. The bill clearly provides that a prisoner will automatically be excluded from home detention if he or she has a history of violent offences — that is, sex offences, offences involving firearms or prohibited weapons, commercial drug trafficking offences, stalking offences or breaching an intervention order. As I have stated, that is very clear.

Before a home detention order can be made the offender must undergo a comprehensive assessment, for the information of Mr Dalla-Riva, by a specialist supervising officer located within community correctional services (CCS).

Hon. D. McL. Davis interjected.

Hon. J. H. EREN — You are very cynical, as oppositions are from time to time. A home detention order cannot be made unless the CCS officer has determined that the offender is a suitable candidate for the home detention scheme.

Home detention is a sensible option for some offenders, and one that is used successfully around the world. This is not a new system, we are not reinventing the wheel, because the system, as I said, is in operation throughout the world. Mr Hall commented on costs. Costs are not the only reason the bill has been proposed, but the cost of housing a prisoner in a conventional low-security facility is very high. It costs something like $46 000 a year. The cost of the scheme proposed in the bill will be significantly lower. Of course cost is not the major factor, but the lower cost benefits the community.

The main reason for the bill is that evidence from other countries and other Australian states that have home detention systems is that it is an option for a stronger method for prisoner rehabilitation. Home detention allows offenders to maintain employment and is an

opportunity to keep the family together. Both factors are important, particularly when the offender is the primary caregiver for young children or is the sole financial support for the family.

It is particularly important to note that the bill will allow families to remain together, thus preventing relationship breakdowns that ultimately hurt the entire family, not just the convicted person. Children are the biggest victims when a primary caregiver is imprisoned; it is about losing a parent.

In developing this initiative we have also taken on board some of the concerns raised in relation to family violence. Care has been taken to incorporate measures to address these concerns. These were reflected in the final version of the bill. Furthermore, measures to address family violence issues will be expressed in operational procedures for the home detention program and in the training that home detention officers will receive.

Home detention is commonplace around the world. Victoria is now the last place in Australia to have it available. The experience of other places shows that home detention can work as an effective means of enhancing offender rehabilitation without putting the community at risk and while minimising the disruption to family life that incarceration can sometimes cause.

This bill will include a sunset clause that will cause the legislation to lapse three years after the commencement of the home detention program unless otherwise determined by Parliament. The minister will provide an evaluation report on the program after two years of operation and again consult with stakeholders as part of the evaluation. Therefore, I commend the bill to the house.

House divided on motion:

Ayes, 24

Argondizzo, Ms	Madden, Mr
Broad, Ms	Mikakos, Ms (*Teller*)
Buckingham, Ms	Mitchell, Mr
Carbines, Mrs	Nguyen, Mr
Darveniza, Ms	Pullen, Mr
Eren, Mr	Romanes, Ms
Hadden, Ms	Scheffer, Mr
Hilton, Mr (*Teller*)	Smith, Mr
Hirsh, Ms	Somyurek, Mr
Jennings, Mr	Theophanous, Mr
Lenders, Mr	Thomson, Ms
McQuilten, Mr	Viney, Mr

Noes, 19

Atkinson, Mr	Forwood, Mr
Baxter, Mr	Hall, Mr
Bishop, Mr	Koch, Mr
Bowden, Mr	Lovell, Ms
Brideson, Mr	Olexander, Mr (*Teller*)
Coote, Mrs	Rich-Phillips, Mr
Dalla-Riva, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr
Davis, Mr P. R.	Vogels, Mr
Drum, Mr (*Teller*)	

Motion agreed to.

Read second time.

Third reading

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — By leave, I move:

That the bill be now read a third time.

In so doing, I thank honourable members for their contributions to the debate.

House divided on motion:

Ayes, 24

Argondizzo, Ms	Madden, Mr
Broad, Ms	Mikakos, Ms
Buckingham, Ms	Mitchell, Mr
Carbines, Mrs	Nguyen, Mr
Darveniza, Ms	Pullen, Mr
Eren, Mr (*Teller*)	Romanes, Ms
Hadden, Ms	Scheffer, Mr
Hilton, Mr	Smith, Mr (*Teller*)
Hirsh, Ms	Somyurek, Mr
Jennings, Mr	Theophanous, Mr
Lenders, Mr	Thomson, Ms
McQuilten, Mr	Viney, Mr

Noes, 19

Atkinson, Mr	Forwood, Mr
Baxter, Mr	Hall, Mr
Bishop, Mr (*Teller*)	Koch, Mr
Bowden, Mr	Lovell, Ms
Brideson, Mr	Olexander, Mr
Coote, Mrs	Rich-Phillips, Mr
Dalla-Riva, Mr (*Teller*)	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr
Davis, Mr P. R.	Vogels, Mr
Drum, Mr	

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

DRUGS, POISONS AND CONTROLLED SUBSTANCES (VOLATILE SUBSTANCES) BILL

Second reading

Debate resumed from 10 June; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. D. McL. DAVIS (East Yarra) — I am pleased to make a contribution to the Drugs, Poisons and Controlled Substances (Volatile Substances) Bill. In doing so I note that the opposition supports this bill, but I will make a number of comments about concerns that the opposition has about it.

The bill in itself is something of small but definable merit, and therefore the opposition will support it. Before I get to a discussion of the bill itself, I want to do a short trip down memory lane and look at the development of the government's response to the issue of chroming, which is essentially what this bill is about.

Members of the house will remember that last year a significant concern developed in our community about chroming. That concern had been developing over some period. There was also concern about the government's management of the chroming issue. In fact, the Minister for Community Services at the time, who had responsibility for the government's response on matters associated with chroming, did not manage the issue well, and the government did not manage the issue well.

Hon. W. R. Baxter — That's putting it mildly.

Hon. D. McL. DAVIS — It may in fact have cost her a position in cabinet, Mr Baxter, as you hint.

Prior to that the Drugs and Crime Prevention Committee had developed a thoughtful report on the inhalation of volatile substances. That bipartisan report looked at a number of different responses and ways of managing the issue of chroming.

For those in the house who are not familiar with the issue, chroming is the practice amongst largely younger people of using aerosol cans and the like to inhale substances that are potentially dangerous and certainly will have a significant impact on the younger person. It was found at the time that there was no satisfactory method for removing these devices — cans and so forth — from younger persons, as the practice of chroming itself is in fact not illegal, so at the time there needed to be some response.

The Drugs and Crime Prevention Committee inquiry on the inhalation of volatile substances produced a report which was tabled in this Parliament. It is interesting to see the government's response to that report. I have read the response in depth. Some thoughtful matters are raised in it.

I welcome a number of initiatives of the government in this area and believe some steps it has taken will assist with the management of chroming. I note there are a number of recommendations from the Drugs and Crime Prevention Committee inquiry that have not been acted upon as yet. It is important to place on record that the opposition would seek to ensure the government's full and adequate response in this area, and that would include a number of the recommendations that to date have not been acted upon fully.

I note the significance of this in terms of the community's views. It is very clear that parents and the broader community want to see this practice either stopped or significantly managed, and to the extent that within its narrow parameters this bill adds to that and helps achieve that, the opposition is prepared to welcome it.

The bill will in essence allow the Victoria Police to exercise certain powers to prevent young people causing themselves and others harm through the inhalation of the volatile substances that we have described. The bill will allow the police to detain youths whom they suspect have inhaled or are likely to inhale such volatile substances. The officers will be able to confiscate the substances, and hence separate the young person from the substances, and they will be able to detain the young person until they are no longer under the influence. The police will then be empowered to release the young person into the care of a parent, guardian or youth worker. I note the police will be enabled to use reasonable force to carry out those steps.

This bill does not criminalise chroming as such; it just aims to prevent the use of these substances by young persons and to remove the substances at a point where they are likely to cause harm to those young people.

Members who were in the house prior to the last election would remember that the Liberal Party introduced a bill which would have banned the sale of spray cans and the like — the substances that can be used for chroming — from sale to young persons under the age of 18. The opposition in no way resiles from its position on that, but it does say this bill is one step, and it is part of an integrated package of steps, many of which are laid out in the Drugs and Crime Prevention Committee report.

The bill also contains a sunset clause and provides for a review. In two years time there will be a review, and the opposition will be watching that review closely. I place on record today the opposition's concerns about the government's management of this issue over a lengthy period and say we will be watching very closely to ensure that the management of these issues is adequate and that the government has actually responded seriously to the overwhelming community concern that has been expressed about this issue.

The opposition reserves the right to reintroduce the private members bill it had introduced in this place prior to the last election — it was moved by Mr Lucas, a member of this place at the time — but it will not do so at this point. It will watch the government's implementation of this legislation and the penumbra of other management activities, including the retailer kits and the whole gamut of things that are laid out in the Drugs and Crime Prevention Committee's recommended responses on these matters.

I place on record my strong commendation of the work of the Drugs and Crime Prevention Committee. It is an important committee. Parliamentary committees are often a very productive way of handling these sorts of highly charged issues and finding a proper and adequate community solution to them. I do not pretend the Drugs and Crime Prevention Committee has found any final answer or comprehensive solution to this problem, but it has made a number of sensible recommendations. To that extent the opposition is prepared to wait and watch the government's process of implementation.

I place on record also the opposition's concerns about the difficulties police will face as they enforce this legislation. I understand a series of protocols are being developed, and the opposition was informed of those in the briefing that was provided by the department and the minister. I also place on record my thanks to the minister, the parliamentary secretary and the departmental officers for that briefing. It was appreciated. It is always helpful to understand the thoughts of those who will be required to implement these sorts of bills. The opposition has some reservations about how the protocols for police intervention in chroming cases will operate. It has some concerns about the objective judgments the police will be required to make, and hence the workability of the legislation.

Even within the narrow parameters of this bill — which is just a sliver of a response to the chroming issue, a sliver of the overall responses that the community will need to implement to in any way manage this issue — there are concerns.

I do not want to say a great deal more about this. I commend the work done by my colleague in the other place, the honourable member for Caulfield, and her longstanding interest in these areas. I note also — and it would be wrong not to place it on the record — the comments of the Australian Drug Foundation, the Victorian Youth Affairs Council, the Youth Substance Abuse Service and Turning Point, which in September 2002 commented on the report of the Drugs and Crime Prevention Committee and endorsed it. To that extent I am at least in part guided by the views of those in the industry who have contact with and knowledge in this particular area. And I think it would be wrong of us not to make a comment in that respect.

I know also that the opposition has been guided by the strong responses of a range of people in the community that each and every member of the opposition has had contact with on this issue, and I can certainly indicate strongly that the opposition to chroming and the concerns about chroming amongst parents and the broader community are very significant. I implore the government to complete a comprehensive response to the chroming issue. I think there is a lot of ground to be made up on this problem.

In closing I should also make mention of the comments provided to me by the Victorian Alcohol and Drug Association, and the fact that I have certainly been impressed by the quality of the material that has been presented to opposition members on this issue. In doing so I say again that we support the government's very narrow initiative here, but implore the government to take the further comprehensive steps that are necessary.

Hon. D. K. DRUM (North Western) — I too would like to take the opportunity to contribute to the debate on this bill and to state from the outset that the National Party will not be opposing this bill. In fact, we will be supporting many parts of it.

The purpose of the bill is to amend the Drugs, Poisons and Controlled Substances Act 1981 predominantly to give the police additional powers to help them search persons without having a warrant in certain circumstances which merit their suspicion. Police will have the ability to seize volatile substances in the vicinity which they believe are being used as inhalants and also to apprehend and detain people who are engaging in the abuse of inhalants. This volatile substance use, or abuse as some might like to call it, is having a huge impact on our youth, and the fact that

something positive is being done about it with this legislation is a very strong positive for the government.

This bill, or a bill very similar to it, was introduced in this house during the last Parliament in the form of a private member's bill. It was passed in this house but unfortunately its process was halted once it had passed through this chamber — for reasons known only to the previous government it was not taken any further.

Hon. C. D. Hirsh — I thought it was the same as this.

Hon. D. K. DRUM — No, it was not exactly the same as this, but it was very similar — and in fact it dealt with chroming. We also have the very detailed report of the parliamentary Drugs and Crime Prevention Committee in the last Parliament, which came up with 16 very sensible and strong recommendations, possibly the key one of which was to give to police additional powers of search and seizure. This will be much welcomed by the police. The officers I have spoken to believe it is very important for them to be given these additional powers to enable them to confiscate these materials — spray cans of inhalants, flammable liquids and so forth. I will refer to those recommendations later on, but that recommendation is a key part of this bill.

I also refer to the study into chroming which was undertaken by the Victorian Alcohol and Drug Association (VAADA). It also produced a report which was formulated from the reading and use of a wide range of literature. It goes right into the details of this whole issue and states that the practice of chroming and the abuse of a range of volatile substances has been occurring for decades within Australia. It is something we might think of as reasonably recent but in fact VAADA tells us that is not the case. It also tells us that accurate data in relation to this practice is not available, and I think we have to look into that if we are serious about trying to do something about this problem. We may possibly have to look past the policing of it, which this bill covers, and look back to education and prevention. It is going to be very hard for us to do that while accurate data is unavailable on this issue.

Studies concluded in the last decade indicated a wide variety of the prevalence and incidence of the practice of volatile substance abuse. It is not confined to specific areas and specific users but is quite varied. The most susceptible age group, which we are focusing on here, is 13 to 16-year-olds, although a wider age group has also come to the attention of police. The police have told me that in relation to chroming they are looking at males and females who could be from 10 to 20 years of age, so while there is a specific target group it is an issue which spreads over a wide age range.

One of the interesting issues here is that volatile substance use (VSU) is for the vast majority occasional and experimental. We have to keep that very much in mind, because if we were not aware of that the statistics would seem to imply that we had an absolute epidemic on our hands.

The statistics we have been given show that up to 15 per cent of children in year 7 used inhalants in the last month. To think that 15 per cent of our population do this on a regular basis is quite startling, and to think that 35 per cent of our children will do this at some stage is also startling. It further emphasises the fact that as soon as we can we have to obtain as much accurate data and knowledge on this issue as we possibly can so that we can then set about doing things.

There is a very high incidence of substance abuse within our Aboriginal communities. For reasons I am not aware of — obviously we would need to look into it more closely — the prevalence of this practice is much higher in our indigenous communities than it is elsewhere. Again that highlights the point that we have to really zone in and get to the bottom of this problem as soon as we possibly can.

The health implications of substance abuse range from minor dizziness and tremors, irritability, a bit of drowsiness and acting as if having taken a depressant, right through to extensive problems such as organ and nerve damage and — as has been detailed in the Victorian Alcohol and Drug Association report — it has even led to death on some occasions.

We have an unbelievably damaging issue. The police tell us that what they are looking for in youth out there are some of the giveaway signs, such as discolouring of the mouth region and glazed-over eyes and being anywhere from slightly incoherent to totally spaced out — out of it. The police can see the long-term users of this practice going straight to the mental health asylums. They say it is nearly a one-way track. It is a very dangerous practice, but unfortunately it is going on out there and the youth who are so dear to us all are out there cooking their brains through volatile substance abuse.

Before I move on I would like to touch on a very strong forum which was held. In April 2002 VAADA held a consultation forum on chroming at the Melbourne town hall. The forum was a primary factor in VAADA being able to develop the recommendations it put together. It has gone through a whole range of issues and come up

with some very significant recommendations. I would like to go through a few of them.

It acknowledged that inhaling volatile substances is a very harmful practice that we need to discourage. It also noted that inhaling volatile substances can be an occasional and experimental practice. So it has a pretty accurate handle on the whole thing. It also mentioned that volatile substance use is not solely a drug problem; it is a problem about young people.

This is where I come in very strongly. We have to understand that we have to fight not just the issue; we need to put so much of our resources into the cause of the problem. We need to fight not only the symptoms of volatile substance use, and that is where we have a real problem with this issue. VAADA also recommended that:

> … young people engaged in VSU behaviour should have access to a comprehensive range of interventions and support that will address their individual needs including: family support and other networks of care, mental health, accommodation, employment and education, recreation and creativity …

and so on.

We really need to put in place a network and a backup for these children who have been acknowledged and identified as being heavy and constant abusers. VAADA concluded that:

> There is a high need for specialist services to provide intensive residential treatment …

The last of its conclusions I would like to touch on is that:

> Work force development is a critical issue. There is a high need for more resources in terms of staffing, training and remuneration …

VAADA is effectively telling us that they and the people involved in treating people involved in these issues are understaffed and under-resourced. We really need to address these issues if we hope to have a true and genuine chance of getting on top of this terrible problem we have.

While I am on the VAADA report I would like to refer to a media release quoting Carol Bennett, its executive officer, who wraps up the report with the summary:

> As a community who cares for all our kids, we've got to move beyond the heat generated by recent media and public debates. We've got to be more clear about how people and services who deal with some of our most fragile kids can, and do, deal with this problem on a day-to-day basis. Newspaper headlines and political point scoring have not helped address this very serious problem. It can have disastrous consequences for some young people, their families, and the people who work to support them.

I really admire her for coming out as pointedly and clearly as she has, saying that the whole issue is way over and above and more important than any sort of politics or headlining throughout the media. We need to get to the bottom of this problem and make decisions here in Parliament that will really help.

There was also the government's response to its committee report last year. It called for greater research and evaluation, and a further investigation into developing and establishing research programs is anticipated. We have to make sure that further research and development into this area is more than anticipated. We have to make sure that it is written in stone and that it gets done, and that we do whatever it takes to get to the bottom of this problem. In this area we must continue until we are convinced that we have found the cause. We must make sure that we truly understand why our youth are engaged in such a lethal practice.

This bill gives our police greater powers to try and curb the problem, and those powers are long overdue. I was interested to read in an article a few months ago that the police wanted stronger powers and they were hoping that the government might ban some of the products that are used on an ongoing basis for voluntary substance abuse. This bill does not go that far, but when the sunset clause takes effect and the bill comes up for renewal in two years time we will look at it again and consider whether we should have gone that extra step and banned some of these substances.

The government has been advised of possible problems with the legislation in relation to ambulances. For example, when a police officer comes across youth who have been sniffing these inhalants and are in need of hospitalisation there is a question about who pays. A standard trip to a nearby hospital might only cost a few hundred dollars but what happens if a regional hospital deems it necessary to send the patient on to a metropolitan hospital and the cost runs into thousands of dollars. At present this cost is being met by the hospitals, but we are unsure whether they are going to recharge the police department or the individual concerned at a later date.

Perhaps in his summing up the minister might be able to clarify that particular issue. Whilst this legislation will help to increase the incidence of our youth being detained and taken to hospital we may need to clarify this area of ambulance transfer costs.

In conclusion, we have been warned about chroming by the Victorian Alcohol and Drug Association, by our

all-party parliamentary committee and by police and community workers. Whilst the government supports the actions that prevent these practices from becoming commonplace, and that is what we are dealing with here, it is putting in place policing powers so that there will be greater control over kids who are involved in these practices. We must heed the warnings of people in organisations who know the problems intimately. We need to invest in our youth, and we must make every effort to understand the associated issues that are leading our youth to indulge in volatile substance use. It is the side issues that are driving these kids into these practices that we need to really understand. While just trying to fix the mess that we find in the streets and with the kids at the back of the park by giving our police greater powers is a start, we must do much more.

We know our target group is 13 to 16-year-olds, but we also know that we are talking about 10 to 20-year-olds and possibly younger. We have these horrific statistics that tell us that 15 per cent of year 7 children were indulging in this practice last month and that up to 35 per cent will participate in it at some stage. If they are to be believed these are horrific statistics. We must look to education and prevention to make sure that we are providing adequate funding and doing everything we possibly can to minimise the impact and decrease the practice of chroming by youth in our community.

Hon. C. D. HIRSH (Silvan) — I am pleased to speak in support of the Drugs, Poisons and Controlled Substances (Volatile Substances) Bill. This bill is an important part of a commitment by the Bracks government to deal with the issue of drug and substance abuse. It addresses the aspect of substance abuse which is so dangerous to the youngest and most vulnerable members of our community, and this includes young indigenous people, who are particularly vulnerable.

The bill is a direct response to the ground-breaking report of the Drugs and Crime Prevention Committee that was tabled in Parliament last September. The committee's inquiry into the inhalation of volatile substances is a very important one. Hundreds of copies of the report have been sent across Australia and to other countries. It is the most informative report in the world today.

Before turning to the bill I want to pay tribute to the work of the previous committee on this report. Sang Nguyen in this house; Bruce Mildenhall, Richard Wynne, Hurtle Lupton, Robin Cooper and Ken Jasper from the other house; and the previous Chair, Cameron Boardman, all showed a great commitment to this inquiry and put a great deal of work into it. In particular I want to pay tribute to the talent and dedication of the committee's executive officer, Sandy Cook, and the research officer, Pete Johnston, who along with other research assistants were responsible for producing the report. Their work should be acknowledged.

The bill before the house today responds to recommendations 4, 5(a), 5(b) and 5(c) in the report. The government is also responding to the other recommendations in the report. In response to recommendations 1, 2 and 3 concerning the need for a national response to chroming, or volatile substance inhalation, the interdepartmental government committee on drugs that reports to the Ministerial Council on Drug Strategy met in April this year to discuss the establishment of an appropriate national coordinating body, so the government is going ahead with its response to those first recommendations; in fact, it is tackling the problem on a number of fronts by implementing a number of the other 16 recommendations of the report.

Over 3000 retailers kits based on a voluntary code to encourage responsible sale of volatile substances went out in the middle of last year. I must congratulate in particular the Reject Shop at Eastland shopping centre, which has a large sign informing customers that cans of spray paint will not be sold to people under 18 years. I asked the staff what the response has been, and they said they tend not to ask for identification, but if kids come in asking for spray paint they refuse to sell it to them. It is a most responsible attitude, and I hope some of the other retail outlets which have the kit are using it.

In February this year the government released inhalant management guidelines to assist health and welfare workers in responding to this problem. These guidelines or protocols are very detailed and very useful for workers in the field. They tell them what to do if they find a patient, how to deal with the patient, when to call the police and when to call an ambulance. They are most detailed protocols and must be valuable to all community workers and, might I say, the police who will be involved.

The government has commissioned the Commonwealth Scientific and Industrial Research Organisation to undertake a feasibility study to find out whether bittering agents could be combined with commonly used solvents to make them unpalatable to inhale. I think that could be a very useful way to go in the future. Other government initiatives include the appointment of five specialist drug and alcohol treatment workers to support young people with drug problems, including solvent abuse, living in residential care; a resource for schools on volatile solvents giving health and safety guidelines; and the development of a Koori solvent

abuse kit which is a resource for workers in the Koori community to use particularly with young indigenous people.

Because of the vulnerability of the groups involved in solvent abuse and because sprays and inhalants are not prohibited substances, police need specific powers to enable them to seize these materials. I commend the government on its alacrity in preparing this legislation and putting it before the house. The report was only released last September, the government response came out early this year — I think in the first few weeks of the parliamentary sitting — and the legislation is here before us today.

The purpose of the bill is to protect the health and welfare of children and young people by enabling police to seize a volatile substance from a person suspected of being under 18 if it is being inhaled, is going to be inhaled or appears to have recently been inhaled. There is quite a lot of responsibility put onto police in this seizure clause. They need to inform the person that it is not an offence to possess a volatile substance or even to inhale a volatile substance, but these substances can still be taken from the person. They need to inform the person that reasonable force may be used to seize the substance. The question I have asked and will continue to ask is: what is reasonable force? Going through case law it seems that the use by police of their operational commonsense and discretion is the way they decide how much force to use.

In considering the seizure and search component of the bill we need to be aware of an interview outlined in an appendix to the Drugs and Crime Prevention Committee report. It is an interview with a 18-year-old named Chris who had been involved with chroming for four years.

> THE CHAIRMAN — What happens when you do it? What do you feel?
>
> CHRIS — It might sound stupid, but the word they use is 'buzz'. It gives you a buzzing noise. It makes you violent.
>
> THE CHAIRMAN — How do you know you are violent?
>
> CHRIS — The way I act. I feel sometimes I want to commit suicide and all that and be violent to people on the street, like punching people. As soon as I am not doing it —

that is chroming —

> I am not like that.

Bearing Chris's evidence in mind and bearing in mind evidence from other young people, it will be important for the police when using reasonable force in seizing substances and searching young people to remember that when kids are intoxicated with this drug they can be very violent. That issue will be quite important when the bill is reviewed and monitored as this procedure begins.

The bill provides that a member of the police force may, without a warrant, search a person and any vehicle or package or thing in the possession of a person suspected of using a volatile substance, being about to use a volatile substance or having just used one. A search may take place if the officer reasonably suspects that the person is under 18, that they have a volatile substance and they are going to inhale it.

The police have a number of requirements they must fulfil before they start a search. They have to give information to the person, provided it is practical to do so. The requirements are described in the bill, and they include the information that the person is not committing an offence. The person also must be asked to produce substances in his or her possession prior to the police seizing or searching. If a search or seizure has taken place, if a person is apprehended or detained or if a volatile substance is taken from a person or gotten rid of, the police member must make a written record of particulars. Apparently the paperwork involved will not be extensive and only basic details relating to the exercise of the search, seizure and detention powers will be required, but it is important that records are kept by the police so the implementation of this new act can be properly monitored and assessed. It is a great responsibility for police to search a person or property for items to do with volatile substance inhalation. I have great confidence in the commonsense of police when they have to undertake this.

The search component was not directly recommended by the Drugs and Crime Prevention Committee report, but the committee's recommendation 5a proposed the adoption of the model outlined for a new Public Intoxication Act in the committee's final report of its inquiry into public drunkenness. While the search component was not directly among the committee's 16 recommendations, it is in the appendix of the report.

The bill goes on to outline detention procedures for a person believed to be under 18 years. The person can be detained only so long as he or she needs to be before being taken back to their parents, foster parents or to a drug and alcohol centre — somewhere safe. The detention period is not to do with the criminal issue but rather the health issue based on the person's wellbeing.

A number of safeguards have been put in place — very clear safeguards — for the person who will be detained.

Seized property can be claimed back and if it has not been claimed back in the year it can be destroyed or sold. As I mentioned before, there is a series of very strict protocols that have to be undertaken that will make it easy for the police to undertake these new duties.

The act sunsets in two years to enable a review to take place. This will be very important because it is new legislation and it has, I believe, some potential issues, so we will see how it goes. It is absolutely crucial that police be able to detain and stop young people for their own safety, their own health and possibly their own life. Why young people are involved with this is another issue. When you look at the backgrounds of some of these children you can see why, with their lack of self-esteem, they feel the need to engage in drug abuse of all sorts, and this is the cheapest and most available.

Regarding Mr Drum's discussion about ambulances, the process is similar to what is currently the case with heroin overdoses. The cost of transport may be recovered from the patient, or with a child, from the family. Free ambulance transport is dependent on health care cardholders, children holding a child disability healthcare card or foster care health card, or under custody to secretary orders or children under guardianship to secretary orders or members of ambulance subscriptions. I look forward to the review of the act and its ongoing monitoring. I commend the bill very strongly to the house.

Hon. R. DALLA-RIVA (East Yarra) — I will make a brief contribution and, in doing so, indicate that the Liberal Party will support the bill. I note from listening to the debate that some concerns have been expressed. I wholeheartedly agree with the legislation and that it is necessary to put it in place, but I do so against the background that the issue was brought to the notice of the government sometime ago. The final report of the Drugs and Crime Prevention Committee was released last year and we are now halfway through 2003. Work was done during the previous Parliament which could have resolved this issue much quicker.

Notwithstanding that, I raise a couple of issues about the legislation. The report made 16 recommendations and this legislation appears to overarch one of those recommendations. That concerns me. The legislation provides the police with powers to search, seize and detain and a number of other provisions are provided. They are appropriate, but I am trying to work out from my own knowledge of a few years ago what happens when police drive past an area where someone is using or inhaling volatile substances. This is often done discreetly and away from the public view. Police work very hard and if someone sees the police or 'coppers' coming they either go away or dispose of the material before they get there. I am trying to work out the practicalities of the legislation. I understand the underlying principles, but the practicalities may not meet the operational requirements of law enforcement.

I refer to the apprehension and detention of a person who is caught with volatile substances. The person may be taken back to the police station. Proposed section 60M(6) states:

> A member of the police force must not detain a person … in —
>
> (a) a police gaol within the meaning of the Corrections Act 1986; or
>
> (b) a police cell or lock-up.

Ms Hirsh said that often people may be violent. If a person cannot be detained in a secure environment and the police have an obligation to remove the person, where is he put? Would he be put in an interview room, which is not what I would call a secure environment? Would the person be placed in the muster room or the tea room? I am lost as to where the person would be placed. We must apply the provisions of the bill to the real-life operational needs of the real world. Missing from this debate is that we have a piece of legislation which, on reading, appears to be good legislation, but when it comes to the practicality of applying the provisions some issues have been missed. These are the issues I wanted to raise in my brief contribution.

I wish the bill a speedy passage, although I would have liked more issues to be dealt with. I have not touched on, and will very briefly refer to, the requirement for the police officer to undertake, after searching a person:

> … a variety of steps to initiate an appropriate health and welfare response.

Again, given the practicalities of law enforcement, I do not see how the police are in a position to be trained in that. I hope that in implementing this legislation the government gives consideration to adequately training police officers on this issue, because there is nothing worse than having to deal with something for which you have not been trained. I hope the government takes up the other issues of concern I raised, and I commend and support the bill.

Hon. S. M. NGUYEN (Melbourne West) — I would like to make my contribution on the Drugs, Poisons and Controlled Substances (Volatile Substances) Bill before the Council.

I am proud to be a member of the Drugs and Crime Prevention Committee, with other members from both houses. We had an inquiry into the inhalation of volatile substances, and the report was done last year and tabled in Parliament in September. It was a very detailed and good report. It made many recommendations and had much important and good information.

The reason we are discussing the bill today is that it is a response to the report. The government has produced this legislation because of the recommendations of the report and also in reaction to the concern of the community. As a member of Parliament I would be very pleased to see the recommendations of the report implemented. I would also like to congratulate the many people who have raised concerns, the people who wrote the report and the people who made submissions and recommended ways of improving the situation and stopping children and young people from chroming day to day.

The government has produced 2000 copies of a kit for the education department to pass out to high schools throughout Victoria so that teachers can explain to young people how to prevent drug abuse and tell them what to be aware of and to keep away from chroming. Many young people are naive and ignorant about the spray paint cans they use. I saw it myself many years ago when I was a youth worker in Richmond. I saw young people using spray paint cans in plastic bags around the housing commission flats. The report suggests we give the power to police to stop children and young people carrying spray paint cans around on the street or in other public places.

We also have to explain to the parents how dangerous chroming can be, because a lot of parents are not aware of the dangers. They think everything is okay. They think their children look okay, so they cannot be using drugs. But many young people who chrome get home feeling very tired and unhealthy and are unable to concentrate on study. Parents think, 'My child is sick'. They are not aware that their child has used spray paint cans for chroming. We have to stop that, so the police will have the power to stop young people in public places — it could be the train, bus or school; it could be anywhere. The police will also have the power to send young people back to their homes and speak with their parents or caregivers or to send them to welfare services, where they can seek advice from social workers or youth workers to help them get back to their normal life.

Retailers have to work in cooperation with the government and stop selling spray paint cans to kids under 18. I know this is difficult, because a lot of young people go to the shop to buy spray paint cans for their parents or want to paint their bicycles or fix a few things. But these days shopkeepers have to be aware that some people abuse spray cans.

In conclusion, I would like to congratulate the Minister for Health in the other place, and I especially congratulate the former Minister for Health in the other place, John Thwaites. He did a good job in responding to the report and also in keeping everything on track and making sure the government responded in the appropriate way to stop chroming, especially among young people, in Victoria. I commend the bill to the house.

Motion agreed to.

Read second time.

Third reading

Mr LENDERS (Minister for Finance) — By leave, I move:

That the bill be now read a third time.

In doing so I thank all honourable members who made contributions.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

STATE TAXATION ACTS (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Debate resumed from 10 June; motion of Mr LENDERS (Minister for Finance).

Opposition amendments circulated by Hon. BILL FORWOOD (Templestowe) pursuant to sessional orders.

Hon. BILL FORWOOD (Templestowe) — The State Taxation Acts (Miscellaneous Amendments) Bill is in three parts. The first is the normal preliminary part, the second deals with amendments to the Duties Act 2000 and the third part deals with amendments to the Pay-roll Tax Act 1971.

I will deal with the payroll tax aspects later in my contribution. They abolish the payroll tax exemption for apprentice and trainee wages. They are provisions

that Liberal Party members have significant problems with, and we will be moving an amendment to delete that clause. The second aspect of the payroll tax amendments extends the grouping provisions following on from the Muir case. Again, like many people in the community, the Liberal Party has significant concerns with that clause, and it will be moving an amendment to delete that clause as well.

There are a number of aspects to do with duties. The bill reinstates stamp duty on GST-inclusive prices with retrospective liability following a recent court decision. From the outset we always believed this government was pretty greedy in putting duty on top of the GST rather than the other way round, so at least it is being consistent in relation to this area of the bill. While I intend not to be provoked tonight, Acting President, many of the measures in the State Taxation Acts (Miscellaneous Amendment) Bill come to light because of the significant financial pressure this government finds itself under as a result of its inability to control its expenditure.

The bill also has a number of anti-avoidance provisions concerning unit trusts, land-rich companies, life estates, estates in remainder, goods used for primary production and property transfer to superannuation funds. The proposed legislation used to contain a provision concerning life insurance rights, but that has been taken out — and I will comment on that later.

The Liberal Party has never opposed, nor will it ever oppose, amendments that deal with people who avoid tax. It is not part of the Liberal Party's system, and if people are rorting the tax system, then we fully applaud the government for taking on the rorters, and we will assist it where we can to ensure that people who do not pay the required amount of tax get caught, get clobbered and end up paying it. Our system will not work if people are allowed to rort it.

The changes to duties also have some pro-taxpayer clarifications concerning changes in the legal description of land, domestic relationships and credits for duties on cancelled insurance policies. If, for example, one turns to section 38 of the Duties Act, which talks about marriage, one sees that the bill extends 'marriage' to include domestic relationships — I think that is the phrase in the bill. It is just a minor point, but it is an amendment we fully support.

In some senses the bill is like the curate's egg — I have always been fascinated by that expression. It is taken to mean something of mixed character, both good and bad, according to the Oxford dictionary in the library. According to the dictionary it originates from the story of a meek curate, who, having been given a stale egg by his episcopal host, stated that parts of it were excellent. One wonders what happened after he ate the rest of the egg! I am in no way suggesting that parts of this bill are excellent. Parts of the bill are okay, and we do not have a problem with them, but frankly parts of it are very poor, and we will be opposing them vigorously during the committee stage when we move the amendments.

I want to touch briefly on one of the positive aspects of the bill which Liberal Party members support, and that is the stamp duty concession for motor vehicles with disability modifications. I refer members to page 261 of budget paper 2, which details the two types of exemptions from motor vehicle stamp duty that will be made available by the bill for incapacitated and disabled persons. The first is that the exemption will be expanded to include vehicles which are specially converted, constructed or modified to allow for the transport of at least one occupied wheelchair. In the past it had to be vehicles solely designed for incapacitated persons. The second exemption is to reduce the duty payable on the registration of a vehicle by a disabled person where the vehicle is modified or converted to enable the person to drive the vehicle. The Liberal Party supports those exemptions; it is not a significant amount of money. Page 259 of budget paper 2 shows that the value of this concession is to be $500 000 in each year. It is not a huge impost on the revenue of the state, but it is a really worthwhile and important initiative to the people it is designed to assist.

I turn now to the two key clauses of the legislation which the Liberal Party does not support. The first is the grouping provisions in part 3, clause 19. What I find intriguing about this clause is that, as I mentioned at the outset, it is in response to the Muir case, and I have considerable correspondence which details that. When the bill was first introduced into the Legislative Assembly, it made changes to provisions relating to insurance riders. Concerns were raised, and after discussions the Treasurer decided to pull those clauses. We are not looking at a bill which the government itself was not prepared to amend. In the other place the government decided that the arguments about confusion over the insurance riders were sufficient for it to move the deletion of those clauses, and that is what happened.

I put to the chamber that this is precisely what should have happened in relation to the grouping provisions under clause 19 of the bill. Just as the government reacted to the arguments put to it in relation to insurance riders, it should have reacted in relation to clause 19, the grouping provisions. It is not just me who says this. There have been two court cases, both of

them in the Supreme Court and then I think the Court of Appeal, which the government lost. The letter from the Taxation Institute of Australia dated 30 May addressed to the Treasurer with a copy going to the shadow Treasurer makes the following point on page 2:

> The taxation institute is of the view that the commissioner's lack of success in a single case involving an unusual set of facts does not justify such a dramatic change to the law.

We fully concur with that.

It is worth putting on the record, and I will do this briefly, some of the correspondence we have received on the grouping provisions of the bill. Some honourable members might have seen in the *Sunday Age* of 8 June the heading 'Payroll tax warning for small firms'. I reiterate the point that if the government was prepared to pull the insurance rider bit and get that right, one would have thought that it would have had the capacity — listening to the arguments put by the taxation institute, CPA Australia and the law institute, which I will turn to in a moment — to also pull these clauses and try to get them right. I look forward in the committee stage to a dialogue with the minister. I am going to take him through the clause and he is going to explain to me how it actually works and how it can include Muir Electrical but not other people who I suggest will be caught by it. I look forward to the exchange, as I am sure he does.

Returning to the *Sunday Age*, Mr Bill O'Shea, who is the head of the law institute, is quoted extensively in the article. It starts by saying:

> Tens of thousands of Victorian small businesses could become liable for payroll tax under amendments to the state's tax laws, leading business groups have warned.

It goes on to talk about the Muir case, which I have touched on. Towards the end the article says:

> Mr O'Shea said he feared the government was beginning to ram through bills with minimal industry consultation now that it had control of both houses.

I thought that was an interesting comment and one the government should take to heart. The government does have the numbers and the capacity to ram legislation through, but it will be to the government's detriment if it does. This is an important issue. Making changes to the state's tax laws is important, as the minister knows. I accept, as I have already said, that the government is under budgetary pressure, but it needs to be careful that it does not throw the baby out with the bathwater and wreck and bring into disrepute a system that has served us well over the years.

Let me deal with the Muir case in more detail. Returning to the letter from the taxation institute signed by Gil Levy, the president of the institute, it states:

> The taxation institute is concerned that the amendments will have the effect of unduly widening the grouping provisions. The amendments, if passed in their present form, will result in businesses which have no connection being grouped together. This will create uncertainty and huge unnecessary compliance costs both for the government and small business.

The proposition put by the taxation institute was that these clauses be withdrawn and consultation take place. Mr Levy makes the point that no consultation took place at the outset. That is a fair point. If they want to bring in complicated changes to the tax system like this, then I think it is incumbent on the government and the State Revenue Office (SRO) to sit down with the practitioners who are going to have to implement these things and work through them in a way that makes them acceptable.

I know what the minister will say in response to our real and genuine concerns about this. It is a line the Treasurer is running at the moment — the old 'trust us' line. He will say, 'Yes, I know the way it reads, that it could be read wide, but we will not do it like that'. The bill states that section 9A(IJ) of the Pay-roll Tax Act:

> … allows the Commissioner to exclude members from a group constituted under this sub-section in certain circumstances.

In essence it is the old 'trust us' stuff. I am not very good at trusting the State Revenue Office. I am sure it does its job well but it is out there to raise revenue. I am not very good at the 'trust us' approach to legislation. It is incumbent on the government to advise the SRO to bring legislation in here to actually achieve what it wants to achieve and no more than that. We cannot be put in a position where we are relying on the old 'trust us' clause.

I am even more concerned about the 'trust us' clause because of an exchange that took place during the parliamentary Public Accounts and Estimates Committee hearing with the Treasurer. The opposition knows that there is significant pressure on the budget and that the government is looking for mechanisms to increase the state's revenue. During the Public Accounts and Estimates Committee hearing we had an exchange with the Treasurer. The transcript is now available for members to read, but I am looking at page 58 of the draft transcript. The honourable member for Box Hill in the other place, Robert Clark, a member of the committee, was quizzing the Treasurer about wages and wage growth. He asked:

> Are you expecting any increase in public sector staff numbers over the next four years other than those you announced in the budget last week?

Mr Brumby, the Treasurer said, 'Sorry?'. Mr Clark continued:

> Apart from the extra staff that you referred to in the budget, in your forward estimates have you factored in any further increase in general government employment levels over the forward estimates period?

Mr Brumby said:

> Not at this stage. What we have factored in is the three-year effect of what we announced last week. As I said, increases in teachers, firefighters and police …
>
> In addition, as I made clear last week in releasing the budget, if there are recurrent election commitments which started in the second, third and fourth years they are fully provided for in the budget forward estimates in the contingencies. They are all, in a sense, paid for and factored into numbers going forward.

But he says:

> … whether we employ more teachers, nurses, police, firefighters, or whoever it might be will be a matter for determination in future budgets. The numbers you see going forward are the numbers which reflect the current position.

I interjected:

> You have an extra 40 going into the State Revenue Office.

Mr Brumby said:

> Some of that is compliance, but we are putting an increased effort into compliance.

I refer to the response from the Department of Treasury and Finance to the Public Accounts and Estimates Committee's questionnaire. At page 6, the human resources page, the request is to provide details of the number of equivalent full-time staff in 2002–03 and the estimated number for 2003–04.

The figures show that at 31 May 2003 the total number of employees at the State Revenue Office was 409 out of a total department of 943.8. The anticipated number at 30 June 2004 for the SRO is 440 and for the department it is 975. The increase in the total department is 31.2 officers; the increase in the SRO is 31. In other words, all the increase in staff in the whole of the Department of Treasury and Finance in the forthcoming year is compliance for the SRO.

I do not mind that and I have already said that if people avoid and rort then we should stop them doing it. What I object to is the government bringing into this place a piece of legislation designed like this, which does not just do what the government says it will do — that is, just solve the Muir issue — but is so wide you can drive a truck through it, and then the government says 'Trust us', because the head of the SRO has discretion. That is not the way to run the system. That is not the way to run the SRO.

I put it firmly on the record that we are vehemently opposed to a situation that is opposed not just by us because of the way it is structured. The Australian Institute of Taxation is also concerned, as is the Law Institute of Victoria which says in its letter:

> Because of the breadth of the changes, the law institute is concerned that the amendments could give [rise] to many unnecessary problems in practice.
>
> The law institute is also concerned that there was no consultation before such an important change to the grouping provisions was introduced into Parliament.
>
> The law institute acknowledges the government's right to make changes to implement policy objectives but considers that, in this case, the changes would give rise to unintended consequences in practice.

I refer to Justice Frank Callaway's judgment, and this is quoted in the letter from the Taxation Institute of Australia. In the words of Justice Callaway in the Court of Appeal:

> … acceptance of the Solicitor-General's argument drives one to the conclusion, as it did the learned trial judge, that Parliament has cast the net in paragraph (d) with the deliberate intention of catching a large number of everyday businesses and professional arrangements, leaving the taxpayer's relief solely to the discretion of the commissioner under subsection (1J). Such a mode of taxation should not too readily be attributed to the legislature.

That is especially true when it has described three other cases with reasonable precision. Here a judge of the Court of Appeal is saying that we now have a system that relies on the discretion of the Commissioner for Taxation. If ever there was a piece of legislation in this house that is worthy of bringing the Assembly back, it is this.

What we should do tonight by agreement with the government is say that this clause is wrong, and that the suggestion that this house is making is a reasonable and sensible one in the interests of the state. We make the suggestion that the bill should go back to the other place. We are not saying that the bill is not important and it should not be passed, it should and it needs to be, but this particular clause is fraught with danger. We cannot have a taxation system based on the discretion of the commissioner. We cannot do it.

For that reason, and that reason alone, honourable members opposite should accept the suggestion of this house that we delete the clause, call the Assembly back

and pass the bill without this clause. If we then have a problem with Muir we should sort out the problem with Muir. I do not have a problem with doing it that way, but to introduce legislation like this is shoddy. We should not behave like this. It is too important to let it go. I say to the minister that this is an occasion where I hope the government will see merit in the argument, not only put by me but put by the accountants, the Law Institute of Victoria and the Taxation Institute of Australia, the people who will be implementing this. All the franchisers and franchisee businesses are all concerned that they will be caught by legislation. Paragraph (d) in clause 19 states:

> ... one or more employees of an employer perform duties for or in connection with one or more businesses carried on by one or more other persons … being duties performed in connection with, or in fulfilment of the employer's obligation under, an agreement, arrangement or undertaking for the provision of services to any one or more of the associates in connection with that business or those businesses …

That is so wide, it catches absolutely everything. I put it to the house that this is one of those occasions where the upper house in its role of review is doing its job in putting to the people of Victoria that this clause should not be passed. It should be taken out of the bill, the Assembly should come back and we should not proceed with this particular clause.

I turn to the other clause with which we have significant difficulty, the phased abolition of the exemption for apprentices wages. This is a very sad day, and this is a government that has always prided itself on its ability to hire and create employment particularly for young people. Not once in the second-reading speech — I am sure not once in the contribution that we will hear from government members — will we hear the words, 'You must have three apprentices to qualify for the new system'.

Hon. W. R. Baxter — It is a hidden restriction.

Hon. BILL FORWOOD — It is a hidden restriction. Nowhere will you find that. That leads me back to the point I started with earlier: this government has put pressure on itself because of its inability to control expenditure. What is it doing? It is looking for savings. Where has it gone to find the savings? It is gone to the most vulnerable people, kids trying to get a start in life, and the government has made it more difficult for them to get a start in life.

There has not been a cogent argument placed before this house that this change in the system, the abolition of the payroll tax exemption for apprentices and trainees to be replaced with a completion bonus, is a better one and will lead to better outcomes for people. What becomes apparent in the budget papers is the stark contrast between page 204 of budget paper 2 which shows that the apprentice completion bonus will cost $6.4 million this year, $13.1 million next year, $15 million the year after, and $16.9 million in the fourth year — in other words, $51.4 million in expenditure.

When you turn to page 259 you find that the removal of the exemption for apprentices and trainees this year is a saving of $30 million; next year a saving of $60 million; and the year after and the year after. Do not come in here and tell me that this is about a better system, this is about saving money at the expense of ordinary Victorians, particularly young people trying to get an apprenticeship, young people trying to find their way in life.

What sticks in my craw more than anything these days is the abuse of language we have to put up with that comes from the government — the absolute abuse of language. I sat at a Public Accounts and Estimates Committee hearing and listened to the Minister for Employment and Youth Affairs, Ms Jacinta Allan, talk about the additional $155 million that the government will spend.

Hon. D. K. Drum — The new programs!

Hon. BILL FORWOOD — No, the additional $155 million. We asked, 'What about the $46 million you spent last year?' and the minister said, 'Oh, that doesn't count', so we can take that off. What about the $60 million savings we are making here as well? The way I understand that now is that the government has ripped $100 million out of it, so it should not come in here and talk about an 'additional' $155 million. If the government wants to say that it has $155 million in new programs, say it, but it should not put the word 'additional' in it because it is not additional. In any way shape or form it is not additional.

The government has decided to make a policy change. That is its entitlement and it has to wear it if it wants to do it, but it should not destroy the English language and hide behind the rhetoric. This is not an additional $155 million for training and new programs for employment across the board. This is a system where the government has decided to scrap the community new business employment and other programs and save itself $46 million. The government also wants to rip $60 million a year from the payroll tax exemption system and put that money towards not new programs but filling the black hole because it cannot run the state properly.

That is probably enough. As I have said, we have some sympathy with much of the bill, but we are cross particularly about the two amendments to the Pay-roll Tax Act 1971 — the phased abolition of exemption for apprentice wages and the grouping provisions under clause 19. I look forward to a discussion with the minister in a few moments.

Hon. W. R. BAXTER (North Eastern) — I am pleased to speak on this bill, but first I want to make an observation about the way it was introduced. I do not think the manner in which it was introduced, with the second reading being incorporated in *Hansard,* was within the spirit of the sessional orders which we debated at length at the beginning of this sitting. It was certainly not as I interpreted the sessional orders in any event, because I was under the distinct impression that in agreeing to those sessional orders the house had received the assurance that if a bill coming from another place had been significantly amended in that other place we would have a second-reading speech read in this chamber, or if not then at least the amendments would be explained to the chamber.

I refer particularly to sessional order 30, which goes to the issue of incorporation of second-reading speeches in *Hansard.* It states, inter alia:

> … the minister may make introductory remarks on the contents of the bill, including a statement of any amendments made by the Legislative Assembly to the bill which have been reflected in the second-reading speech …

The minister in introducing the bill said this:

> I will move for the incorporation of the second-reading speech on the bill, which passed through the Assembly with some amendments regarding rates of insurance duties.

It is my submission that that explanation is insufficient to anyone trying to follow the proceedings of this house in *Hansard*, because I have a copy of the circulation print of the bill in the other place and a very significant amendment in clause 14 was omitted entirely, and as a consequence of that omission there were also amendments to the definitions clause and the commencement clause. The second-reading speech that was incorporated in *Hansard* in this house made no reference whatsoever to those omissions, and I simply place on the record my disappointment at the way in which the spirit of the sessional orders was abided by when the bill was introduced into this chamber.

This bill goes to the issue that Mr Forwood has so ably dealt with in terms of the grouping provisions and the apprenticeship changes, which I will come to in a moment. My colleague Mr Hall will deal with a couple of other matters, including the latter, but I want to make an observation on taxation generally at the beginning even though this bill does not specifically go to the issue — that is, on the decision of this government to index fees, charges and fines so that each year we are now going to see the people of Victoria subject to an automatic impost of the consumer price index (CPI).

I invite honourable members to get out their calculators and see what that is going to do to a speeding fine, for example, over a 10-year period. We know how much revenue the government is gleaning this year from speed detection devices. Members should do a calculation and work out what the government will be collecting in 10 years time simply by the process of indexation, let alone any additional increases it might put on the fines. It is a staggering figure.

We should be rejecting the notion of automatic indexation as an inappropriate way to go. As I have noted in this house before, it is simply like a dog chasing its tail. The fine goes up because of the CPI increase, which in turn triggers another increase; or it feeds into the CPI and in turn triggers yet another increase, and it becomes a dog chasing its tail. We all have a responsibility, whether as a federal government with primary responsibilities for managing the economy or as a state government, to be doing our best to control the dragon of inflation. We should not be feeding the dragon of inflation through indexation, and I simply reject the notion that it is an appropriate way to manage the books of the state.

I also want to protest about taxation — the fact that the Transport Accident Commission premiums were put up outside the budget and outside this bill by the government just making an announcement from on high and using regulatory powers to do it. That demeans this house, and it demeans the budgetary process. To impose on the people of Victoria at the very time we are discussing the appropriations before Parliament a significant impost which is totally remote from and outside of the budget is not an appropriate way to behave.

Turning to the provisions of the bill proper, yes, I welcome the assistance that the bill provides to help disabled persons to fit out their motor vehicles. I have to say that it is an odd juxtaposition in terms of giving relief on stamp duty on transfers as some sort of compensation for the cost of modifying the vehicle, but it is a good initiative, and I give the government credit for that. The National Party is pleased to support it.

Similarly, I endorse Mr Forwood's remarks about avoidance provisions. None of us on this side of the house, nor I think anyone in Parliament, would

countenance for one moment people contriving to arrange their affairs in such a way as to enable them to evade tax which they should properly be contributing to the coffers of the state and to their fellow citizens. I am perfectly happy to stand here and endorse any measures which go to eradicating avoidance measures which are clearly beyond the law, and there are a number of amendments in this act which go to tightening up the act and which will make avoidance and contrivances much more difficult to execute.

I could make an observation in passing that perhaps some of these measures in the bill are the result of less than diligent work that was done in the transition from the old Stamps Act 1958 to the Duties Act 2000. Maybe the homework that was done at the time was not quite as assiduous as it might have been. Nevertheless, I have no objection to the provisions that go to the issues of the related persons definition and land-rich corporations, and I think the house can accept them.

I am less than enthusiastic about the confirmation of the stamp duty on the GST component, and I know Mr Hall intends to deal with that. I would like the Minister for Finance to come and spend a day or two in my office, particularly when people get their insurance policies and come bounding into my office and seek some sort of justification for this tax on a tax. I have a constituent by the name of Kevin Wilson — not Mr Kevin Bloody Wilson, but on occasions it might feel like it — and he is particularly concerned about that measure.

I endorse the amendments also in terms of farm transfers. The stamp duty exemption on farm transfers that was initiated during the term of the first Kennett government has been a very valuable initiative. It has helped a lot of families make the generational change. It has been of great relief to families who, even with quite modest farms, were facing a very heavy stamp duty impost if they transferred the farm from the parents to the son or daughter so that younger farmers can take over the management, running and ownership of the farm and the older generation can retire with some dignity.

That was a very worthy initiative and has been widely applauded in the farming community; but I think it has also paid dividends by helping the farming community to make that generational change. We know the concerns that are so often expressed about the increasing age of farmers and the question of where our young farmers are going to come from in the future. This is one of the measures that is helping them; and the further clarification of it in the bill before the house today is quite welcome.

I should not let the bill go through without making some observations about stamp duty on residential properties and the great benefit and revenue boost this government is receiving from that. As I noted in an earlier debate today, the surplus of which the government backbenchers are so proud is really a product of an above-budget revenue take from the housing boom. It is interesting to note that there has been no suggestion of — in fact a rejection by the Treasurer to even consider — bringing stamp duty rates on residential properties in Victoria somewhere in line with other states. We are the highest taxing state in terms of stamp duty on residential property transfers.

I would be the first to say that people who have enjoyed a significant windfall in capital gain coming from the housing market and the way it has been booming along should be making some contribution to the state in recognition of that windfall gain. Sometimes if you are the buyer, the one paying the stamp duty, it is a bit hard to see how the person who is getting the windfall is contributing. But I suppose mathematical theory would convince you that the stamp duty is factored into the price anyway and, to a degree, the vendor is making a contribution. Nevertheless it is an issue that the government needs to keep an eye on, particularly if we see a cooling in the property market — and that will doubtless come. It may well be necessary to look at bringing Victoria's stamp duty rates on residential transfers somewhat more in line with those generally applying in the rest of the nation.

I want to say a word or two about the apprentices situation because I think it brands this government as a cheapskate, at its mildest! It certainly indicates a desperate search for revenue. Mr Forwood referred to it as cost saving. That perhaps conveys a message that the government is doing something legitimate in terms of doing things better and cheaper. I would say it is a revenue grab. What it is trying to do is preserve the revenue it has got or can potentially get through the payroll tax system by removing an exemption that was introduced in, I think, 1994 in the first instance and that has been very valuable in encouraging employers to take on apprentices.

For the life of me I cannot understand a government with a $24 billion budget and priding itself on looking after working people and creating job opportunities, especially for young people, resorting to this almost sneaky measure simply to gain $100 million. That is a substantial amount of money — I do not question or doubt that — but it is all out of proportion to the revenue that is going to be gleaned as against the damage it is going to do to the community and particularly to the opportunities of young people. It

does not seem to gel at all, and for the government to dress it up and justify it by saying it is doing it because the present system has been rorted is again very unfortunate. I have not had any evidence produced to me of rorts and I am standing by to see some evidence produced.

What the government has not done is produce any details of the new scheme, which government members say is going to replace it. What we have been able to discover — although the second-reading speech does not give too much detail about this — is that, firstly, the employer needs at least three apprentices; and secondly, they need to finish the course — graduate, in other words — before the employer gets anything.

There is no indication of what happens if, for whatever good reason, including personal reasons, an apprentice gets to within two or three months of finishing and is unable to finish. An apprentice may go overseas — or whatever — and then the employer only has two, so presumably he does not get anything, even for the two who graduate. Where is the justice in that? I do not think there is any at all. What is the situation if an apprentice leaves one employer after two and a half years and finishes his apprenticeship with another employer? Who gets the bonus?

Hon. P. R. Hall — Pro rata?

Hon. W. R. BAXTER — Is it pro rata, as Mr Hall says? We do not know; no-one has told us about that at all. I believe this is going to discourage employers from taking on apprentices. Also, as I understand it, there is an age limit of 25. Yes, I understand that apprentices are normally young people; and yes, the program is designed to give young people an opportunity.

But on the other hand I would have thought that putting an arbitrary age limit on it is perhaps a bit unfair to young people who have run off the rails in their late teens or early 20s and have taken up a profitable job opportunity. They may have been, for want of a better word, bumming about and may want to get their lives together and get an apprenticeship when they are 23 or 24, but now their employer is not going to be eligible for any assistance at all.

An honourable member interjected.

Hon. W. R. BAXTER — You could say it is an equal opportunity issue. That is going to penalise young people, and I do not see any reason for it. Certainly it is not going to do anything to overcome the looming shortage of tradesmen in our community. One only has to look at, for example, the Victorian Automobile Chamber of Commerce magazine, which is sent to all honourable members. It says:

> In 2003, like 2002 and the year before that, there was simply not enough young people entering the industry to sustain it in the longer term. And where once skills shortages were bad, now, in automotive trades, it is becoming critical.

That is from the peak industry body.

An article in the *Border Mail* of Saturday, 31 May, under the headline 'Brickies shortage — new incentives for apprentices' reports that the industry itself is putting a levy of $1 on 100 bricks to put together a $1 million campaign to encourage youngsters to become bricklayers. I commend the industry for doing that — that is an extraordinarily good idea — but it is going to be undermined by what this government is doing in terms of payroll tax and apprentices. I appeal to the government to take up the suggestion by the opposition that this is an inappropriate move and that it ought to be deleted. The National Party will certainly be supporting the amendment of the opposition because it believes it is a short-sighted measure — in fact it is almost a desperate measure.

I refer to the grouping provisions and the Muir case. I endorse entirely the very sound case put forward by Mr Forwood on this. I think the government has overreacted to this Court of Appeal judgment. It is giving the commissioner far too much discretion. Yes, we know commissioners of taxation at the federal level have to have a degree of discretion in exercising the law and determining whether avoidance and contrivances have taken place, but this particular amendment opens the door so wide that it gives the commissioner little indication of how he is to apply the law, and it is playing with fire.

I am particularly concerned for franchise operations, for example. Every little franchise operation in my electorate employing very few people indeed has the potential to be drawn into the net of payroll tax by this particular amendment. I say to the government that it should take up the opposition's suggestion and acknowledge that this particular amendment has not been properly thought through and should be set aside for the time being whilst it has another look at it, and that perhaps it should come back in the spring sitting with some more tightly drawn provisions which the Parliament could accept in a bipartisan way as being fair enough in terms of making the law sufficiently tight that contrivances would be stamped out while ensuring that legitimate business practices would be able to continue. That would ensure that small businesses in particular were not drawn into the payroll tax net unduly and completely unfairly by an intention that I do

not think the government has. I do not think the government intends that, but that is the potential of what it is doing today. I appeal to the government to act on Mr Forwood's suggestion.

There we have it. This bill as part of the budget has a couple of really sharp prickles in it which the house cannot in all duty respond to, applaud and agree to. We have to acknowledge that we have a responsibility to only impose taxes on people that are fair and that give people a reasonable opportunity to arrange their affairs in a proper manner. This bill impinges on that. It is unfair, and those two particular provisions ought to be deleted.

Mr PULLEN (Higinbotham) — The bill we are debating is the State Taxation Acts (Miscellaneous Amendments) Bill, which makes amendments to the Duties Act 2000 and the Pay-roll Tax Act 1971. Amongst other things I will concentrate on the two new initiatives in the bill — the replacement of the payroll tax exemption for wages paid to apprentices and trainees with a new bonus scheme after they complete their qualifications; and the extension of the motor vehicle duty concession for persons with physical disabilities who have had their vehicles modified for them to be able to travel in those motor vehicles.

I want to touch on the replacement of the payroll tax exemption first. I want to make some comments on the comments that have been made in the other place as well as on what has been said here. The Deputy Leader of the Opposition in the other place said in part:

> I refer to certain employment situations — and I am sure the Treasurer is well aware of this one — for example, in the motor industry. If he talks to the Victorian Automobile Chamber of Commerce, which I am sure he may do from time to time, he will find that one of the most frequent problems in the motor industry is that an employer will take on a young person as an apprentice fresh out of school, they will give the person the training they need, and they will take time out from their skilled work — —

The DEPUTY PRESIDENT — Order! Mr Pullen should not be quoting from the debates in the other house.

Mr PULLEN — I will not continue with what was actually said in the other house — —

The DEPUTY PRESIDENT — Order! You can paraphrase it.

Mr PULLEN — Basically the Deputy Leader of the Opposition said that he had been talking with the Victorian Automobile Chamber of Commerce — and so have I. I talk with members of the VACC quite a bit. I have spoken about the VACC twice in this chamber, in my inaugural speech in particular, but as well in the debate on the Small Business Commissioner Bill.

The Dawson report was referred to in the May–June edition of the VACC's *Auto* magazine, which Mr Baxter also referred to. In its Viewpoint column, firstly in relation to the report, it says:

> The handing down of the Dawson report and the response from the federal government to its findings is a major blow for all in small business. Of greatest disappointment is that the government, in accepting the recommendations, has not seen fit to protect small business under section 46 of the Trade Practices Act …

We have had brought up here exactly what the government is doing about this particular issue. It goes on to comment on the state budget:

> … we are disappointed with many of the changes proposed to the apprenticeship system.

I accept that, but their major concern is:

> That said, the Bracks government has proved a cautious manager of Victoria. The commitment to further reducing taxes and charges on business, plus the commitment to a budget surplus, is welcomed by the VACC.

In that same editorial they also say:

> Regrettably, the outcome exposes — yet again — the dismal performance of the federal government in protecting small business interests.

Hon. J. H. Eren — Shame on the federal government!

Mr PULLEN — As my good friend Mr Eren just said, shame on the federal government because we have proven we are looking after small business. I intend to cover details of the apprenticeship and trainee scheme. But before I do, the former Deputy Leader of the Opposition in the other place, the honourable member for Brighton, referred to the payroll tax cut in the previous budget. She estimated that this year, 2003–04, it will total $49 million. She said it would cost $60 million in the first full year of this particular program and says that the government has taken $49 million from employers.

The point I am trying to make is that my calculations of these figures tell me that that $13.1 million subtracted from $60 million equals $46.9 million. Even that simple equation proves nothing. There is still a saving of $2.1 million for business under this scheme if we use the form that has been used by the honourable member for Brighton.

Mr Forwood talked about the employment of staff, which was mentioned before the Public Accounts and Estimates Committee by the Treasurer. Members of the Liberal Party are the masters of spin because everybody knows that they sacked 40 000 public servants, but the costs went up by $1 billion. We also know they will say or do anything.

I refer to an article in the *Age* of 23 April 2003. The opposition parties made up all sorts of policies in the last election campaign. Mr Baxter referred to stamp duty on the sale of property. I waited with bated breath to hear the policy speech of the Leader of the Opposition in the other place, but he never mentioned stamp duty on property. Then the Liberal Party cooked something up and issued something about two weeks later, which did not add up anyway.

Hon. W. R. Baxter — I was talking about the government, not the opposition.

Mr PULLEN — In the article, according to the Deputy Leader of the Opposition in the other place, the opposition said it:

> … dumped its 2002 election promise that a Liberal government would cap council rates at 2 per cent plus inflation.
>
> Capping of rates is an issue that should only be explored when it is clear that councils have got out of control in individual situations …

It was prepared to say or do anything so far as particular policies go.

Hon. W. R. Baxter — What has that quote got to do with this debate?

Mr PULLEN — I intend to explain that through the Chair. What Mr Baxter brought up about stamp duty on the sale of property had nothing to do with the bill.

Hon. Bill Forwood — What the hell has that to do with capping council rates?

Mr PULLEN — It has nothing to do with the bill. I am just proving the point.

Hon. W. R. Baxter — Which also has nothing to do with the bill.

The DEPUTY PRESIDENT — Order! Through the Chair, Mr Pullen.

Mr PULLEN — Mr Baxter also asked about some of the shortcomings in the current system. I have a stack of cases here, but I will mention only a couple that I know about. The first case involved one high-profile employer who commenced registering 1700 of his existing staff as trainees. Had traineeships been commenced the wages paid to the employees would have been exempt from payroll tax and Workcover premiums. In that instance the employer was dissuaded from proceeding with the traineeships.

I will refer to the second case. Some industries are active in converting large sections of their existing work force into trainees. To some extent that practice has been driven by aggressive marketing by private training providers and TAFE institutes. That example resulted in $4.5 million in wages payable being exempt for the purposes of both payroll tax and Workcover premiums. I could go on with a stack of similar examples, but I do not want to waste the time of the chamber too much.

I want to look at the completion bonus and the history of the Bracks government. The total budget for apprenticeships and traineeships in Victoria increased from $109 million in 1999 to $181.7 million in 2003 — an increase of 66 per cent. This investment will make a significant contribution to achieving the government's completion target which is that by 2010, 90 per cent of young people will have either completed year 12 or its equivalent. The rate of apprenticeship completions is currently running at about 70 per cent to 75 per cent and the rate of traineeship completions is about 55 per cent. In some occupations, such as clerical, sales and service workers, the rate has been only 45 per cent. The current system of providing businesses a tax exemption for employers whose employees undertake apprenticeships and traineeships fails to encourage completion of training. They are the statistics and nobody can deny them.

Some employers have misused the system, as I have already mentioned, by terminating apprentices and trainees before they complete their courses. I remember Mr Baxter saying — and it was also stated in the other place — that young people will start work in the motor industry, but they will be poached by others in that industry. I know a lot about the motor industry, but I do not know of any such case. If he knows of an actual case, Mr Baxter can let me know.

When it is fully phased in employers of three or more apprentices or trainees will receive a completion bonus of $1500 for each trainee and $3000 for each apprentice. Eligibility will involve trainees and apprentices who are aged under 25, which has been mentioned, and new employees at the start of their training. The completion bonus will commence from July 2003. Currently employed trainees and apprentices will continue to attract a payroll tax exemption until

December 2003, after which the exemption for commencing apprentices and trainees will be lost.

As mentioned in the other place, although it was not brought up here, the not-for-profit group training companies and the relevant host employers will not receive the completion bonus under the new scheme because apprentices and trainees are engaged by up to 10 host employers for varying periods. Under the varying arrangements that operate between host employers and not-for-profit group training companies it will not be practical or equitable to pay a completion bonus to the not-for-profit group training companies.

Mr Forwood mentioned an article in the *Age*. On 3 June the shadow Treasurer issued a press release, and I think a lot of it was included in that newspaper article. On 8 June an article appeared in the *Sunday Age* entitled 'Payroll tax warning for small firms'. I just want to make a few comments on that — it has been brought up by Mr Baxter too — because they are reasonable concerns about the grouping provisions. With respect to the amendments to the payroll tax grouping provisions, the amendments in the legislation will capture many ordinary arms-length commercial arrangements that were not previously subject to the provisions. The amendments to the group provisions contained in the bill do not reflect the shift in policy to extend their applications. The grouping provisions have been in place for 30-odd years and the bill does not propose any fundamental reform in this area.

I am advised that the State Revenue Office, which Mr Forwood referred to, will release a payroll tax bulletin explaining that the amendments do not change the basic policy in this area. It is no wonder the Leader of the Opposition in the other place has ordered the member for Box Hill and other members of the opposition to shut up. We know the Liberal and National parties are in a little bit of trouble at the moment; I accept that. Someone said to me the other day, 'They're in more trouble than a long-tailed cat in a room full of rocking chairs', but I did not want to say anything more about it as far as that was concerned.

I now want to touch on clause 16 of the bill, which I know all honourable members support. As I have said before, one of the major issues I intend to concentrate on during my time here is services for the disabled. The clause introduces a new concession reducing the duty payable on applications for registrations of vehicles and for transfers of registrations by persons with a physical disability if a vehicle has been modified to enable that person to drive it. The duty normally payable is reduced by the reasonable cost of modification of the vehicle. The value of the reduction is capped at the lower end of the actual reasonable cost of the modification. This ensures that the benefit of the concession cannot exceed the duty otherwise payable. The concept of reasonable cost is defined as the lower of the actual cost or the market price of the modification. This concession will be available to applications for registrations and transfers from 1 July 2003. I support the bill and I oppose the amendments.

Hon. B. N. ATKINSON (Koonung) — If there were no warning bells for business in this legislation prior to today then Mr Pullen has certainly rung them very loudly with his contribution tonight.

Hon. D. McL. Davis — It was a frightening contribution.

Hon. B. N. ATKINSON — It was. I want to paraphrase his words back to him, and the only reason I am paraphrasing them is because I do not have the benefit of *Hansard* in this case — and every business ought to read the *Daily Hansard* tomorrow. Effectively he said that the State Revenue Office has issued a newsletter to indicate — —

Mr Pullen — No, I did not say that.

Hon. B. N. ATKINSON — Give me the proper word then. Is it bulletin? It will issue a bulletin to indicate that there is no change in policy. No change in policy! One of the problems we have, one of the problems that business has, is that policy changes do not come before this Parliament for ratification — for scrutiny. The only thing that comes before this house for scrutiny is legislation. The State Taxation Acts (Miscellaneous Amendments) Bill has provisions in it that go far and wide in their capacity to extend the revenue-raising capability of the State Revenue Office through its ability to change policy to bring in — to rope in — many businesses. Businesses that currently do not have a liability for payroll tax can now be brought under a payroll tax threshold and into the payroll tax regime simply by a change of policy in the future because this legislation says that that is achievable.

The Law Institute of Victoria has written to the government. The signatory to that letter, which was presented to the government, was Mr O'Shea, who was an adviser to a previous Labor government. The Taxation Institute of Australia indicated what this provision means in terms of the grouping provisions that the government has tried to play down in the discussions on this legislation, both in the media and more especially in the Parliament; CPA Australia has indicated the intent, or the potential, of the grouping

provisions; and the Victorian Employers Chamber of Commerce and Industry has expressed concerns about it.

We in the opposition are adamant from our experience of Parliament and of the law that there is no doubt that the provisions that are being changed here will have enormous potential ramifications for business in the future.

The nub of that concern is encapsulated exactly in what Mr Pullen told this house tonight, and indeed what the Treasurer has said previously in other places, and that is 'there is no intention to change our policy'. As Mr Forwood said, it is a very big 'trust us', because in fact what the Treasurer has said by those words and what Mr Pullen has indicated to this house tonight is that all they need to do in future to rope in more businesses is to change policy, not come back to this house to change legislation, because the legislation they seek to pass in this house tonight already achieves the very changes they might want to make in the future to expand the number of businesses that are roped in to payroll tax and to increase the tax collection.

One could say this is just sloppy and one could also say it is sneaky. Whatever it is, the fact is that this subverts the role of this Parliament to scrutinise tax changes in the future and gives an enormous carte blanche opportunity to executive government to increase its tax take from businesses.

It is my view that legislation that comes before this place ought on every occasion to be circumspect. It should not be open to the interpretation of courts. Worse, it should not be open to the interpretation of bureaucrats in how it might be applied. This Parliament ought to be informed and ought to debate in an informed fashion what are the ramifications of legislation that comes before this place.

This legislation creates major concerns in the legal interpretations that might be made of these grouping provisions. It is not simply opposition members of Parliament grandstanding who are on this one. Government members should make no mistake about that. The law institute and Mr O'Shea, who is well known to the government and has advised the government previously, has expressed exactly the same concerns as we express. In fact, the law institute went further in terms of what grouping could mean and suggested that it could actually involve a solicitor or an accountant and their clients. Under the sloppy wording of its provisions this particular legislation could include a solicitor and their clients, according to Mr O'Shea, a former adviser to a Labor government.

I am not sure that that interpretation — and I am not a lawyer — does not draw a fairly long bow, but I certainly know that his interpretation and the words we have heard even in this debate tonight sound some very serious warning bells for business. Certainly CPA Australia, the Victorian Employers Chamber of Commerce and Industry, the Taxation Institute of Australia and a range of other organisations are alarmed at this legislation and the potential that this government has to change policy at whim and wreak havoc on many small businesses that are currently not paying payroll tax but could all of a sudden find they are roped in with a liability.

This is 'trust us' stuff, as I have said, and as the Honourable Bill Forwood and Mr Baxter have said earlier in this debate. I suggest to government members that it is inappropriate under any circumstances to use broad provisions to achieve a specific purpose — and that is what is being attempted here. Because of one case where the State Revenue Office got rolled and the law was found not to apply to an employer, the government has come in here with these amendments, and just to make sure that everything is covered, that there is a catch-all opportunity, we have this broad provision on grouping which potentially has enormous ramifications for businesses.

This government has truly proved — as Brian Donegan from the Australian Retailers Association of Victoria observed this week in a press release regarding Easter trading hours — its credentials on business, and its sympathy and support for business are certainly under serious question.

This is outrageous legislation and I caution members of the government back benches not to be complacent about the legislation that comes before this place in the future. This kind of sloppy, mischievous, malicious or sneaky drafting of legislation that reduces the scrutiny of this Parliament of that legislation, and delegating to executive government the power to make changes in the future that are going to impact on Victorians and on investment and opportunities for Victorians are matters of serious concern and ought to be matters of concern for every member of Parliament, irrespective of party affiliation.

There is no doubt in my mind that in the future this legislation will create a legal minefield. It confers a broad power on the minister to extend by policy or administrative action the tax base of the State Revenue Office, without any reference to this Parliament. Make no mistake, Acting President, this is antibusiness legislation. This is legislation under which the business community will have no future protection from this

Parliament because this Parliament will not have an opportunity to revisit this legislation because government members are presumably quite happy to vote tonight for it. It is a piece of legislation that simply confers a power on executive government to change policy and therefore broaden the tax base at whim, or indeed when its revenue streams from other areas start to dwindle or its overspending catches up with it.

I suggest that any legislation that extends the capacity of government to implement or increase taxation without the scrutiny of Parliament is antibusiness legislation, is not in the interests of Victorians and certainly subverts the Parliament in its position vis-a-vis the executive government. Wherever you use a speculative, unnecessary or excessive provision, you are in fact producing legislation that is dangerous to this community.

As I have said, my view of government is that all legislation that comes before this place ought to be circumspect, and if there is a proposal to expand an initiative, particularly to expand taxation, the government of the day ought to come before the Parliament to argue for that opportunity and that power.

Hon. D. McL. Davis — Civil wars have been fought on these sorts of matters.

Hon. B. N. ATKINSON — Absolutely. It is a basic tenet of democratic government: the government ought to always come before the Parliament to argue for that opportunity and that power to increase taxation. That is not what this legislation does. In fact, through this broad grouping provision it gives that power to the executive government so that in future there will be no reference back to Parliament.

I am particularly concerned about retail franchisees in this context. Obviously I am familiar with that industry and with how franchisees operate. Franchise companies generally could already be pulled into this legislation under the grouping provisions, and certainly the contest in the Supreme Court between the State Revenue Office and Muir Electrical Co. Pty Ltd was about a franchise agreement. Muir Electrical's franchise system is somewhat different to most franchise systems that operate throughout Australia, but nevertheless it is a system that was tested in the court and the State Revenue Office failed.

What concerns me about these grouping provisions is, for instance, that retail franchises very often involve the franchisor holding the head lease for all of its shops because it wants to protect its network to ensure that if a franchisee decides he does not like the franchise any more he does not simply tell the franchisor, 'I have quit, and I am now going to open my own business under my own name on this prime site'. To protect their franchises as a network and as a group the franchisors have head leases. I suggest that the head lease that is signed by a franchisor could potentially be interpreted as coming within these grouping provisions, which puts them in grievous difficulty in defending against any move by this government to try to extend its payroll tax collections. Even though these franchises are owned and operated as separate legal entities, with each person operating their own franchise business, usually under a small business company structure, because of their alliance, because of their licence and franchise agreements and because of other instruments such as a head lease in a shopping centre, these businesses could well be roped in on payroll tax.

I will support very vigorously and with great pride the amendments the opposition will put in the committee stage to try to eliminate the grouping provision changes proposed by the government, because the opposition stands ready to support business. I think members of the opposition would be in the same position as that outlined by Mr Baxter in his contribution tonight: we would be prepared to look at some more specific legislative change in a future Parliament that addresses the difficulty the government has without opening up the entire problem as is proposed here.

It is simply too big an ask for us to be requested in this legislation to trust the Treasurer and to trust the government not to change their policy into the future and not to extend its tax collection to a range of businesses which at this stage do not pay payroll tax and which on any measure ought not to pay payroll tax because they are separate entities.

Hon. P. R. HALL (Gippsland) — I wish to comment on just two elements of the State Taxation Acts (Miscellaneous Amendments) Bill, but before going to those issues I want to thank and commend the Honourables Bill Forwood, Bill Baxter and Bruce Atkinson for raising some very important and quite alarming issues that have come before Parliament. I must admit that I did not have a complete understanding of some of the grouping issues, particularly as they apply to franchise arrangements, before listening to each of the speakers I have just mentioned. I thank them for that information and for the warning they have given Parliament. It is a very serious issue, which we need to investigate more fully, and for that reason the National Party is certainly convinced to support the amendments relating to this issue that will come before us after the dinner break.

In particular I want to look at two issues, one relating to stamp duty being payable on GST-inclusive values of certain products, and the other being the issue contained in clause 20 of the bill, the abolition of payroll tax exemptions for wages paid to apprentices and trainees. Firstly, let me go to the issue that appears throughout the bill, where there is a reconfirmation of stamp duty being payable on GST-inclusive values of goods and services. That issue is addressed in clauses 6, 14 and 17. I do not think anything sticks in the craw more than having to pay a tax on a tax. Like Mr Baxter, I have had a number of constituents approach me consistently over the years complaining bitterly that they are required to pay stamp duty on not only the value of their insurance premium, to use that as an example, but also the GST on that insurance premium. I have raised this matter a number of times with the Treasurer in recent years, all to no avail. The government has refused to look at this issue at all.

What we have seen particularly — once again using the example of insurance premiums — is how unfair that has been on all of us who take out insurance. We have talked about the escalating cost of insurance premiums. In fact we passed legislation on that matter just yesterday, when we debated the Wrongs and Limitation of Actions Acts (Insurance Reform) Bill and spoke about the effect spiralling insurance premiums were having on us all in every aspect of our lives.

And there is one very small way the government might have been able to help — that is, to apply the stamp duty on just the insurance premium itself and not on the GST-inclusive price. That would have helped in a small way and given a positive signal that this government does care and was looking to try to address the issue of the spiralling increase in insurance premiums. But alas, that is not the case and we see in clauses 6, 14 and 17 that there is that very confirmation that stamp duty is payable on the GST-inclusive value of the product. That is very disappointing and will not be welcomed by anyone who has to take out insurance or pay stamp duty on a land transaction or the purchase of goods of some sort. That is pretty disappointing.

I am further disappointed — that is a mild word, probably 'appalled' is a better word to describe what is happening under clause 20 of this bill — that the payroll tax exemption for wages paid to apprentices and trainees is now going to be abolished. I puzzle over this issue because it simply defies logic. There is no logic in it whatsoever. Every member in this chamber knows how important it is to try to encourage young people to get a start in life; or, to use the words of one of the previous speakers, to give young people a start in life. We should do everything we possibly can to encourage that, and one of the ways we were able to encourage greater employment opportunities for young people was to provide a little bit of help to their employers, an incentive for employers to take on young people in a formal training program and work placement.

Hon. J. H. Eren — The trouble was that they were abusing it.

Hon. P. R. HALL — I will get to the particular issue that Mr Eren raised in a couple of minutes. He said some were abusing it. But that was a way in which a small amount of help and incentive was made available to employers, and many thousands of young people in years past have got a start in life because their employer took advantage of that payroll tax exemption to take them on as a young trainee or apprentice.

Yet now we see in this budget that it is being abolished. As I said, one wonders why. I can only come to the conclusion that my colleague Mr Baxter came to in saying that it is because this government is in desperate need of something like $160 million which it will save by the abolition of this payroll tax exemption and the implementation in place of it of a completion bonus. Over the next four years, as is outlined on page 259 of budget paper 2, the government will save itself $210 million by abolishing this payroll tax exemption for apprentices and trainees and in its place it is going to put what it terms the completion bonus scheme costing $51.4 million over four years. So this is a grab of a clear $160 million to the government on this issue. There is no logic in it. One can only make the assumption and come to the conclusion that the government desperately needs that extra finance.

How did the government try to explain this proposal? It said it was concerned about completion rates of trainees and apprentices.

Hon. J. H. Eren — Outcomes.

Hon. P. R. HALL — No, completion rates was the issue, whether they completed their traineeship or apprenticeship. What are the completion rates? There was no justification or information provided in the budget papers as to what the completion rates were. On 19 May at the Education and Training Committee meeting I asked one of the witnesses who appeared before the committee to give us a briefing and background information on the Department of Education and Training what were the completion rates for apprenticeships and traineeships. The answer I was given — and it is reported in the Hansard transcript for anyone to check — was that the then current completion rates for apprenticeships was about 77 per

cent. I would have thought that is not a bad sort of outcome. If nearly four out of every five young people who start an apprenticeship actually finish it, then that is not bad, is it? Not a bad uptake rate at all.

I note that Mr Pullen in his contribution said that the completion rate was between 70 per cent and 75 per cent, so there is not much difference between what Mr Pullen said tonight and what I was told by the witness before the Education and Training Committee of the Parliament. I would say that for apprenticeships there might be one in five who does not complete it, but why does the government not look into the reason that person did not complete their apprenticeship and perhaps put in place some measures that would address the issues of why they did not complete it? But in further questioning at that committee we found that there was no quantitative study undertaken as to why apprenticeships or traineeships were not completed.

Regarding traineeships, the information I received at the committee correlated exactly with what Mr Pullen said tonight, that the completion rate for traineeships was 55 per cent. I asked the witness before the committee, 'What has happened to the other 45 per cent? Have you tracked where they went to? Have you done any exit studies?' so to speak, and the answer to that was clearly no, the department had not, but the anecdotal evidence was that they moved into employment fairly quickly. I would have thought that was an absolutely outstanding and great outcome. Is that not what training is all about? The fact that we have only 55 per cent of traineeships completed is absolutely irrelevant if those failing to complete had moved into a permanent employment situation. It seems to me that this payroll tax exemption for wages paid to apprentices and traineeships is working very well if four out of five people complete their apprenticeships and many of those who do not complete them are moving on to full employment anyway.

Another aspect of this that I wish to raise relates to the restrictions now being placed on this new completion bonus scheme. It has been mentioned by Mr Forwood and Mr Baxter, but I wish to reiterate. On page 67 of budget paper 2 we find out about the restrictions on the new scheme. I quote:

> From 1 July 2003, employers with three or more new employee apprentices and trainees in training …

That is the first criterion, so it is bad luck for the company in country Victoria that has got only one or two apprentices. That particular company does not get any completion bonus.

I put it to the government here tonight that many companies that operate in country Victoria pay payroll tax but because they do not take on three or more apprentices they will not qualify for a bonus scheme at the end of the day. This bill is anticompetitive for many of those smaller businesses that operate in country Victoria. Further, the budget papers state that all of those apprentices or trainees must be aged under 25 years.

Talk about giving young people a go! I am all for doing that, but I would also regard anybody who is 26, 27, 28 or 29 as a young person. They still have a life ahead of them, and many of them have had to go back and retrain; they may have lost their job and are undertaking a retraining program through a formal apprenticeship or traineeship. I say good on them! They are making a go for themselves in life but no incentive is being given to them.

What about the company that takes on two under-25s and one person who is 30 years of age as a third apprentice? Bad luck! It does not qualify for this new bonus scheme. It is most discriminatory, most unfair and, as previous speakers on this side of the house have said, it is very antijob. It is certainly not encouraging the uptake of employment opportunities for young people and older people. I think it is very discriminatory for an age restriction to be placed on the completion bonus scheme and on the numbers of apprentices, because it will significantly disadvantage people in many businesses in country Victoria.

There is one last point I want to make. When talking about this I cannot help but always be reminded of the circumstances of the proprietors of a small company in Swifts Creek called High Country Bakery operated by Russell and Jill Dodd. They will not mind my mentioning their names, because they have since had to sell the business.

An Honourable Member — Great bakery.

Hon. P. R. HALL — It is a great bakery. They have since had to sell the business for health reasons, but the bakery still operates. For many years they took on a formal apprentice to train as a pastrycook. Not many employers in Swifts Creek took on apprentices, but the Dodds provided an employment opportunity for a young person in the Tambo Valley area. However, through no fault of their own they had great difficulty holding their apprentices throughout the four-year apprenticeship period. What frequently happened, as members can imagine with young people of that age, was that the apprentices worked for a couple years, but because they liked the big life and wanted to see what

Melbourne was about they would come down here and perhaps pick up a job associated with the two or three years they had completed of their apprenticeship. I think four or five apprentices in a row that the proprietors of that business took on did not complete their training under that employer through no fault of the employer.

Hon. Bill Forwood — They all got a start in life.

Hon. P. R. HALL — Absolutely — that gave those young people a great start in life. They got a job — and there are not many job opportunities in places like Swifts Creek. In those circumstances the employer would no longer qualify for a completion bonus through no fault of its own. That is where I think this is grossly unfair and certainly discriminates against companies and employers, particularly in country Victoria.

I am absolutely delighted that the Liberal Party will tonight be moving an amendment to delete the provision that abolishes the payroll tax exemption in respect of wages of apprentices and trainees. I can tell members here and now that if the Liberal Party was not going to do it the National Party would do it. We will be wholeheartedly behind the amendments to be moved by the Liberal Party, and we look forward to the further debate in the committee stage.

Sitting suspended 6.28 p.m. until 8.05 p.m.

Mr LENDERS (Minister for Finance) — In reply to the second-reading contributions I would like to make a few points before we move into the committee stage of the bill.

Firstly, Mr Forwood raised an issue about the government's willingness to accept amendments. In reply to Mr Forwood, there have now been four occasions in the life of this Parliament when the government has accepted amendments from opposition parties or Independents. I take his point that governments need to look at that, but I draw his attention to the fact that this government has to date done that on four separate occasions during the first sitting of this 55th Parliament.

In reply to Mr Baxter, paragraph four of the second-reading speech mentions the changes that were in the amendments that came from the Legislative Assembly. I acknowledge his point about the spirit of them, but I draw his attention to the fact that I did mention the changes, and I also alerted the house to them in my opening remarks, although he obviously disagrees on the level.

On the issue of the indexing of fees, the state government is responding in exactly the same way as the federal coalition government. It is nothing out of the ordinary in a public policy sense. The regulations under which it has been done are regulations that were put in place in some cases by the government in which he was a minister. I certainly welcome the contributions that members made and note that more issues will be raised during the committee stage.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1 agreed to.

Clause 2

Hon. BILL FORWOOD (Templestowe) — I move:

> That it be a suggestion to the Assembly that they make the following amendment in the bill:
>
> 1. Clause 2, lines 2 and 3, omit ", 17 and 20" and insert "and 17".

I should make the point that amendments 1, 2 and 3 go to the issue raised in clause 20 — that is, the phased abolition of the exemption for apprentices wages — as does amendment 5, which seeks to delete the whole clause. If the committee agrees, I would be prepared to divide on this amendment to clause 2. That would test amendment 5 standing in my name.

The way it works is that clause 2 is the commencement clause, and if you take '17 and 20' out of clause 2(1) and put back 'and 17', you are saying that clause 20 does not ever come into effect. If you take out subclause (4) of clause 2, as suggested in my second amendment, that deals with the bill being deemed to come into operation on 7 May, which is the backdating of the compliance provisions. Clause 2(6), which my third amendment seeks to omit, says that clause 20(3) comes into operation on 1 January, and if we delete the whole of clause 20 it does not apply.

I do not intend at this time to rehash the second-reading debate. However, the opposition is strongly of the view that clause 20 is an attack on employment. Nothing has been led as justification for this policy position. The opposition believes strongly that this will do nothing to assist young people to get employment.

The opposition made the point in the second-reading debate that the new system of a completion bonus does nothing to replace the current exemption. For the reasons I outlined more fully during the second-reading debate I have moved suggested amendment 1 standing in my name, which will test all the clauses that deal with the abolition of the exemption for apprenticeship wages.

Hon. W. R. BAXTER (North Eastern) — The National Party supports the suggested amendment for the reasons that Mr Hall and I canvassed during our second-reading contributions, and I do not think it is necessary to recanvass them now.

Mr LENDERS (Minister for Finance) — The government does not accept Mr Forwood's suggestion to the Legislative Assembly for an amendment. The issues here of the removal of the payroll tax exemptions are intrinsically linked to the other parts of the budget papers, and are to replace them with amounts to be paid at the completion of apprenticeships and traineeships. That is a policy debate the Minister for Employment and Youth Affairs in another place has prosecuted on behalf of the government so I will not repeat those arguments other than to say that from the government's perspective it is a more effective policy to pay the bonuses at the completion of apprenticeships and traineeships as a more defined and exact mechanism to improve employment rather than the payroll tax exemptions that apply only to part of the work force. For those reasons the government will not support Mr Forwood's suggested amendment.

Hon. BILL FORWOOD (Templestowe) — Will the minister outline to the committee why the government decided to adopt a policy position that three apprentices were required to complete the whole of the training with the one employer in order for a completion benefit to be paid for one person?

Mr LENDERS (Minister for Finance) — It is probably more appropriate for that to be part of the budget debate in the sense that the budget brings that into place. This provision simply removes another procedure. I can say to Mr Forwood, to paraphrase the Minister for Employment and Youth Affairs, that the government believes this is a more effective process and the figure of three is one for the minister herself to prosecute as part of the budget. The best descriptor would be that that is a figure that the government sees as being appropriate. It probably reflects roughly the number of people who would be employed for an average business when it reaches the payroll tax threshold.

Under the payroll tax threshold many small businesses — I think the average size of the small business that does not reach the payroll tax threshold is one with approximately 14 employees — are not eligible for payroll tax relief under the current system, whereas a small business that chooses to focus on traineeships or apprenticeships under that size is eligible under the government's package.

Hon. BILL FORWOOD (Templestowe) — I thank the minister for his answer. I missed the last part of the minister's answer, and I ask him to explain what he meant by the last sentence.

Mr LENDERS (Minister for Finance) — I understand the spirit in which Mr Forwood raises this issue about the removing of the exemption because the two things are essentially linked. From memory the average small business that reaches the payroll tax threshold — the Minister for Small Business would be better equipped to answer this — is in the vicinity of 14 employees, so a number of small businesses could not take advantage of the old system of payroll tax relief because they do not pay payroll tax, whereas a small business with less than the payroll tax threshold of $500 000-plus that wishes to focus on traineeships or apprenticeships can take advantage of the new scheme outlined in the budget whereas it could not take advantage of the payroll tax relief scheme.

Hon. W. R. Baxter — Provided they have three!

Hon. BILL FORWOOD (Templestowe) — I thank the minister for explaining that, and I pick up Mr Baxter's interjection. I appreciate that the clause deals specifically with the abolition, but as the minister has said, and as we all believe, these two matters are intrinsically linked. I am grateful to the minister for answering on matters that are not completely within his portfolio responsibility.

I make the point that there are a number of businesses of small size — up to around 10, 12 or 14 people — that do in fact reach the threshold, lowered as it is now to $515 000 — —

Hon. M. R. Thomson — It is $550 000.

Hon. BILL FORWOOD — It has been lowered.

Hon. M. R. Thomson — Payroll tax.

Hon. BILL FORWOOD — Exemption threshold? And what do you think it is now?

The CHAIR — Order! The minister! Mr Forwood should speak through the Chair.

Hon. BILL FORWOOD — It is just in the interests of accuracy.

Those businesses would be able to take on one apprentice, but not to take on three. The point I make very strongly is that the government is unfairly penalising many people who would otherwise have taken on an apprentice and who now will not.

I turn to page 259 of budget paper 2, which details that the removal — which is described as a revenue initiative — will save the government $30 million in the next half year of this calendar year and then $60 million in the out years. Will the minister concede that this is a revenue initiative rather than a policy change?

Mr LENDERS (Minister for Finance) — Again we are debating a different piece of legislation from the budget — the State Taxation Acts (Miscellaneous Amendments) Bill. I understand that in the committee stage members are at liberty to raise a number of questions and issues. I am not seeking to curtail that, but that issue is more appropriately raised while discussing the budget.

We have had a long debate already on that piece of legislation, but this issue relates to this act in the form of removing a payroll tax exemption to meet the policy needs and requirements of the government in a budget which is to provide a new way of providing targeted training and apprenticeship opportunities. That is the policy context of that. The budget paper will show the costs — the debits and credits — as it goes onto the budget, but the purpose of this is to remove a payroll tax exemption.

Hon. BILL FORWOOD (Templestowe) — I thank the minister for explaining that to me, but I put it that if we are looking at clause 20 of the bill, the abolition of the payroll tax exemption, then we are absolutely entitled to look at the cost or savings involved in abolishing it. I just pointed out that page 259 of budget paper 2 shows that the full savings per year of abolishing payroll tax is $60 million. That is the only point I am making.

Hon. W. R. BAXTER (North Eastern) — I thank the minister for clarifying that the new scheme is going to be available to small businesses that take on apprentices. I appreciate the clarification, but I would not want the committee to take any refuge in the idea that that extension somehow compensates for the loss of or replaces the system that is being abolished in this bill, because it beggars belief that small businesses which are not paying payroll tax because they fall below the threshold are going to be taking on — except in a few cases — three apprentices.

If this new scheme was going to be for businesses taking on any number of apprentices from one upwards, I would be cheering the government because I would think that was a very worthy initiative. But I believe the minimum number of three is going to rule out 99 per cent of small businesses. I do not want the government going out there claiming that this is some great new initiative and that it compensates for what the government is taking away, because it plainly does not.

Committee divided on suggested amendment:

Ayes, 19

Atkinson, Mr	Forwood, Mr
Baxter, Mr	Hall, Mr
Bishop, Mr	Koch, Mr (*Teller*)
Bowden, Mr (*Teller*)	Lovell, Ms
Brideson, Mr	Olexander, Mr
Coote, Mrs	Rich-Phillips, Mr
Dalla-Riva, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr
Davis, Mr P. R.	Vogels, Mr
Drum, Mr	

Noes, 23

Argondizzo, Ms	Madden, Mr
Broad, Ms	Mikakos, Ms (*Teller*)
Buckingham, Ms	Mitchell, Mr
Carbines, Mrs (*Teller*)	Nguyen, Mr
Darveniza, Ms	Pullen, Mr
Eren, Mr	Scheffer, Mr
Hadden, Ms	Smith, Mr
Hilton, Mr	Somyurek, Mr
Hirsh, Ms	Theophanous, Mr
Jennings, Mr	Thomson, Ms
Lenders, Mr	Viney, Mr
McQuilten, Mr	

Suggested amendment negatived.

Clause agreed to; clauses 3 to 18 agreed to.

Clause 19

Hon. BILL FORWOOD (Templestowe) — I move:

> That it be a suggestion to the Assembly that they make the following amendment in the bill:
>
> 4. Clause 19, lines 3 to 33, omit sub-clause (1).

This deals with the issue of the grouping provisions which we went through in quite some detail during the second-reading debate. Without revisiting the entirety of the previous debate I wish to stress again that this clause is being opposed very strongly by the Law Institute of Victoria, the Taxation Institute of Australia, CPA Australia, the Franchise Council of Australia, the

Victorian Employers Chamber of Commerce and Industry, various other employer groups — —

Ms Hadden — Are you a member?

Honourable members interjecting.

The CHAIR — Order! Ms Mikakos! Can members desist?

Hon. BILL FORWOOD — I always welcome interjections from the member from Ballarat —

Honourable Member — Which member?

Hon. BILL FORWOOD — Yes, let me be clear about this — —

The CHAIR — Mr Forwood, you are speaking on the amendment!

Hon. BILL FORWOOD — I am speaking on the amendment and responding to an interjection from Ms Hadden, who oddly enough wishes to involve herself in this debate. I look forward to her contribution.

This issue deals very much with the Muir situation. The first thing I would like to have explained by the minister, if possible, is why, for example, proposed paragraph (d) would not catch an ordinary franchise operation and would catch only the Muir case.

Mr LENDERS (Minister for Finance) — The amendment to clause 19 relates to the grouping provisions, which obviously arose, as Mr Forwood, Mr Baxter and others have said, out of the Muir case, where the court read down the capacity of the commissioner to group people together for payroll tax purposes, and that obviously overturned a longstanding — —

Honourable members interjecting.

The CHAIR — Order! There is too much noise. It is very difficult for Hansard to hear and for the minister to be heard.

Mr LENDERS — Thank you, Chair. The Muir decision narrowed the capacity of the Commissioner of State Revenue to actually group people together. The purpose of this clause is to prospectively put back in place the regime that was in place before the Muir case, which enables the commissioner to continue to group people together as they were for taxation purposes before the Muir decision. There has been no widening from what was there before the Muir case, in which the judge read down the SRO's capacity to group people together. It still leaves in place the ability for the commissioner's decision to be appealed. It can be reviewed on either a question of fact or a question of law under our legal system. This simply restores what was there before the court narrowed the scope in the Muir decision. It does not purport to widen it; it simply restores it to what it was before the court made its decision.

Hon. BILL FORWOOD (Templestowe) — I thank the minister for the generic explanation of what the clause does. I put to the minister that the words in the bill do not do what he says they do. The words in the bill, in any way they are read, are so wide as to catch anyone the commissioner desires to catch. Could the minister explain to the committee how the words in new section 9A(1A)(d):

> one or more employees of an employer perform duties for or in connection with one or more businesses carried on by one or more other persons ("associates"), being duties performed in connection with, or in fulfilment of the employer's obligation under, an agreement, arrangement or undertaking for the provision of services to any one or more of the associates in connection with that business or those businesses —

cannot be read to include an ordinary franchise operation — if the minister knows how a franchise operation works, and I am sure he does? This is about the employees of an employer performing duties somewhere else. The words that are here catch ordinary franchisees. I understand the minister's generic position, but looking at the words can the minister explain why the words do not say what I say they say?

Mr LENDERS (Minister for Finance) — In the end every piece of legislation is ultimately interpreted by the courts. For lay people like Mr Forwood and me — and I guess Mr Forwood may be more skilled in these matters than I am — to put a legal definition on what particular words mean and how they do or do not catch people is very hard. It is very hard to do unless you are in the field and testing it.

I put to Mr Forwood that these words have come to us after we asked Chief Parliamentary Counsel to come up with words that restore the interpretation to what it was before the Muir case. The commissioner will put out a bulletin saying that the amendment simply confirms existing policy. There is no widening and there is no intention to widen. I am happy to put on the record in this place that the government has no intention to widen this in any way, shape or form beyond what it was before the Muir decision.

I cannot add any more certainty for Mr Forwood than that. It is not the intention of the government to widen beyond the pre-Muir position. This is simply to restore

the revenue base to what it was before the decision in the Muir case.

Hon. BILL FORWOOD (Templestowe) — I thank the minister for his assurance which will start to provide some comfort to some of the people who are concerned about this, and I genuinely thank him for that. I make the point that it is a very sad day when a minister starts his response to a question on a clause in the bill by saying, 'Let the courts decide'. That is an appalling response to legislation he is asking us to pass tonight. It is, and he knows it. You cannot bring bills to this place and say, 'We think we've got it right, and if we haven't got it right the courts will interpret them for us'. That is not the purpose.

It goes to the heart of the issues that have been raised by Bill O'Shea of the Law Institute of Victoria, by Mr Levy of the Taxation Institute of Australia, and by the CPA. They say that this is so wide. I understand how parliamentary draftspeople work as well as the minister, but this is one of those circumstances where this is not right — demonstrably not right.

I put it to the minister that his words, firstly, that he cannot explain how the words do not catch an ordinary franchisor situation, and secondly, if we have got it wrong the courts will fix it up, are an admission that we have not got it right. All that has been asked by the people who will be caught by this provision is that we take a breather.

None of us is saying not to fix Muir. If the government has a policy position to fix Muir then let us fix Muir. For heaven's sake, let us do that and do what we want to do, not draft it and not have a provision so wide that it would catch an ordinary franchisor, and in some people's cases commercial arrangements between accountants and the people they work for, or lawyers and their clients.

I put it to the minister that in circumstances like this if the last clause we voted on was important, then this one is equally important. The argument we are putting is that this is a clause that should not proceed in the way it is drafted because of the huge uncertainty it will cause and because it does not do what the government says it would do.

Hon. W. R. BAXTER (North Eastern) — With respect to the difficult position in which the minister finds himself, I appreciate the assurance he has given the committee as to what is the government's intention, but Parliament cannot be derelict in its duty. Parliament has, to the best of its ability and with the utmost good faith, to structure and pass legislation to reflect precisely what it means. It has been indicated tonight fairly clearly by the remarks that have been made by Mr Forwood and others, particularly by the references to the concerns expressed by the Law Institute of Victoria and others, that this clause as worded is open to interpretation.

The minister has acknowledged that it is open to interpretation, but we as a Parliament cannot simply say, 'Oh, well, we will let the courts decide', because that would be placing businesses in the state in an invidious position. It means that they have to go to the courts to find out whether what they are doing is in fact legitimate.

I know that under the Interpretation of Legislation Act, formerly the Acts Interpretation Act, the court is able to take into account extrinsic evidence. So if a case were being run the judge might well read this debate and the assurance given by the minister as to what the government's intention is.

Hon. T. C. Theophanous interjected.

Hon. W. R. BAXTER — But, Mr Theophanous, are we going to say tonight in this Parliament that we are prepared to put businesses in this state to the expense of going to the Supreme Court to get a ruling from the judge — the judge having read what we are saying here tonight — as to whether something they are doing is right or wrong? Surely it is up to us, as members of the 55th Parliament of Victoria, to express legislation in precise terms so the community at large, and particularly the business community, which is going to be affected by this, knows precisely what the Parliament intends?

I appreciate the difficulty the minister is in. I appreciate the fact that parliamentary counsel have drawn up this clause in these terms, but it is not good enough. It illustrates entirely the thesis put forward by the opposition earlier, that these provisions of the bill are not drafted clearly enough. The opposition and the National Party are not standing in the way of fixing Muir, nor are we standing in the way of the government putting in place and exercising its policy. What we are trying to achieve is clarity, so that what is on the statute book is capable of being understood clearly if not by laymen then at least by their legal advisers.

It is my submission that the clause as worded is not clear to our learned friends in the law, so I again say to the minister, 'Put this clause aside while more work is done so that the Parliament legislates and makes clear what it means and we are not relying on the courts to be doing the work for us'.

Hon. J. M. McQUILTEN (Ballarat) — Historically this government has been incredibly pro-business, and particularly pro-small business, and it has an understanding of the needs and requirements of business. It is my view that what has been proposed tonight is not inconsistent with that.

Hon. B. N. ATKINSON (Koonung) — I seek an assurance from the Minister for Finance that this legislation will not be used to extend the liability for payroll tax beyond companies that have common directors and shareholdings, that it will not be used to extend liability to companies that have separate legal entities. I ask the minister to further assure this house that any move to extend the tax net by the government will be brought back to this Parliament for scrutiny.

Mr LENDERS (Minister for Finance) — Firstly, these amendments to the Pay-roll Tax Act are specifically designed to bring our legislation into line with other jurisdictions in Australia. So as far as conformity and uniformity and those issues go, that is what they are designed to do.

In response to Mr Atkinson, the intent of the bill is not to broaden the scope of the legislation any further than it was before the Muir case. The Muir case narrowed the scope of the legislation; this simply seeks to restore it to what it was before the Muir case. The assurance I give Mr Atkinson is this: it is neither to extend or narrow; it is simply to restore it to what it was before the Muir case.

On the other issues he raised, specifically the director-to-director and company-to-company ones, the whole purpose in the grouping provisions of this legislation is to catch groupings, and part of that is to prevent avoidance by people using artificial devices to pretend they are legal persons or to pretend their relationships are what they are not.

There has always been in our tax legislation the capacity for the commissioner to seek to group, and I repeat: this simply restores it to what it was before Muir. It is based on legislation across a number of jurisdictions and the advice we have. In response to Mr Baxter's general comment, yes, it is correct: Parliament should be as specific as possible in putting forward legislation so the courts can interpret it. But ultimately when any legislation we put forward is disputed or the meaning is not clear, it will always be determined in the courts. We think this is precise. That is why we have put it in this form. We think the undertaking that I have given in this chamber and the bulletin that the Commissioner of State Revenue will put out will make it unequivocally clear that there is no intent beyond restoring it to what it was before the Muir case.

Hon. BILL FORWOOD (Templestowe) — I do not wish to prolong this any further. I just ask the minister: when are we likely to see the bulletin from the State Revenue Office? Why is it not available for this committee to consider when the minister brings this piece of legislation forward?

Mr LENDERS (Minister for Finance) — I am advised that the bulletin will be out within two weeks.

Hon. B. N. ATKINSON (Koonung) — I thank the minister for that assurance. I just ask him to comment on the other issue I asked about, which was an assurance that any move to extend the tax net would be brought before this Parliament for scrutiny.

Mr LENDERS (Minister for Finance) — Any move to extend the tax net would involve, as I understand it, amendments to the Pay-roll Tax Act, and they would by definition need to come to this Parliament before they could take effect. If the Treasurer and the government were so minded as to make variations to this act, those variations would need to come through this chamber before they took any effect.

Committee divided on suggested amendment:

Ayes, 19

Atkinson, Mr	Forwood, Mr
Baxter, Mr	Hall, Mr
Bishop, Mr (*Teller*)	Koch, Mr
Bowden, Mr	Lovell, Ms
Brideson, Mr	Olexander, Mr
Coote, Mrs	Rich-Phillips, Mr
Dalla-Riva, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr (*Teller*)
Davis, Mr P. R.	Vogels, Mr
Drum, Mr	

Noes, 23

Argondizzo, Ms	Madden, Mr
Broad, Ms	Mikakos, Ms
Buckingham, Ms	Mitchell, Mr (*Teller*)
Carbines, Mrs	Nguyen, Mr
Darveniza, Ms	Pullen, Mr (*Teller*)
Eren, Mr	Scheffer, Mr
Hadden, Ms	Smith, Mr
Hilton, Mr	Somyurek, Mr
Hirsh, Ms	Theophanous, Mr
Jennings, Mr	Thomson, Ms
Lenders, Mr	Viney, Mr
McQuilten, Mr	

Suggested amendment negatived.

Committee divided on clause:

Ayes, 23

Argondizzo, Ms	Madden, Mr
Broad, Ms	Mikakos, Ms
Buckingham, Ms	Mitchell, Mr
Carbines, Mrs	Nguyen, Mr
Darveniza, Ms	Pullen, Mr
Eren, Mr	Scheffer, Mr (*Teller*)
Hadden, Ms	Smith, Mr
Hilton, Mr	Somyurek, Mr
Hirsh, Ms	Theophanous, Mr
Jennings, Mr	Thomson, Ms
Lenders, Mr	Viney, Mr (*Teller*)
McQuilten, Mr	

Noes, 19

Atkinson, Mr	Forwood, Mr
Baxter, Mr	Hall, Mr
Bishop, Mr	Koch, Mr
Bowden, Mr	Lovell, Ms
Brideson, Mr	Olexander, Mr
Coote, Mrs	Rich-Phillips, Mr (*Teller*)
Dalla-Riva, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr
Davis, Mr P. R.	Vogels, Mr (*Teller*)
Drum, Mr	

Clause agreed to.

Clause 20

Committee divided on clause:

Ayes, 23

Argondizzo, Ms	Madden, Mr
Broad, Ms	Mikakos, Ms
Buckingham, Ms (*Teller*)	Mitchell, Mr
Carbines, Mrs (*Teller*)	Nguyen, Mr
Darveniza, Ms	Pullen, Mr
Eren, Mr	Scheffer, Mr
Hadden, Ms	Smith, Mr
Hilton, Mr	Somyurek, Mr
Hirsh, Ms	Theophanous, Mr
Jennings, Mr	Thomson, Ms
Lenders, Mr	Viney, Mr
McQuilten, Mr	

Noes, 19

Atkinson, Mr	Forwood, Mr
Baxter, Mr	Hall, Mr
Bishop, Mr	Koch, Mr
Bowden, Mr	Lovell, Ms
Brideson, Mr (*Teller*)	Olexander, Mr
Coote, Mrs	Rich-Phillips, Mr
Dalla-Riva, Mr	Stoney, Mr
Davis, Mr D. McL. (*Teller*)	Strong, Mr
Davis, Mr P. R.	Vogels, Mr
Drum, Mr	

Clause agreed to.

Reported to house without amendment.

Remaining stages

Passed remaining stages.

APPROPRIATION (PARLIAMENT 2003/2004) BILL

Second reading

Debate resumed from 10 June; motion of Mr LENDERS (Minister for Finance).

Hon. BILL FORWOOD (Templestowe) — I rise to speak on the Appropriation (Parliament 2003/2004) Bill. At the outset let me put on the record my appreciation to the President and the Speaker for affording me and some of my colleagues a briefing on the contents of this bill. It is a process I followed last year as well, and I will touch on that in a moment, but I should say at the outset that this bill appropriates $82 million for the operations of the Parliament.

We are well served in this place by Hansard, by the library, by the house committee and by the garden staff, and while members from time to time have complaints about some issues — and most recently the complaints have been around the operations of the computer system — I think all members in this place can take heart from the way we are looked after and the smooth operations of this place. This is a sensible time to put on the record on behalf of all of us our appreciation of the work staff do in ensuring the smooth operation of the Parliament.

The budget papers indicate some minor changes that will be taking place. Some funds are being put aside to get ready for the 150th anniversary of the Parliament. Some electorate office work will be done throughout the year. There is more additions work in the library, et cetera. I think that is money well spent and we will see the benefits of it.

Of course, like other parts of government, the Parliament has not been immune from the search for savings to fill in the black hole that has been caused by the inappropriate behaviour of the government. The Parliament has to find $500 000; I think $120 000 is coming from the Auditor-General's office, which is having an interesting arrangement. We are moving to a section 29 funding mechanism for it. That is something that I am sure the minister and I will discuss in times ahead. But each of the departments is being required to find some savings as well. I am advised by the Clerk of the Legislative Council that no programs will be cut, that we will just find some general savings among the activities. I, for one, believe the Parliament runs

smoothly enough, and I hope not too much stress is put on it by the need for these savings to be found.

The issue I wish to go to is the integrity of the budget. Last year, as I said — and members of the house have heard me speak about this before — the parliamentary appropriation bill that was brought before this place was false. That bill was a sham and it was known to be a sham when it was brought to this place. Members in this place have heard me say before that I can think of no greater sin than for an executive to bring to the Parliament a bill, particularly an appropriation bill, that it knows to be wrong. Last year I sought a briefing on the parliamentary appropriation bill and I was briefed and I asked questions. I subsequently discovered that at that time the people who briefed me knew, but could not tell me because they had been sworn to secrecy through the economic review committee process, that the line appropriations in the budget were incorrect.

If you look at schedule 1 to the Appropriation (Parliament 2003/2004) Bill you can see that each department of the Parliament is listed separately: Council, Assembly, Parliamentary Library, Parliamentary Debates, committees, Joint Services and Auditor-General. I think the Parliament is entitled to believe the amounts that we are appropriating will be spent for the reasons they are appropriated. Last year that did not take place, and it was known at the time the bill was brought to this place that the figures that were put before us were not going to be appropriated for the reasons for which we voted. You do not need to go any further than the letter that the Premier wrote on 26 June 2002 to the Speaker, the President and to others at that time. The letter he wrote to former President Chamberlain states:

> As part of the 2002–03 budget deliberations —

so up front he says it was part of the deliberations —

> government determined to reduce the current electorate office party pool … and utilise the savings from this to fund additional security staff for Parliament House and the introduction of the electronic news service for parliamentarians.

I make the point that it is entirely up to the government to decide what it wants to do. If it wants to cut the pool of staff that is entirely up to the government. However, I am saying to the government that it should be up front about it. It should not bring a bill into this place that appropriates money in a line item for Joint Services, knowing that it is intending to transfer it from that line item to other line items. That was the only purpose of the bill last year. In his letter the Premier said up front on 26 June, just after we passed last year's budget, that it was decided as part of the budget deliberations. It is well known that senior staff in this place knew that this was what was going on. I quote from a letter in the *Age* of about that time:

> A senior parliamentary officer told the *Age* that several parliamentary staff were aware that funding for a $660 000 upgrade to the parliamentary library had been granted on the condition that it came from the savings created by removing 11 staff.

So others knew it as well; it was not just me. We have never had an acknowledgment from the government about the error of its ways in relation to this. I took the matter up with the Auditor-General. He went exploring these issues and wrote a letter back to me dated 10 October, in which he said:

> Our investigation has confirmed that, as part of the 2002–03 state budget deliberations, the government endorsed a proposal to reduce the current electorate office party pool staff … and utilise the savings from this measure to fund two budget initiatives …

We made the point at the time that the only way you can transfer funds from one line item to another line item is through section 31 of the Financial Management Act over which the Minister for Finance has control. Section 31 says:

> 31. Transfer between items of Parliamentary appropriation
>
> (1) The Presiding Officers —
>
> (a) may determine that part of an amount appropriated for an item in a Schedule to an annual appropriation Act in respect of a department of the Parliament may be transferred to, and applied for the purposes of, a corresponding item in that Schedule in respect of another department of the Parliament;
>
> (b) may determine, with the consent of the Treasurer, that part of an amount appropriated for an item in a Schedule to an annual appropriation Act in respect of a department of the Parliament may be transferred to, and applied for the purposes of, another item in that Schedule in respect of that or another department.

So it existed. What needed to be done was that the presiding officers needed to seek the approval of the Treasurer in order to put this through and make these transfers valid. What happened? Towards the end of last year, on 16 October, the then presiding officers wrote to the Treasurer about a transfer of funds between parliamentary appropriations. They said:

> … Accordingly a transfer of funds is required to give effect to the outcomes of the 2002–03 Employee Relations Commission (ERC) budget provisions and the Premier's letter to the presiding officers of 26 June 2002.

> Pursuant to the provisions of section 31(1)(a) of the Financial Management Act 1994 we hereby authorise the following transfer of funds.
>
> We are of the opinion that in this regard the condition of section 31(2) of the Financial Management Act 1994 have been met.
>
> The reason for the transfer is to accommodate ERC decisions in relation to funding allocations for electronic news services and security costs.

In other words, ultimately the government did what it said it was going to do and transferred an amount of $291 000 in one case and $370 000 in the other case. Even that was not sufficient, and I am grateful to the President for making this letter available to me.

Later, on 30 January this year, the Speaker wrote to the Treasurer again requesting additional funding out of the Treasurer's advance, saying that savings generated from the sacking of the staff — that is my paraphrasing, but the letter states:

> … in a complete financial year is $495 000.
>
> Once the ERC decision became known, Parliament advised the Department of Treasury and Finance that the reduction in staff would not generate sufficient savings in 2002–03 to fund the security and library electronic news service cost … Parliament was advised to request a Treasurer's advance once the funding shortfall was identified.
>
> In 2002–03 the savings after deducting the cost of separating the employees is $248 000. This will leave Parliament with a shortfall of funds for 2002–03 of $413 000.

A Treasurer's advance was requested, so at the end of the day process had been followed. A section 31 approval was sought and granted and the funds were transferred from one line item to another. At the end of the day, a Treasurer's advance was sought and the undertaking was given, but to my knowledge what has never been corrected in this place is the fact that the government last year brought a false bill to this Parliament.

I put the Minister for Finance on the record. He was quoted at the time as saying that this was just another way of saving money to do with particular things. He will remember the quotes; I am not going to search for them now. But I say to the minister in the house: there can be no worse act than to bring a bill to this place knowing it to be wrong, particularly an appropriation bill.

In my time in Parliament I have never seen anything like it, and I hope I never see it again. I cannot believe that someone who has control of the state's finances, particularly someone of integrity and who administers the Financial Management Act, would allow this to ever happen again. It is a very sorry day in the history of this Parliament that a bill could be brought to this place falsely — deliberately knowing it to be wrong — but even more to the point, with the fact being hidden from members who sought information.

I sought a briefing — I repeat: I sought a briefing — but because of the behaviour of this government I was not entitled to be told what was actually happening. I put on the record that I have asked questions in relation to this year's budget and I am assured that there is no intention of transferring funds between line items at the moment. We have before us a legitimate bill to appropriate funds for the operation of the Parliament, and I am grateful for that. But I put on the record that I am deeply, deeply, deeply distressed about what happened last year.

Hon. W. R. BAXTER (North Eastern) — I want to make a few remarks on this bill. Before I conclude I might be considered by some people to be whingeing and moaning, but it is important that I express my concerns. I want to endorse the remarks Mr Forwood has made. I think the government's action in the circumstance that he set out was reprehensible, and I am very sorry indeed that it happened.

This bill appropriates a substantial sum of money — $82 million — for the operation of Parliament, and to our electors that will seem a gross amount of money; there is no doubt about that. Of course it needs to be observed that $23 million of the $82 million is for the Auditor-General. That is very important, and we all remember that it was the Kennett government that made the Auditor-General an officer of Parliament and had the Auditor-General funded, to this extent of his work at least, via the parliamentary budget rather than the budget of the Department of Premier and Cabinet.

I want to again note that we saw a letter from the Speaker to the Auditor-General attempting to slice into his budget to a very substantial extent. I think the public needs to be aware of that when they hear the sorts of remarks we heard from Mr Viney this morning alleging all sorts of misdeeds by the former government with regard to the Auditor-General. It was this government that this very financial year attempted to undermine the Auditor-General's work by reducing his budget and therefore his ability and scope to inquire into the government's activities. I think we want to constantly remind the government of that fact.

I note also that the bill provides an extra $1 million for the committee system. I have been a great supporter of parliamentary committees for a great number of years. I think they can do some good work if they operate in a

bipartisan way. I hope that is what we will see in the 55th Parliament, because on occasions in the 54th Parliament we saw some committees that were perhaps not working as well as they might. We saw an attitude from government members that they had to defend their government at all costs, and perhaps we saw some action by some opposition members who felt they had to attack the government regardless of the consequences. I hope committees are able to work in this Parliament in a much more bipartisan manner for the good of the Victorian community.

I do not begrudge the committees the extra $1 million that is going to them, but I note the government has formed some additional committees over and above those that were established in the last Parliament. I also note that there are now many Labor Party members on higher salaries for one reason or another — whether it is because they are parliamentary secretaries, committee chairs or whatever. That is in stark contrast to the criticism they gave the Kennett government, alleging that it was creating career paths for members of Parliament by appointing them as parliamentary secretaries and committee chairs. Whatever the Kennett government did in those terms pales into insignificance compared to what this government is doing. Now virtually everyone on the Labor back bench somehow or other is on a higher salary than the backbench salary because they have been given a job.

The public needs to be alerted to that fact and the Parliament needs to be conscious of it as well because it is adding to the parliamentary budget. People are being given extra tasks and it seems to me that positions are being created for the sole purpose of providing Labor backbench members with a salary.

I also want to comment on the vexed question of the information technology contract and how unsatisfactory the recent changes have been. Honourable members are aware that I am particularly concerned about this and they are aware that I put a motion on notice some time ago which states:

> That this house refer to the Public Accounts and Estimates Committee for inquiry and report, the contract for the replacement of computers and associated equipment in members' electorate offices with particular reference to:
>
> (a) the tender price;
>
> (b) the actual cost incurred in the changeover; and
>
> (c) why the new equipment is more cumbersome, slower and less user friendly than the perfectly satisfactory equipment it replaced.

I have not brought that motion on for debate because fortunately the presiding officers have referred the contract to the Auditor-General for review and report. I am very pleased about that and I am looking forward to that report because I cannot understand why perfectly satisfactory equipment was replaced last year in the middle of an election campaign by equipment that has caused so much difficulty, not only for members of Parliament but also staff in this building and our committee staff who have also complained to me.

Let me give a couple of examples. Why do we now have printers so large that my electorate officer is unable to move the printer to unblock a paper jam? I acknowledge that my secretary is a person of diminutive stature and weight, but I need to have the office modified so that paper jams can be cleared without her having to move the huge printer that takes up so much space in comparison to the perfectly satisfactory unit we had previously. We now have to wait for this printer to print out documents, whereas the one we had before printed pages instantaneously. The new printer also crushed our envelopes for quite some time, although I acknowledge that that problem has been solved with a very simple modification — but why did it take six months before that solution was discovered?

Hon. B. W. Bishop — Our printer is still crushing the envelopes.

Hon. W. R. BAXTER — Mr Bishop, I have become an expert on this problem and I can probably give you some advice on how you might repair it.

I also want to know whether any of my colleagues are afflicted by another annoying problem — that is, when I switch my computer on as I do when I get to the office just before 8.00 a.m. most days, a loud and annoying fan appears to work for about 4 hours a day. It switches off some time between noon and 1.00 p.m. I find its grinding away as it does beside me most aggravating to say the least and I have reported the problem to the help desk many times. I now resort to emailing the help desk when it goes off because I cannot see why I should have to put up with it. I take Mr Scheffer's advice to leave the computer on and I have done that a couple of times, but as one who has been brought up to conserve energy it galls me to leave the thing on 24 hours a day in order to avoid this problem.

This might sound like a minor complaint, but I say to honourable members that this contract cost millions of dollars and we should not have to put up with a situation where a distracting noise is emanating from these machines causing a great deal of stress and

probably an occupational health and safety problem in my office. It might also be one reason why I am suffering from more headaches than I normally do.

I simply say it is not good enough that we have a huge expenditure by this government. I still do not know how much it cost to replace this equipment with what we have now, but it is not good enough and the Parliament should not accept it. It should have been rectified months ago rather than having it done — if we are going to have it done — six or eight months after the event. I do not want to sound as if I am whingeing and moaning, but frankly I have had a gutful of the equipment in my office, which is far less efficient than what I had previously. I did not ask for it to be replaced; it was replaced during an election campaign and my office was out of action for two full days. Heaven knows what it cost, and it is simply not a satisfactory circumstance.

I now hear on the grapevine that we are about to have the fax machines replaced. I have a perfectly good fax machine, and I cannot see why the Parliament would be spending money replacing machines that are absolutely adequate.

Hon. B. W. Bishop — We will have to reprogram them.

Hon. W. R. BAXTER — Yes.

The next issue I want to deal with goes to the matter of office maintenance. I had a phone call from a person who said he was coming to inspect my office. I had never heard of this person before and he seemed very reluctant to explain what he was on about and why he was coming. I telephoned the Joint Services Department and was advised that he had been engaged by the Joint Services Department and he was coming up to do an audit of my office. I made arrangements at his convenience rather than mine as to when he might arrive. He came. He is quite a pleasant fellow. He walked around the office, made a few notes, measured a few things and off he went.

The next thing I knew was that about three weeks later my landlord arrived with a carpenter. He had with him a letter that had gone from the Joint Services Department to my landlord complaining about a whole heap of alleged deficiencies with my office. I knew nothing about it. The letter made me look like some whingeing tenant. I had not complained about any of these issues. I work with these people and I live in a relatively small town. I was deeply embarrassed that this letter had gone to my landlord without my knowing anything about it. I was made to look a complete fool and a complete idiot. What is more, my electorate officer was deeply embarrassed when the landlord turned up with this carpenter because she knew nothing about it and she felt that it looked as though she had complained about the state of the office.

I simply say that is crazy stuff. There is a view over there in Joint Services, or somewhere in this government, that we are employees and they are the employer. That is not the case at all — we are the employers, thank you very much. If something is going to be done to my office, I want to know about it first. I do not want to be embarrassed by someone turning up unannounced and making all sorts of allegations about the state of my office when I have not complained about it. One of the things he complained about was the airconditioning system, which he said did not properly distribute the air around the office. The fact of the matter is that when I rented the office it was a single-space office and Joint Services would not spend the money to properly fix the airconditioner when we went in as tenants. I have never complained about it, I did not complain about it this time and I am deeply embarrassed that the agents were told that I was unhappy about it. I have written a letter to Joint Services. I have had no reply, which aggravated me a bit as well.

Hon. Bill Forwood — I hope you are coming to the Public Accounts and Estimates Committee hearing next week.

Hon. W. R. BAXTER — Unfortunately I cannot be there that day, Mr Forwood.

As I said, I do not want to sound as if I am whingeing and moaning, but I have to live in this community and I was deeply embarrassed that someone I know quite well and someone I have dealt with for 20 years would think that I would organise for a complaint to be made to him without my speaking to him directly.

I want to raise another matter which worries me deeply and has worried me for many years. I am a law-abiding person, and I do not want to be breaking the law, but I have been unable to get a satisfactory answer on the matter of payroll tax being levied on members for relief electorate staff.

Hon. Kaye Darveniza — What?

Hon. W. R. BAXTER — The matter of payroll tax being levied on members for relief electorate staff.

If Ms Darveniza employs relief electorate staff she will notice on her electorate office budget there is a deduction for payroll tax. I do not object to paying it if I

am liable for it. The question I ask is: if I am the employer I do not believe I should be paying payroll tax because I am below the threshold; but if I am not the employer, why am I paying payroll tax? As I say, I am not complaining about paying it but I want to abide by the law. I have been unable to elicit a satisfactory answer as to why I am debited with payroll tax when I am below the threshold or I am not the employer — either way it does not seem right and I want to make sure I am abiding by the law. As I say, I have not yet received a satisfactory answer to that.

I turn to the security issues with this building. I acknowledge and accept that we have to be mindful of security and we have to increase the security that we have customarily applied in this building. However, we have to be reasonable, realistic and practical. I know a trial is on at the moment but I want to make sure that trial — which includes the two side doors having now become exit doors only — does not become a permanent fixture without further consideration. I put a proposition to the Serjeant-at-Arms which I think is entirely feasible and meritorious. I acknowledge that some unauthorised persons have been coming in the side doors, having been let in either by members or staff or simply when a member or staff member who has a pass card was entering.

I accept that we may need to do something. For heaven's sake let us not resort to the situation that we so often see: that because there is a transgression by someone we will bar everyone. That is not acceptable. Those side doors are particularly convenient for a lot of members, particularly those who park on the front steps or arrive at this place either on foot or by public transport, and I do all three. I come in carrying my laptop, my briefcase and something else, and I can come in the side door very conveniently, particularly if it is after hours. If one has to go around to the car park, you go through the boom barrier and through the door at the back, put everything down to open the door to get across the gangway and put them down again to get in the next door and across the gangway. It is absolutely unsatisfactory and inconvenient for honourable members.

I suggest that we should have a pass system that accesses the two side doors, issued only to those members who apply for it. That will restrict grossly the number of people who access the doors. It will put a responsibility on those members who apply for a card that opens those doors so that they allow in only authorised persons and no-one else. I cannot see why we cannot have the technology, if it does not already exist in the current system, to provide for that. It is simply unsatisfactory. When Mr Bishop and I arrived here the other night there was a function on at Queen's Hall and the front doors were open, otherwise we would have been required to walk in darkness around the side of the building to the back door in the rain. I do not think members should have to put up with that. I make this appeal in terms of the security review that we have a practical circumstance and not something that is untoward.

I finally say in terms of this building that I am one of those who work here after hours. I am really disappointed — this is a relatively minor point — when this government is so conscious about occupational health and safety that the corridors are in absolute darkness. It is only because I have been here a long time that I know where the furniture is and can feel my way down that corridor upstairs in pitch darkness. I know where the light switch is for the stairwell, so I can get down the stairs with the lights on, but I have never been able to find the light switches for the corridor.

I am not asking for the place to be in a blaze of light 24 hours a day, but surely in the interests of occupational health and safety there ought to be a modicum of lighting — some security lighting on somewhere — so that members who work here late at night can get in and out of the place without tripping over furniture or other obstructions that are left in the corridors.

I put that on the record too, because I really object to the notion that operates in this place that when the house is not sitting we are all out the door and no-one is here. Even last night I went to leave before the house had adjourned by the colonnade south door, and it was locked. I could not get out of the place; I had to come round to the front door. We had received assurances that those doors would be open whenever the house was meeting but last night they were not.

Mr Viney — This is a really important issue!

Hon. W. R. BAXTER — It is all right for you, Mr Viney, you do not work in the place regularly after hours; I and other members do. We have to have a working environment that does not unduly inconvenience members. I believe we have gone too far, and I want to pull it back.

Mr SCHEFFER (Monash) — The funds devoted to the operation of the Parliament represent a significant outlay for the taxpayer. It is critical that this investment in the state legislature is worth while.

The Appropriation (Parliament 2003/2004) Bill provides funds for the ongoing operation of Parliament for the next financial year. It also provides funds for

new initiatives and asset investments — a sum of $82.5 million has been allocated.

My inaugural speech, delivered in February this year, was devoted to what I saw as the issues most concerning my electorate and the new government. This last contribution before the winter recess gives me the opportunity to briefly reflect upon the work of the Parliament and the people who support it. I have been genuinely impressed with the capacity of officers of the chamber to deliver apolitical and professional support services to all members. The initial briefings for new members held in the chamber were informative and conducted with an easy informality. I place a high value on the willingness of all officers in attendance in this place to provide ready assistance to members, whether it be advice on conduct in the chamber or guidance on many of the matters of parliamentary procedure or legislative processes.

Parliamentary officers are responsible for the preparation of huge amounts of documentation for council sittings and for the detailed records of proceedings. I have been impressed by the speedy access to bills and reports from the papers office staff, and amazed that the *Daily Hansard* is in my pigeonhole every morning without fail.

The parliamentary officers and staff also, of course, provide procedural and policy advice and research assistance to parliamentary committees, and they do this in an extraordinarily effective way. We are all mindful of the fantastic research support that the library provides.

The seamless way the public is moved through the building without interrupting the management of our primary business should also be recognised, as should the work that is done by officers in promoting public awareness and understanding of parliamentary democracy. We each rely on the friendly and informative tours of the building that officers conduct for the children from our local schools.

I also want to acknowledge, in the context of the debate on this appropriation bill, the care and management of the heritage values and amenity of the building itself and its historical collection. Besides being a working legislature this building is also an embodiment of parliamentary democracy in this state and this country, and its value is incalculable. Appropriate resources must always be allocated to its maintenance, and everyone is delighted with the fine refurbishment of the Legislative Assembly.

The bill allocates some $43 million to the Joint Services Department, and the work this department undertakes in providing the massive support to our electorate officers is critical to parliamentary democracy in this state. Our day-to-day reliance on their expertise needs no spelling out in this chamber.

I want to acknowledge the well-regarded and professional work of the catering staff in ensuring, for example, that the guests we bring to the strangers corridor are made to feel welcome and that functions we organise in the building or in the gardens run smoothly.

The gardens are also an important part of the parliamentary precinct. Being a new member I had not thought much about the role of the precinct until I saw the steps of this building covered with flowers in the wake of the Bali atrocity and subsequently attended the consecration of the Bali garden earlier this year. The gardens are part of the space of our democracy, and I take this opportunity to commend the work of those who devote their time to their maintenance and development.

The bill also provides an appropriation of $23 million to the office of the Auditor-General, the work of which is integral to the proper functioning of the Parliament in ensuring accountability in the public sector. The Auditor-General's office has delivered 11 important reports to the Parliament this year, including its report on Royal Melbourne Institute of Technology finances, public sector agencies, fire prevention and electronic procurement in the Victorian government. Those reports have been forensically examined by members of this Parliament and the wider public and have sometimes been the subject of heated debate in this chamber. That is all part of accountability and a thriving democracy, and I congratulate the Auditor-General on the work of his office. I commend the bill to the house.

Motion agreed to.

Read second time.

Third reading

Mr LENDERS (Minister for Finance) — By leave, I move:

That the bill be now read a third time.

I thank the three speakers for their contributions.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

APPROPRIATION (2003/2004) BILL and BUDGET PAPERS, 2003–04

Second reading

Debate resumed from 5 June; motion of Mr LENDERS (Minister for Finance) and Mr LENDERS's motion:

That the Council take note of the budget papers, 2003–04.

Hon. J. M. McQUILTEN (Ballarat) — I congratulate the Treasurer and the Premier on a very good budget in the circumstances with which the government was confronted. On other occasions when I have spoken in this house about the budget it has been lauded in various newspapers. I will not do that tonight because I believe the budget has been well accepted, and I am quite happy to leave it at that. Probably a million words have been spoken about how responsible the budget is.

I am concerned about the views of the opposition in a number of the debates that have taken place over some time. I know opposition members have a view that the Honourable Alan Stockdale was a hero — that he was the great Treasurer. Well the great Treasurer absolutely stuffed up the privatisation of the power industry in country Victoria, particularly in my area — not necessarily in Melbourne or Gippsland, but in western Victoria it is a total stuff-up. Even blind Freddy could see that if you are going to privatise the State Electricity Commission and the power infrastructure the place where you would make money would be in Melbourne and Gippsland but not in western Victoria.

I am no expert in the power industry, but that was an absolutely fundamental flaw in the privatisation process under the Honourable Alan Stockdale. It was driven by ideology, and the ideology of private enterprise being able to do it better. That is not entirely wrong. I am not saying private companies cannot do things better, but it was also driven by the notion that you must have competition. That was the bit, when you combine the two, that was incredibly flawed: you must have competition. That government cut up the State Electricity Commission and it cut up the gas company, but it was premature because within a year or so we had national competition between New South Wales, South Australia, Tasmania and Victoria.

No-one has actually talked about this an awful lot, and it does cause me concern. I am now seeing the effects in Robinvale and Mildura, all the places that have got a lot of infrastructure to get the power to them. This whole exercise was totally flawed, not only by the desire to have private enterprise involved but by having competition within that private enterprise framework — neither of which I disagree with. But the way it was done was incredibly flawed. Now this government has had to try to find a fix; and the fix is incredibly difficult.

I am going to finish on that point, because I do not think I have much time. But it needs to be said that Alan Stockdale absolutely failed country Victoria in what he did on the privatisation of the power industry; totally failed it. We are all suffering because of it, and this government has now got to try to find a fix.

After that rather partisan view, I would now like to talk about the need for bipartisanship on a number of projects I am working on. I believe in bipartisanship, as I have said on a number of occasions. I spoke to Mr Baxter three and a half years ago about water, the importance of water and how decisions on water have to be bipartisan. I still firmly believe that — they have to be bipartisan. They also have to be across all levels of government. And the more we go into this non-drought the more evident that is.

People are starting to say in Melbourne that it is not a drought. This is still a horrific drought. I said nine months ago that I thought it was a 1 in a 100 year drought, and nothing has changed since I said that. This is a very serious situation for all Victorians, not only country people, although I think we feel it more than Melbourne people. But the drought is so serious now that we will have to start thinking about extraordinary responses if we do not get sufficient run-off in the next few months. This government, the federal government and local government — we all have to really start to focus, because we will be carting water to towns that have never had to cart water. We will be carting water to places it was unheard of to cart water to. Mr Baxter is nodding; he knows I am right. I am very concerned about what people say is a non-drought because we have had a few dark clouds.

I will now touch on a couple of local issues. My education precinct, which I started talking about in 1984, is now getting very close. I have spoken to Mr Vogels about it, because he has been vocal in the local media saying the project will not happen. He now believes it is going to happen. I have $8.1 million, and the education precinct will happen. I have spent so much of my life trying to do this. No-one else has ever done it for a country town. It has not been done anywhere in the world, and we are doing it in Maryborough. It has been really difficult to get

everybody to focus on what education could be for a country town, and it is now happening. I have half the money, and we will start building by December or January.

I want opposition members from country Victoria to say that this is a great idea. I ask them not to nitpick but to help make it happen. I have been working to make this happen for 18 years. It is not to make the Labor Party look good, but is needed in country Victoria. We need it for state education. This is a dream that can and will happen, but it would be much better if the opposition came on board and helped me with the federal government.

I am now going to be partisan because I get very annoyed when opposition members of this chamber and the other place carp, whinge, and moan about what the government is doing, what it is not doing, and how long it is taking. I know, and members know, that if you are really having a go, things take time. Most of the time we are working against a bureaucracy which does not want to hurry things along. I know Mr Baxter has been a government minister, and he would know that the bureaucracy can be incredibly slow.

The point I want to make now is that the federal government has been incredibly nasty, and has not been at all creative by saying, 'Here are some good ideas for Victoria'. The federal government has played pure politics. I do not think the opposition in this house has done that. Politics are played in this place, but I find what the federal government has done on things like Point Nepean quite extraordinary. In John Howard's own home town it will hand over a chunk of defence land to the state government free, but when it comes to the Bracks government, we have to pay for it. What hypocrisy!

Let us talk about the Calder Freeway. The Calder to me is important, and it is important to a lot of Victorians. We put up our $70 million and the federal government is not putting up its $70 million. It actually agreed to it as a road of national importance, or a RONI. Where is the money? It is not in the budget. That is outrageous, and Mr Drum knows it is outrageous.

Hon. D. K. Drum — You are exactly right.

Hon. J. M. McQUILTEN — It is outrageous and infuriates me. Then we have the Deer Park bypass. A lot of members may not know that there is a great road from Ballarat to Melbourne, from Horsham, Hamilton or anywhere in western Victoria, but then you hit Deer Park and you hit a traffic jam. It is a federal government-funded road network, and the federal government will not fund it. That is outrageous! At least it should give some time line.

Business interrupted pursuant to sessional orders.

Sitting continued on motion of Mr LENDERS (Minister for Finance).

Hon. J. M. McQUILTEN (Ballarat) — I strongly believe we need in western Victoria in particular a western bypass because it is important for all residents of the western part of the state. Unfortunately its funding is completely under the control of the federal government.

I have referred to the Calder Highway and other issues. This government is not being listened to. Ministers who have written to Canberra have not been listened to. The only people who will be listened to are members of the National and Liberal parties. They are the only members who can make a difference to what I have been talking about.

Hon. R. H. BOWDEN (South Eastern) — I rise to make a contribution on the budget for 2003–04. I hold a sincere belief that a budget document that a government delivers to the chamber should be the fulfilment of promises, hopes and aspirations, and to meet the aspirations that the electorate at large understood when it voted the government into office.

I have been a member of this chamber for more than 10 years, and I must say that this budget is disappointing. It is disappointing because tonight on the 6 o'clock television news I had the unfortunate and unhappy experience of seeing more than 600 Victorians in the eastern suburbs of Melbourne at a public meeting venting their anger, disappointment and absolute chagrin at the decision by the government to put tolls on the proposed Scoresby freeway.

I can clearly remember before the election last year that it was a commitment by the government that it would not toll the Scoresby freeway. It is not a freeway any more, it will be a tollway. Some 600 Victorians, and I am sure many more Victorians, at that public meeting last night were obviously disappointed and angry. I presume and expect that a very large percentage of those angry citizens last night at that public meeting voted for the Labor Party at the last election. They have been completely let down, disappointed and deceived.

If I express the view that a government has a responsibility when it presents its budget to the Parliament to meet the expectations and promises that were made to the electorate, then here is a classic case where the government went to the electorate and said,

'Trust us, we will do these things, and we promise you there will be no tolls on this proposed freeway'. The government then broke its promise. That is regrettable and shocking. I believe and hope the people in the eastern suburbs and elsewhere in the southern part of the state will call the government to account when the next polling day takes place.

Several other disappointments have manifested themselves through a careful reading of this state budget. This government tells us that it prides itself on being a green, environmentally aware and conservation sensitive government. I suggest that that is not true, particularly in my electorate. For example, in the case of the Gunnamatta outfall this state government is presiding over the dumping each day of more than 400 million litres of sewerage water into Bass Strait. Not only is it continuing to preside over that, I am not aware of any serious plans to clean that water before it enters Bass Strait, which is absolutely reprehensible.

I can find nothing in the 2003–04 budget to indicate that this government, despite its professed concern for environmental credentials, has any serious, concrete medium to long-term plans to stop dumping 400 million litres a day of sewerage water into Bass Strait at Gunnamatta. That is a great disappointment to everybody in Victoria, and it certainly tarnishes the credentials of this state government.

The other thing is roads. Without talking about tollways, let me talk about capacity. Several honourable members have repeatedly expressed in this chamber their growing concerns about the lack of capacity on the Monash Freeway and other major arteries. This government does not seem concerned — not one bit — about the inefficiency and the danger of those roads and their sheer incapacity to meet peak time requirements. I talk in particular about the Monash Freeway in both directions.

Another disappointment in this budget, and again it is absolutely reprehensible the way the government has gone about this particular issue, is that this year, 2003, is the 200th anniversary of the arrival of the first settlement fleet in Victoria at Sullivans Bay at Sorrento. Sullivans Bay could be considered Victoria's Plymouth Rock. A committee is organising celebrations, which are well under way. Over the past two or three years the government has had brought to its notice an opportunity to acquire this precious, historic site of the first European settlement in Victoria, which later moved on to Tasmania. The site has enormous cultural significance for Victorians at large and for Tasmanians. What has this government done about it? Nothing. What has this government provided for this historic site? Nothing. What is in the budget for this 200th anniversary acquisition proposition? Nothing. This government therefore stands condemned.

Right across South Eastern Province there are few hospitals, but I am dissatisfied with the ones we do have. The staff at Frankston Hospital are terrific — they work hard and they are a credit to their profession — but I can tell honourable members that it needs increased resources, and that goes for several other hospitals right through the area.

If someone is unfortunate enough to need to go to the emergency department at Frankston Hospital at any particular time they will not get prompt assistance, nor will they be able to exit early from that emergency room. Put simply, the place is under-resourced. I again pay credit to the staff — the administration, the doctors, the nurses — who do a great job, but Frankston Hospital in particular, which draws its clients from an enormous population pool, has been and continues to be under-resourced.

I want to mention something that really bothers me very much: that this government has a particular difficulty with its credibility. It talks about — and goes to great lengths to talk about — its concern about the road toll. We are all concerned about the road toll. It is shocking, and one death is one is too many. I would not believe there is a single member in this chamber who is satisfied at times with the road toll of either deaths or injuries.

However, as a member of this chamber I cannot see that the government is taking tangible steps in a serious, organised way to improve road quality, road quantity, road capacity or road design in a way that will really address these issues while it is taking so much revenue from the motoring public and the taxpayers of Victoria.

What seems to prove that the government is not genuine in the way it approaches public pronouncements on the road toll is the unbelievable level of and percentage increase in traffic and other road fines. The police force is now starting to be considered by many people in this state, unfortunately and regrettably, as just another taxation revenue office of the state government.

Some few weeks ago the shadow Treasurer produced excellent documents in a publication dated 22 May. He attached a graph showing figures taken from the budget documents to show the growth in fines. In 1997–98, towards the end of the period of the former Kennett government, police fines totalled $93.9 million. In 1999–2000 it was still $99.5 million. In the budget year

2000–01, the first full year after the election and the establishment of the Bracks Labor government, we went from $99.5 million to $177.5 million. That jumped again in 2002–03 to $326.6 million.

And what is in this budget? Well, let me tell you: this budget estimates $427.5 million for fines. So we have gone from the last year of the Kennett government at $99.5 million to $427.5 million under the Bracks government. That is not policing the traffic regulations; that is straight-out taxation. I suggest to honourable members that that is going to be a hindrance to the morale of the police and to the respect the Victorian people will have for the Victoria Police. It does not deserve to be given the task of raising revenue and the state government needs to take a long, hard, serious look at the philosophical base that is driving that huge percentage increase in those revenue numbers.

Local councils are also a concern. This government has in its own philosophical way a very strong commitment to the general establishment, protection and enhancement of councils, and many people will say that is all right. Let me suggest that by adopting a policy across the state of indexation of government fees, taxes and charges, what the state government is doing is giving the lead — giving a hint, and probably paving the way — for councils to press harder for their ability to raise their own revenues through indexation in subsequent times, and they have already started to do it. I suggest that that is not a good thing. I do not support indexation by councils at this time, on both the basis of the representation of my own electorate and from my personal point of view.

In the last year or two the approach of this government on the matter of councils has basically been a real hands-off approach. In a report published on 2 March in the *Sunday Herald Sun* there is quite a detailed list of the financial positions of councils. The subheading of the report is 'Fines, fees up but debt tops $1.35 billion'. I have not seen anywhere in the document before the house that the state government is even aware of or concerned about the rising level of debts incurred by councils.

I am not happy and suggest to honourable members in the government that the levels of land tax and stamp duty are not even fair. Land tax finds its way as a cost into small business and into manufacturing and affects the cost of living and is in turn counterproductive above a certain rate.

Stamp duty is absolutely horrendous. Young people are trying to establish themselves by purchasing homes, and at a time when property prices are rising rapidly we find that the government is not doing anything constructive. It is just sitting back and taking in the money from these young families who are fighting hard to get established and look after themselves, which in turn will help them to create a helpful community for Victoria in the future. What is the state government doing about stamp duty? Nothing. This budget is very disappointing.

There is another thing which I think is a bit of sleight of hand. Many of the announcements in the budget were — and I quote — 'over the next four years'. So $100 million committed to a line item over four years is basically only $25 million. On page 61 of 2003–04 budget paper 2, chapter 4 entitled 'Budget initiatives' outlines a whole string of major commitments that are all over four years. Why not just make them over 20 years and impress us even more? But this is a budget for one year, and I am really unhappy about the prospect of this budget.

In summary, this budget is disappointing. This is the biggest taxing, biggest spending government, and it is not meeting its fundamental obligations. The chant 'More teachers, more nurses, more police' is the same as the other chants we have heard in past years. This budget is very disappointing.

Motion agreed to.

Read second time.

Third reading

Mr LENDERS (Minister for Finance) — By leave, I move:

That the bill be now read a third time.

In doing so I would like to thank the 25 speakers on the budget debate which has taken place over a few weeks. The budget address is obviously a time for people to both speak on the budget itself and to give their general view of where the government should go. It is always a very good illustrative time. I would also like to take this opportunity to thank all members for their cooperation in getting the government's legislative program through over these last few weeks. I commend the bill to the house.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

BUDGET PAPERS, 2003–04

The PRESIDENT — Order! The question is:

That the Council take note of the budget papers, 2003–04.

Motion agreed to.

GOVERNOR'S SPEECH

Address-in-reply

The PRESIDENT — Order! I have to report that this day, accompanied by members of the Council, I presented to the Governor the address of the Legislative Council, adopted on 8 May 2003, in reply to the Governor's opening speech. The Governor was pleased to make the following reply:

Mr President and honourable members of the Legislative Council:

In the name and on behalf of Her Majesty the Queen I thank you for your expressions of loyalty to Our Most Gracious Sovereign contained in the address you have just presented to me.

I fully rely on your wisdom in deliberating upon the important measures to be brought under your consideration, and I earnestly hope that the results of your labours will be conducive to the advancement and prosperity of this state.

ROYAL ASSENT

Message read advising royal assent to:

Audit (Amendment) Act
Constitution (Water Authorities) Act
Corrections (Amendment) Act
Courts Legislation (Amendment) Act
Energy Legislation (Consumer Protection and Other Amendments) Act
Estate Agents and Sale of Land Acts (Amendment) Act
Legal Practice (Validations) Act
Planning and Environment (Metropolitan Green Wedge Protection) Act
Road Safety (Heavy Vehicle Safety) Act
Royal Agricultural Showgrounds Act
Safe Drinking Water Act
Victims of Crime Assistance (Miscellaneous Amendments) Act
Water Legislation (Essential Services Commission and Other Amendments) Act

PAPER

Laid on table by Clerk:

Parliamentary Committees Act 1968 — Minister's response to recommendations in Drug and Crime Prevention Committee's Inquiry into Motor Vehicle Theft

QUESTIONS ON NOTICE

Answers

Mr LENDERS (Minister for Finance) — I have a second batch of answers to the following questions on notice: 187–189, 192, 193, 197, 199, 201–04, 244, 245, 249, 254, 259, 262, 268, 276, 277, 282, 284, 289, 297, 308, 310, 343–45, 361, 362, 368, 370, 374, 398, 433, 438, 439, 441–54, 456–60, 486, 528 and 537.

Further answers to questions will be mailed to members while the house is out of session.

BUSINESS OF THE HOUSE

Adjournment

Mr LENDERS (Minister for Finance) — I move:

That the Council, at its rising, adjourn until a day and hour to be fixed by the President, which time of meeting will be notified in writing to each member.

Motion agreed to.

ADJOURNMENT

Mr LENDERS (Minister for Finance) — I move:

That the house do now adjourn.

Adjournment debate: responses

Hon. W. A. LOVELL (North Eastern) — My issue on the adjournment debate is for the Leader of the Government. This is my 11th contribution to the adjournment debate. On 27 February I raised an issue with the Minister for Agriculture in the other place on the cessation of farm business support grants and the use of the term 'interim assistance'. As yet I have received no response.

On 4 March I raised an issue for the Minister for Education Services on the Picola–Echuca school bus issue. On 16 April I received a letter from executive services saying the matter had been referred to them, but as yet I have received no response. On 19 March I raised a matter for the Minister for Water in the other

place on the assistance to Goulburn irrigators for undelivered water allocations. Only today did I actually receive a response.

On 9 April I raised a matter with the Premier on compensation for fences destroyed by fire in the north-east, but as yet I have received no response. On 10 April I raised a matter with the Minister for Transport in the other place on the priority of the Goulburn Valley Highway funding. As yet I have not received a response. On 29 April I raised a matter for the attention of the Minister for Small Business on the review of Easter Sunday trading bans. As yet I have received no response.

On 8 May I raised a matter for the Minister for Water in the other house about repairs to the Lake Eildon dam wall. Only today I did received a response to that, although not a very satisfactory one, I might add. On 22 May I raised a matter for the Minister for Education and Training in the other place regarding funding for a gymnasium at the Numurkah Secondary College but have yet to receive a response.

On 4 June I raised a matter with the Minister for Health about the Shepparton ambulance station and as yet I have received no response. On 5 June I raised a matter with the Premier on the inquiry into past adoption practices, and as yet I have received no response.

Yesterday when I had received no responses at all to all 10 of those adjournment issues I raised the issue with my colleagues to see if they had received responses to matters they had raised. A few had received no response and some had had 2 or 3 responses on 10 matters raised.

The adjournment debate give members the opportunity to raise issues of importance to their electorates. I ask the minister to ensure that all ministers recognise the importance of these issues to the people of Victoria and to ensure that ministers respond promptly to matters raised on the adjournment debate.

Commonwealth Games: environment strategy

Mrs CARBINES (Geelong) — My adjournment issue is for the attention of the Minister for Commonwealth Games. The minister has already announced that the Melbourne Commonwealth Games in 2006 will be the first major multisports event in the world to be carbon neutral.

He further announced that as part of the environment strategy for the games the Bracks government has made a commitment to plant 2.5 million trees over the next three years. This announcement has been widely applauded, and I commend the minister for his commitment to plant the 2.5 million trees in areas affected by salinity and environmental degradation.

In my role as Parliamentary Secretary for Environment I recently visited the Port Phillip and Westernport Catchment Management Authority, which is very enthusiastic about this environmental strategy and is keen to be involved in the tree planting process. The catchment management authority has worked very hard alongside landowners and Landcare groups to rehabilitate areas of the catchment that are seriously degraded. Its Grow West project aims to revegetate some 10 000 hectares of the Rowsley Valley and Pentland Hills escarpment country.

Mr Mick Lumb, the chair of the catchment management authority, informs me that this country has little agricultural productivity but has great potential to sequester carbon through both farm forestry plantations and conservation plantings, and that some 1500 hectares of land is immediately available for planting, with additional areas already planned for future years.

I ask the minister for his advice as to how the Port Phillip and Westernport Catchment Management Authority can become involved in the environment strategy for the Commonwealth Games.

Consumer affairs: debt collection

Hon. A. P. OLEXANDER (Silvan) — I seek the assistance of the Minister for Consumer Affairs. I raise the issue of problems associated with debt collection agencies in the context of rising levels of personal debt in the state of Victoria.

I refer the minister to recent reports in the *Herald Sun* of 29 and 30 May that the average Victorian credit card holder now finds themselves in debt to the tune of approximately $2500. That is an average figure of $2500 for every credit card holder in the state.

Many consumer groups have criticised a set of draft legal guidelines produced by the Bracks government that provides guidance to debt collection agencies on how they should conduct their business and how they should appropriately deal with consumers who find themselves in the unfortunate situation of personal debt. The criticism of those guidelines from consumer groups is that they do not go far enough and that they only really deal with things that are illegal or unlawful at the moment and do not deal with any actions or activities on the part of these debt collection agencies that are unconscionable, misleading or otherwise reprehensible.

The consumer advocacy groups have been calling on the Bracks government to expand its guidelines.

Will the minister actively consider expanding the government's draft guidelines to cover unconscionable conduct as well as other forms of reprehensible conduct which might be perpetrated against consumers who unfortunately find themselves in a situation of personal debt by debt collectors who might be unscrupulous?

Aged care: funding

Ms MIKAKOS (Jika Jika) — I refer this issue to the Minister for Aged Care. The minister would be aware that residents in my electorate are suffering from a critical federal underfunding of nursing home places in Victoria. Victoria has the lowest level of operational high and low-care places per 1000 people aged over 70. As at June 2003 Victoria had 79 places per 1000 people over 70, made up of 38.2 high-care and 40.8 low-care places per 1000. Based on the 2003 report on government services, the estimated shortfall in Victorian aged care places — the difference between the benchmark of 90 per 1000 and the actual figure — was 5404 places. This shortfall has been increasing since 1996.

The enormity of the problem this shortfall represents now appears to have been recognised by the federal government with the allocation of an additional 1752 places — 876 high care and 876 low care — in November 2002 and a further 1759 additional places for 2003–04 on 3 April 2003. However, these additional announced places will not be operational for up to two years, and while a welcome sign of a turnaround in the federal government's attitude, these additional places simply repair the damage of the past seven years of neglect by the federal government. For this reason it is even more important that existing nursing homes that are in the system, so to speak, are able to operate at full capacity and in full compliance with relevant standards.

I noted with some concern yesterday that Mrs Coote raised a matter purporting to relate to one of my locally based nursing homes, the Lumeah Home for the Aged in Preston. Mrs Coote claimed that residents had been injured at the home and that as a result the home had only received a two-year accreditation by the Aged Care Standards and Accreditation Agency rather than the customary three-year accreditation. Importantly, Mrs Coote alleged that the Lumeah home was state run and called on the Bracks government to take action against a state-run facility.

I ask the minister to clarify whether the Lumeah Home for the Aged in Preston is in fact state owned, as claimed by Mrs Coote, or whether it is managed by Yarramar Aged Care Services under the auspices of Uniting Care Victoria and Tasmania, in which case Mrs Coote has misled the house.

The PRESIDENT — Order! The honourable member knows that without a substantive motion she cannot say that, so I ask the member to withdraw the last comment about Mrs Coote misleading the house.

Ms MIKAKOS — On a point of order, President — —

Honourable members interjecting.

Ms MIKAKOS — Perhaps the President did not hear what I asked because of the noise in the chamber, but I did actually ask for a clarification from the minister as to whether a matter alleged by Mrs Coote was correct, and whether Mrs Coote has misled the house really will depend on the answer the minister gives. I did not assert that she had done so.

Honourable members interjecting.

The PRESIDENT — Order! I have asked the member — —

Ms Mikakos interjected.

The PRESIDENT — Order! Ms Mikakos! I have asked Ms Mikakos to withdraw the comment, and I again ask her again to withdraw under the normal practice of the house unequivocally.

Ms MIKAKOS — President, I withdraw the comment, but I did not make the assertion.

Disabled services: taxi costs

Hon. BILL FORWOOD (Templestowe) — What a performance. You are a disgrace!

The PRESIDENT — Order! I ask Mr Forwood to address his adjournment matter.

Hon. BILL FORWOOD — The adjournment matter I wish to raise is for the Minister for Transport in the other place. I have received correspondence from Ms Brenda Rawlins in Bulleen, part of the electorate I have the honour to serve.

Ms Rawlins is disabled, but she works full time. The issue she raises is to do with the taxi costs for disabled people who actually work. She makes the point that much time and money has been spent on adapting buses

and trams for disabled access, which is okay for people who travel during the daytime, but not much has been done for disabled workers who cannot cross the road to catch the new bus or tram, or whatever. She says also that:

> due to the vagaries of timetables no amount of accessible buses and trams are going to help if they are not running or running once an hour when the disabled person needs to catch them to get home after work.

She makes the point that the taxi will pick her up so that she does not have to cross the road. She lives near the Eastern Freeway. She lives too far away from the nearest pedestrian crossing, and she cannot get across the road to catch the bus.

Her concern is that considerable effort is going into one part of the transport system for disabled people, but it is not flexible enough for people like her who work. She makes the point in her correspondence to me that she would be better off financially — because she is paying over $150 a week for transport to get to work — if she did not work at all, if she did not pay tax, did not get the money, did not pay for transport and just sat at home. She does not want to do that, so what she is looking for from the minister is some sort of indication of what capacity exists to assist people like her who are not in a position to be able to access the new public transport systems.

Gas: rural and regional Victoria

Ms HADDEN (Ballarat) — I raise a matter with the Minister for Energy Industries, the Honourable Theo Theophanous. The issue concerns the Bracks government's $70 million plan to extend natural gas to up to 100 000 households and businesses across country Victoria.

Mr Viney interjected.

Ms HADDEN — That is correct, Mr Viney, it is a tremendous plan.

The gas extension program forum held at Bendigo today and chaired by the Minister for State and Regional Development in the other place and the Minister for Energy Industries spoke about this project as being the largest gas infrastructure project undertaken outside Melbourne in over a decade. Three of the local municipal councils in my electorate — namely, the Hepburn, Pyrenees and Macedon Ranges shire councils — are very supportive of the government's project and want to participate in the natural gas extension project for connections to their major towns of Creswick, Avoca, Beaufort, Woodend, Gisborne and Romsey.

In Creswick's case, in a $33 million project, Creswick's Forest Resort golf club is currently being redeveloped with the construction of a five-star, 140-luxury-room international hotel, conference centre and residential allotments, with the international hotel expected to open in spring 2004. I therefore ask the minister to advise how quickly some projects can be fast-tracked for connections as early as winter 2004.

Drought: north-eastern Victoria

Hon. W. R. BAXTER (North Eastern) — I want to raise a matter for reference to the Treasurer, and I take my cue from the remarks made by Mr McQuilten earlier this evening about the ongoing drought. Last week I raised on the adjournment for reference to the Minister for Agriculture the serious situation in the Upper Murray, which, despite being one of the traditionally most favoured parts of Victoria weatherwise, is suffering very much from the culmination of many years of below-average rainfall. Farmers now facing a very severe winter short of feed are under a great deal of stress.

My remarks last week were published in the local newspaper on Saturday in a very small article, yet that mention has generated a number of phone calls to my office in the last three days from farmers in the Upper Murray who are feeling that stress. They have expressed to my office the difficulties they are having with the Rural Finance Corporation in accessing the $20 000 that the government has made available for drought relief or getting some indication of what other assistance might be available. I find this surprising because the Rural Finance Corporation has traditionally had a very high reputation for assisting farmers.

I was a bit inclined to believe perhaps some of these claims being made to my office might have been exaggerated. But I have to say that in speaking with the Rural Finance Corporation today my electorate office has had a somewhat unsatisfactory experience as well. It appears to me that maybe the office staff are under considerable stress because of the demand that is being generated by the drought. I want to say to the Treasurer, as the minister with oversight of the Rural Finance Corporation, that he might take it upon himself to ensure that the corporation's usual high standard of dealing with farmers in Victoria, and particularly farmers who are under stress through prolonged drought, is upheld and maintained.

It seems to me that whatever the circumstances in the next month or two, the Upper Murray farmers are in for a very tough time at least until next spring. Many of them, I am told, are having cheques dishonoured by one of the big four banks, and it may well be that the government might need to undertake some additional measures. I invite the Treasurer, if he would, to turn his attention to it.

Devilbend reserve, Tuerong

Hon. J. G. HILTON (Western Port) — My adjournment matter this evening is for the Minister for Environment in the other place. I ask the Minister his intentions with regard to Devilbend on the Mornington Peninsula. Devilbend was for many years a reservoir servicing the peninsula. Two years ago Melbourne Water completed the pipeline from Cardinia to Pearcedale, which obviated the necessity to maintain Devilbend. Melbourne Water instigated a consultation process with the local community, which produced a management plan. This plan recommended that Melbourne Water sell off part of the land surrounding Devilbend to pay for the development of the park.

At a recent meeting which I attended, along with my colleague the Honourable Ron Bowden, there was opposition to this plan as people believe commercial development would compromise the integrity of the park. It is always difficult to strike the right balance between development and conservation. At the present time Devilbend is contained inside a wire mesh fence, depriving the community of an opportunity to experience the views, which are stunning in their beauty.

If a compromise can be achieved which opens up Devilbend for the enjoyment of everybody, financed by some development which does not compromise the integrity of the environment, that would appear to me to be a perfect solution to satisfy most people. I ask the minister when he intends to make an announcement as to the future of Devilbend.

Wound management: government assistance

Hon. D. McL. DAVIS (East Yarra) — My matter for the adjournment tonight is for the attention of the Minister for Health in the other place. It concerns a series of meetings I had with an important group, the Wound Management Association of Victoria. It is a multidisciplinary group that has devoted its efforts to ensuring that injuries and wounds are well managed to the highest scientific standards on the evidence available. This involves the scientific development of appropriate evidence as well as the use of international evidence to ensure that the best possible treatments are available. This is important on a number of levels, not only because injuries and wounds which are treated suboptimally will often take much longer to heal appropriately but also because that is very costly to our state health system.

It was made very clear to me that podiatrists and nurses and a range of other health care professionals are involved with the association. It is a body that I think deserves greater recognition by the state government because it is heavily committed to improving the level of medical treatment in this area. Wound management is a very specialised area, and one that requires appropriate and up-to-date knowledge, as there is a good deal of information coming not only from this state and elsewhere in Australia but also from overseas. I know that it is important in a number of respects because people who have seriously non-healing wounds not only become problems to themselves and their families but also use considerable community resources, becoming ‘bedblockers’ — the significant word that was put to me.

We need wound healing and wound assessment clinics that are able to operate in a specialised manner and provide appropriate care that will prevent significant human misery, as these injuries often persist for many years and in some cases for decades. If we have the appropriate treatment they can be healed very quickly, so I ask the minister to look at ways that the state government can properly and appropriately assist the Wound Management Association of Victoria to provide better care for patients.

The PRESIDENT — Order! The member’s time has expired.

Gaming: smoking ban

Hon. H. E. BUCKINGHAM (Koonung) — I direct my question to the Minister for Gaming in another place, Mr John Pandazopoulos. I wish to advise of the success of the government’s initiative in banning smoking in gaming venues, enacted in the Tobacco (Miscellaneous Amendments) Act 2002.

In August 2002 in the City of Knox, which makes up much of Koonung Province, the monthly loss by 12 gaming machine venues totalled over $9.1 million, based on figures released by the Office of Gambling Regulation. The ban on smoking in gaming rooms came into effect on 1 September 2002, following which there has been a considerable drop in gambling losses in Knox. Gambling loss in February and March in Knox dropped to $6.08 million and $6.6 million

respectively, which is a great testament to the success of the smoking bans and also has far-reaching community and economic benefits for the region.

An article in the *Knox Leader* newspaper of Tuesday, 29 April, reports that the Knox Family Support and Community Education Service estimated that it had experienced a drop of 10 per cent in welfare requests from problem gamblers in the area since the introduction of the bans. While regrettably still above the state and metropolitan averages in numbers of gaming venues, machines and losses, it is heartening to see that the Knox community has benefited by the smoking bans.

Strengthening the evidence of the success of the bans is the case of the City of Whitehorse, which also makes up a large proportion of Koonung. Whitehorse has seven gaming venues, and the number of machines and average losses are below the metropolitan and state averages. However, a drop in monthly losses from $5.4 million in August 2002 to $4.03 million in February 2003 also indicates the positive effect of the introduction of the smoking bans from September.

Can the minister advise me what is being done to ensure these figures will continue to fall?

Devilbend reserve, Tuerong

Hon. R. H. BOWDEN (South Eastern) — I seek the assistance of the Minister for Environment. I would like to take up a theme previously mentioned a little earlier by the Honourable John Hilton, which concerns Devilbend.

This is a major issue on the northern Mornington Peninsula. The land in question is approximately 1057 hectares, or a little over 2500 acres. It is Crown land, and for the last two to three decades it has been developed as a substantial water storage and resource for the northern Mornington Peninsula. There is a proposal, which is circulating and is understood in the community, by Melbourne Water to sell, divest or develop up to 60 per cent of the 2500 acres.

On the Mornington Peninsula only three areas of Crown land of this size are available for the long-term future for conservation and environment purposes. One is Greens Bush, another is the Point Nepean National Park, and this one, Devilbend, which is no less important than those other two vital conservation and environment areas. It is big enough and diverse enough for a long-term view to be taken to make sure that future generations can enjoy and develop conservation programs and access for long-term enjoyment and the sustainability of native birds, flora and other fauna.

To see this 2500 acres cut up, developed and flogged off for a short-term profit by Melbourne Water is to me totally unacceptable. As a representative for that area in this Parliament, I will not support any development whatsoever in Devilbend. I therefore suggest that the government be made very much aware that this issue will not go away. It is a major item of concern to many community groups and many credible groups in the conservation and environment area.

If the government believes it can placate Melbourne Water and assist the council by working with Melbourne Water and the council to get rid of this huge area of scarce public land, then it is in for a fight. It is in for a fight from members that I associate with, and it is in for a huge fight with the community. I will not, under any circumstances, support the cutting up and development of this very valuable, precious public land and environmental resource.

Timbarra secondary college: site

Mr SOMYUREK (Eumemmerring) — I raise a matter for the attention of the Minister for Education and Training in another place concerning provision for a secondary college at Timbarra estate in Narre Warren North in my electorate. The current situation with respect to the provision of a secondary college on this estate is unsatisfactory and needs to be addressed as soon as possible. Residents in the area are justifiably concerned. Prospective Timbarra secondary school students need to travel several kilometres to get to school. At the Berwick end they need to travel about 3.5 kilometres to get to Berwick Secondary College, and at the other end they need to travel about 7.5 to 8 kilometres to the Hallam campus of the Eumemmerring Secondary College.

Mr Gordon Rich-Phillips has made representations on this issue in the past, and he has issued a plethora of press releases in the local media. He actually made a speech in Parliament on 18 March in which he said that it would be worth while for the government to keep this secondary school site because it will not lose on it due to the fact that there will be a demand for a secondary school in this area in the future. That is funny, because in August 1999 the previous government put this site on the disposal list, so where was Mr Gordon Rich-Phillips at that stage? It shows a very short-sighted, myopic vision if you like, considering the fact that the City of Casey is one of the fastest growing municipalities in Australia with about 80 families moving there each week. It has a young demographic.

We all know the story, and Mr Gordon Rich-Phillips knows the story because on 18 March he presented these arguments to the house.

The government recently announced that it will establish a school provision review committee to provide advice on the requirements and options for the provision of secondary education in the Timbarra area. I request that the minister ensure adequate local community representation on this committee.

Eastern suburbs: business recycling

Hon. R. DALLA-RIVA (East Yarra) — I rise with a request for the Minister for Local Government. This matter relates to local councils providing a service for the collection of recycling materials for businesses in my electorate of East Yarra Province. Over 27 000 businesses operate within my electorate and it seems farcical that we have a situation where the council can collect recycling material from the residents, yet it does not have the capacity to collect recycling material from a business that might be right next door or across the road. As a comparison, the only other council within my immediate area is the Manningham City Council, which provides a recycling service to businesses. Interestingly, businesses in Monash, Stonnington, Whitehorse, Yarra and Boroondara that are within or surrounding East Yarra Province do not have that recycling service provided by council.

It is also interesting to note that Ecorecycle Victoria said it has a strategy that would encourage more councils to recycle commercial waste, and it aims to minimise the creation of waste, promote the sustainable use of resources and better manage the disposal of residuals. It said that this is part of the state government strategy to eliminate unnecessary waste and promote sustainable use of resources. Given that this is another statement from a government department it is probably similar to its statement on the Scoresby freeway, but do not worry about that. I request that the minister review the current practice of councils collecting recycling material and consider also collecting from businesses as part of their weekly rubbish collection.

Gaming: problem gambling

Hon. KAYE DARVENIZA (Melbourne West) — I wish to raise a matter for the attention of the Minister for Community Services in the other place. Firstly I would like to congratulate both the Minister for Community Services and the Minister for Gaming in the other place on their announcement today of a new wave of television, print and radio advertisements aimed at tackling problem gambling by encouraging problem gamblers to stick with counselling and support services to beat their addictions.

I am delighted that the government will be teaming up with the Western Bulldogs in a $200 000 partnership to tackle problem gambling. The Western Bulldogs players are well-respected role models in the western suburbs, and the football club will help target some of the areas most affected by problem gambling. The players, along with the Department of Human Services, will provide a range of community education and early intervention programs to young people. They will go to schools and work with community groups to raise awareness of problem gambling. Improving community understanding of problem gambling, particularly among young people, can prevent problem gambling behaviour before it starts.

The new advertisements give problem gamblers a clear message — that the road to recovery is not easy, but by using support systems help is available to deal with problems and assist in repairing relationships with friends and family.

Given the historic situation where the western suburbs have had more than their share of gaming machines and gaming venues and as a community have faced the challenge of dealing with a high proportion of problem gamblers, I ask the minister how partnerships will be built in the west and what investment in counselling and support services we can expect to address problem gambling in my local community.

Mitcham–Frankston freeway: tolls

Hon. B. N. ATKINSON (Koonung) — I have noted a communication from the municipalities of Knox, Manningham, Maroondah and Yarra Ranges in respect of the Mitcham–Frankston freeway, which of course is really the Scoresby freeway. Those councils have expressed in the strongest possible terms their disgust at the state government's decision to implement tolls on the freeway.

The PRESIDENT — Order! Will the member advise the house which minister he wishes to refer his adjournment matter to?

Hon. B. N. ATKINSON — It is to the Minister for Transport in another place.

These municipalities have indicated that they demand that the previously committed, funded and planned works between Springvale Road and Maroondah Highway be implemented forthwith under the state's road funding program without the need for tolls. They

have called on the state to establish clear guidelines for the satisfactory resolution of all outstanding issues associated with the former Eastern Freeway extension project. They have indicated that they expect — and certainly this is consistent with what happened in the latest federal budget — that the federal government will maintain its $445 million for the freeway project.

They have demanded that the northern section of the former Scoresby freeway project — that is, between Maroondah Highway and the Monash Freeway — proceed forthwith so that the formerly planned Eastern Freeway extension and northern section of the Scoresby freeway are open to traffic concurrently as soon as practicable. They have insisted that the previously committed non-road and on-road public transport elements within the Scoresby corridor be fully funded and delivered by the state government. Finally, they have called on the state government to release information it may have on the potential impact of the application of tolls on the arterial road system in the eastern region.

These are four municipalities that have been pushing the state government to stick to its original commitment to Victorians, particularly voters in their municipalities and indeed voters in the constituency I represent and other constituencies in the eastern suburbs.

I might indicate that I am rather astonished that the City of Whitehorse did not join these four municipalities, but then it is probably not so surprising given that 4 of its 10 councillors — Crs McCallum, Allan, Ellis and Chong — have stood for the Labor Party at elections, and George Droutsas is a Labor Party staffer. Therefore, 5 out of the 10 are interested in their allegiance to the state government and their own personal ambitions, as was Chris Aubrey as an Independent.

In the context of the legitimate concern expressed by four other municipalities in the eastern suburbs — and the expression of interest of the citizens of Whitehorse notwithstanding their council's position — I call on the Minister for Transport to address the concerns expressed in this communiqué, which has been relayed to him by the councils.

Responses

Mr GAVIN JENNINGS (Minister for Aged Care) — Ms Lovell raised an issue concerning correspondence for the attention of the Minister for Finance. Given that matters raised on the adjournment should deal with one issue, there is one issue, and that is correspondence relating to the matters she has raised on the adjournment — the responses she wishes to receive from ministers. I am sure the ministers she mentioned will be aptly reminded of their obligations to respond to the member.

Mrs Carbines raised for the attention of the Minister for Commonwealth Games a tree-planting proposal in the Port Phillip and Westernport Catchment Management Authority area and asked the minister to investigate ways in which the program could be part of the Commonwealth Games commitment to be a carbon-neutral games.

Mr Olexander raised for the attention of the Minister for Consumer Affairs a number of potentially unconscionable acts that may be carried out in the debt-collection industry and asked the minister to expand the guidelines to incorporate not only unlawful and illegal practices but unwise or unconscionable actions that may prevail in the industry. I will refer the matter to the industry.

Ms Mikakos raised for my attention a matter that had been raised during the adjournment debate last night by the Honourable Andrea Coote regarding Lumeah Home for the Aged, a nursing home in Preston. The matter raised tonight is a vexed issue in that it may well be that Mrs Coote inadvertently misled the house last night in her assumption that it was a state-run facility. The member, inadvertently I think, incorrectly stated that this was a state-run facility.

I will do whatever I can to ensure that all state-run facilities comply with the accreditation standards, as the member put to me on the adjournment last night. I will take that as an obligation that I have. In relation to this particular nursing home, I direct to the attention of the house that it is a privately run organisation under the auspices of the Uniting Church in Victoria and Tasmania.

Mr Forwood raised for the attention of the Minister for Transport in the other place an issue concerning a constituent, Ms Brenda Rawlins, who is a user of the taxi services provided to those in the community who are disabled and who require a particular service, in this case to get to work. Ms Rawlins attests that it is a very expensive practice to receive this service, that there may be limitations on the flexibility of the transport services and that she sometimes questions whether it is cost effective to go to work using this method. I am sure the Minister for Transport will be concerned about this issue and will take on board those considerations in further reviews of that taxi program.

Ms Hadden raised for the attention of the Minister for Energy and Resources the timely $70 million rollout of gas pipelines to regional Victoria. She wants to ensure it is fast-tracked as much as possible to make sure the communities anticipating gas pipelines in that period will have the opportunity by winter 2004 to receive those services.

Mr Baxter raised for the attention of the Treasurer that the normal high standard of care and service delivery provided by the Rural Finance Corporation may not currently be the standard of service that is being meted out to those who are suffering from the drought, particularly in the Upper Murray region. He asked the Treasurer to ensure that given the stresses and strains of dealing with this most pressing of issues across regional Victoria the corporation maintains the highest standards of care and consideration to its customers and those who are coming in to seek compensation in relation to drought matters.

Mr Hilton raised a matter for the attention of the Minister for Environment in the other place, dealing with an important conservation matter within the area of the Mornington Peninsula known as Devilbend — which I understand to be under the control of Melbourne Water — which provides an important catchment for the northern Mornington Peninsula. The member asked that the management plan for the area provide for enhanced environmental protection and look at ways in which parkland may be used for the benefit of all the community without undermining the environmental values of Devilbend.

Mr David Davis raised a matter for the Minister for Health. He asked the minister to give due recognition to the work undertaken by the Australian Wound Management Association which, in its own way, provides the highest standards of care in wound-management regimes. He referred to wound healing clinics and asked the minister to provide support to the association.

Ms Buckingham raised a matter for the attention of the Minister for Gaming. She referred to the significant decrease in activity in the gaming industry in her electorate — specifically in the City of Knox, where there has been a $9.1 million reduction in gaming revenue generated in less than a year since the introduction of smoking restrictions within gaming venues. She asked the Minister for Gaming to ensure that there is an ongoing regime that will see a decline in gaming activity which causes undue suffering and economic and social loss in her electorate.

Mr Bowden raised a matter for the attention of the Minister for Environment. He, too, referred to Devilbend, which Mr Hilton had referred to, and similarly asked for assurances that the Minister for Environment will play his role in ensuring that there is ongoing environmental protection for this important conservation area within the Mornington Peninsula. On behalf of the government I am thankful for any contribution from the opposition on maintaining a commitment to conservation values right across Victoria.

Mr Somyurek raised a matter for the attention of the Minister for Education and Training. He suggested that the important process which will hopefully see the delivery of a secondary college in the area of the Timbarra estate in Narre Warren will engage local representatives and members of the community to ensure that this secondary college is delivered on a site that had previously been earmarked for disposal by the Kennett government.

Mr Dalla-Riva raised a matter for the attention of the Minister for Local Government. I suggest that this matter could also be raised for the attention of the Minister for Environment given the fact that it is a matter to do with recycling, Ecorecycle Victoria and how recycling occurs in his electorate. He noted that the City of Manningham is the only local council that provides services to businesses.

Ms Darveniza raised a matter for the Minister for Community Services and complimented the minister and the Minister for Gaming on their support for problem gambling campaigns. She noted the campaign to engage the Western Bulldogs football team to promote counselling and support services in the western region, and sees that as a very positive initiative. She called for the ministers to review how partnerships will be engaged in in the future to support those useful activities in decreasing the degree of problem gambling within her electorate.

Mr Atkinson raised a matter for the Minister for Transport relating to the concerns of four municipalities within the Mitcham–Frankston corridor and asking for a number of things including a timetable of the development proposals. He asked the minister to be alive to the concerns of those municipalities about how the project will be delivered into the future.

Motion agreed to.

House adjourned 11.10 p.m.

QUESTIONS ON NOTICE

Answers to the following questions on notice were circulated on the date shown.
Questions have been incorporated from the notice paper of the Legislative Council.
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, 10 June 2003

Corrections: prisoners — medical procedures

224. **THE HON. R. DALLA-RIVA** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Corrections): With reference to HM Prison Ararat, HM Prison Barwon, HM Prison Beechworth, HM Prison Bendigo, HM Prison Dhurringile, HM Prison Langi Kal Kal, HM Prison Loddon, HM Melbourne Assessment Prison, HM Prison Tarrengower, HM Prison Won Wron, Fulham Correctional Centre, Dame Phyllis Frost Centre and Port Phillip Prison:

(a) How many prisoners in each facility have transferred from low-to-medium security centres in regional Victoria to a high-security Melbourne complex for medical procedures between — (i) 1 January 2000 and 31 December 2000; (ii) 1 July 2000 and 30 June 2001; (iii) 1 January 2001 and 31 December 2001; (iv) 1 July 2001 and 30 June 2002; and (v) 1 January 2002 and 31 December 2002.

(b) How many prisoners in each facility have undergone hospital procedures or medical day procedures for the period between — (i) 1 January 2000 and 31 December 2000; (ii) 1 July 2000 and 30 June 2001; (iii) 1 January 2001 and 31 December 2001; (iv) 1 July 2001 and 30 June 2002; and (v) 1 January 2002 and 31 December 2002.

(c) What have been the costs associated with prisoners undergoing hospital or medical day procedures for the period between — (i) 1 July 2000 and 30 June 2001; (ii) 1 January 2001 and 31 December 2001; (iii) 1 July 2001 and 30 June 2002; and (iv) 1 January 2002 and 31 December 2002.

(d) What were the number and nature of each complaint to the Health Services Commissioner relating to prisoner transfers for medical procedures from these prisons for the period between — (i) 1 July 2000 and 30 June 2001; (ii) 1 January 2001 and 31 December 2001; (iii) 1 July 2001 and 30 June 2002; and (iv) 1 January 2002 and 31 December 2002.

(e) What were the number and nature of each complaint to the Correctional Services Commissioner relating to prisoner transfers from these prisons for medical procedures for the period between — (i) 1 July 2000 and 30 June 2001; (ii) 1 January 2001 and 31 December 2001; (iii) 1 July 2001 and 30 June 2002; and (iv) 1 January 2002 and 31 December 2002.

(f) What were the number and nature of each complaint to the Minister for Corrections or his department relating to prisoner transfers from these prisons for medical procedures for the period between — (i) 1 July 2000 and 30 June 2001; (ii) 1 January 2001 and 31 December 2001; (iii) 1 July 2001 and 30 June 2002; and (iv) 1 January 2002 and 31 December 2002.

ANSWER:

I am advised as follows:

(a) The primary source of this information does not distinguish between movements for medical procedures and obtaining medical or psychiatric reports. To individually check each record over a three year period would unreasonably divert the resources of the Office of the Correctional Services Commissioner.

(b) and (c)

This information is not held by the Office of the Correctional Services Commissioner nor by CORE the Public Correctional Enterprise. Prisoner health records are kept by the health service providers. The Prisoner Healthcare Unit at the Department of Human Services oversight prisoner health care. The costs for prisoner escorts are not broken down in this fashion since movements which are classified as 'medical' will include movements for the purpose of obtaining specialist reports.

(d) The number of prisoner complaints to the Health Services Commissioner and an outline of the issues covered is provided on page 23 of her Annual Report 2001/2002. These complaints are not normally directed through the Office of the Correctional Services Commissioner, therefore no further breakdown is available within this portfolio.

(e) and (f)

Complaints from prisoners about health care issues are dealt with by the Prisoner Health Care Unit at the Department of Human Services. Any complaints from prisoners received by OSCS, CORE, the Minister for Corrections or the Department of Justice about prisoner health care issues would be redirected to the Prisoner Health Care Unit.

Agriculture: Shannon's Way Pty Ltd — contracts

232. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Agriculture): What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that:

The Department of Primary Industries was established on 5 December 2002. Since this time no contracts have been entered into between the Department of Primary Industries and the firm Shannon's Way.

Since becoming Minister for Agriculture no contracts have been entered into between my Private Office and the firm Shannon's Way.

Arts: Shannon's Way Pty Ltd — contracts

233. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Arts): What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that/as follows:

For information relating to contracts between the Department of Premier and Cabinet (Arts Victoria) and the firm Shannon's Way between October 1999 and April 2002, the Member should refer to the answers previously provided to Legislative Council questions on notice – numbers LC 1511, LC 1512, LC 2075, and LC 2862. Copies of these answers are attached.

No contracts were entered into between the Arts Victoria, and the firm Shannon's Way.

No contracts were entered into between my private office and the firm Shannon's Way since October 1999.

[*Hansard Reference: 1511 Legislative Council, Vol. 452, 16 August 2001, page 162*]

[*Hansard Reference: 1512 Legislative Council, Vol. 452, 16 August 2001, page 163*]

[*Hansard Reference: 2075 Legislative Council, Vol. 453, 30 October 2001, page 1053*]

[*Hansard Reference: 2862 Legislative Council, Vol. 456, 10 October 2002, page 694*]

Agriculture: CPR Communications and Public Relations Pty Ltd — contracts

271. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Agriculture) What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that:

The Department of Primary Industries was established on 5 December 2002. Since this time no contracts have been entered into between the Department of Primary Industries and the firm CPR Communications and Public Relations.

Since becoming Minister for Agriculture no contracts have been entered into between my Private Office and the firm CPR Communications and Public Relations.

Arts: CPR Communications and Public Relations Pty Ltd — contracts

272. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Arts): What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that/as follows:

Since October 1999, no contract has been entered into between CPR Communications & Public Relations and Arts Victoria.

No contracts were entered into between my private office and the firm CPR Communications & Public Relations since October 1999.

Corrections: community work programs — funding

342. **THE HON. R. DALLA-RIVA** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Corrections): In relation to community work programs under correctional services:

(a) What funding has been made available for the provision of supervisors for the period between — (i) 1 July 2000 and 30 June 2001; (ii) 1 July 2001 and 30 June 2002; and (iii) 1 July 2002 and 30 June 2003.

(b) At what month/s in each of those years were funds expended for the provisions of supervisors.

(c) What plans, processes or procedures does the Government have to increase, via funding or otherwise, the expansion of work programs under supervision.

ANSWER:

I am advised that:

(a) Funding for the community work program under Community Correctional Services is an integral part of the total budget allocation for management of offenders in the community. Because of seasonal, regional and other variability in demand, scope for flexible allocation of resources between community work, other offender supervision activities and treatment programs, is essential.

(b) Funds are expended on community work supervisors continuously throughout each year.

(c) As part of the Government's Corrections Long Term Management Strategy , an increase of approximately 60% in the budget for Community Correctional Services was announced in 2001. This envisaged further expansion in the number of offenders under community work and other forms of community based supervision. The creation of a metropolitan Fine Default Unit in 2002 has enabled a significant increase in capacity to process offenders required to undertake community work imposed in consequence of inability to pay their fines.

Health: Human Services — staff

412. **THE HON. D. McL. DAVIS** — To ask the Minister for Aged Care (for the Honourable the Minister for Health): As at 30 June 1999:

(a) How many members of the Victoria Public Service were employed by the Department of Human Services at — (i) VPS Band 1; (ii) VPS Band 2; (iii) VPS Band 3; (iv) VPS Band 4; and (v) VPS Band 5.

(b) What was the full time equivalent number of staff in each of those bands.

ANSWER:

I am informed that:

The Department of Human Services publishes each year in its annual report details of the composition of the Department's work force. This comprises a table setting out the number of full time equivalent employees (FTE) for each designation group, including VPS designation.

I refer the Honourable member to the Department of Human Services annual reports for the relevant period. Similar information is anticipated to be published in the 2003 Annual Report.

Health: Human Services — staff

413. **THE HON. D. MCL. DAVIS** — To ask the Minister for Aged Care (for the Honourable the Minister for Health): As at 30 June 2000:

(a) How many members of the Victorian Public Service were employed by the Department of Human Services at — (i) VPS Band 1; (ii) VPS Band 2; (iii) VPS Band 3; (iv) VPS Band 4; and (v) VPS Band 5.

(b) What was the full time equivalent number of staff in each of those bands.

ANSWER:

I am informed that:

The Department of Human Services publishes each year in its annual report details of the composition of the Department's work force. This comprises a table setting out the number of full time equivalent employees (FTE) for each designation group, including VPS designation.

I refer the Honourable member to the Department of Human Services annual reports for the relevant period. Similar information is anticipated to be published in the 2003 Annual Report.

Health: Human Services — staff

414. THE HON. D. MCL. DAVIS — To ask the Honourable the Minister for Aged Care (for the Honourable the Minister for Health):

As at 30 June 2001:

(a) How many members of the Victoria Public Service were employed by the Department of Human Services at -- (i) VPS Band 1; (ii) VPS Band 2; (iii) VPS Band 3; (iv) VPS Band 4; and (v) VPS Band 5.

(b) What was the full time equivalent number of staff in each of those bands.

ANSWER:

I am informed that:

The Department of Human Services publishes each year in its annual report details of the composition of the Department's work force. This comprises a table setting out the number of full time equivalent employees (FTE) for each designation group, including VPS designation.

I refer the Honourable member to the Department of Human Services annual reports for the relevant period. Similar information is anticipated to be published in the 2003 Annual Report.

Health: Human Services — staff

415. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Aged Care (for the Honourable the Minister for Health):

As at 30 June 2002:

(a) How many members of the Victoria Public Service were employed by the Department of Human Services at -- (i) VPS Band 1; (ii) VPS Band 2; (iii) VPS Band 3; (iv) VPS Band 4; and (v) VPS Band 5.

(b) What was the full time equivalent number of staff in each of those bands.

ANSWER:

I am informed that:

The Department of Human Services publishes each year in its annual report details of the composition of the Department's work force. This comprises a table setting out the number of full time equivalent employees (FTE) for each designation group, including VPS designation.

I refer the Honourable member to the Department of Human Services annual reports for the relevant period. Similar information is anticipated to be published in the 2003 Annual Report.

Health: Human Services — staff

416. **THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Aged Care (for the Honourable the Minister for Health):

As at 30 November 2002:

(a) How many members of the Victoria Public Service were employed by the Department of Human Services at -- (i) VPS Band 1; (ii) VPS Band 2; (iii) VPS Band 3; (iv) VPS Band 4; and (v) VPS Band 5.

(b) What was the full time equivalent number of staff in each of those bands.

ANSWER:

I am informed that:

The Department of Human Services publishes each year in its annual report details of the composition of the Department's work force. This comprises a table setting out the number of full time equivalent employees (FTE) for each designation group, including VPS designation.

I refer the Honourable member to the Department of Human Services annual reports for the relevant period. Similar information is anticipated to be published in the 2003 Annual Report.

Health: Human Services — staff

417. **THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Aged Care (for the Honourable the Minister for Health):

As at 31 March 2003:

(a) How many members of the Victoria Public Service were employed by the Department of Human Services at -- (i) VPS Band 1; (ii) VPS Band 2; (iii) VPS Band 3; (iv) VPS Band 4; and (v) VPS Band 5.

(b) What was the full time equivalent number of staff in each of those bands.

ANSWER:

I am informed that:

The Department of Human Services publishes each year in its annual report details of the composition of the Department's work force. This comprises a table setting out the number of full time equivalent employees (FTE) for each designation group, including VPS designation.

I refer the Honourable member to the Department of Human Services annual reports for the relevant period. Similar information is anticipated to be published in the 2003 Annual Report.

Health: Human Services — staff

418. **THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Aged Care (for the Honourable the Minister for Health):

As at 30 June 1999, how many members of the Victorian Public Service worked for the Department of Human Services and what was the full-time equivalent number of those staff.

ANSWER:

I am informed that:

The Department of Human Services publishes each year in its annual report details of the composition of the Department's work force. This comprises a table setting out the number of full time equivalent employees (FTE) for each designation group, including VPS designation.

I refer the Honourable member to the Department of Human Services annual reports for the relevant period. Similar information is anticipated to be published in the 2003 Annual Report.

Health: Human Services — staff

419. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Aged Care (for the Honourable the Minister for Health):

As at 30 June 2000, how many members of the Victorian Public Service worked for the Department of Human Services and what was the full-time equivalent number of those staff.

ANSWER:

I am informed that:

The Department of Human Services publishes each year in its annual report details of the composition of the Department's work force. This comprises a table setting out the number of full time equivalent employees (FTE) for each designation group, including VPS designation.

I refer the Honourable member to the Department of Human Services annual reports for the relevant period. Similar information is anticipated to be published in the 2003 Annual Report.

Health: Human Services — staff

420. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Aged Care (for the Honourable the Minister for Health):

As at 30 June 2001, how many members of the Victorian Public Service worked for the Department of Human Services and what was the full-time equivalent number of those staff.

ANSWER:

I am informed that:

The Department of Human Services publishes each year in its annual report details of the composition of the Department's work force. This comprises a table setting out the number of full time equivalent employees (FTE) for each designation group, including VPS designation.

I refer the Honourable member to the Department of Human Services annual reports for the relevant period. Similar information is anticipated to be published in the 2003 Annual Report.

Health: Human Services — staff

421. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Aged Care (for the Honourable the Minister for Health):

As at 30 June 2002, how many members of the Victorian Public Service worked for the Department of Human Services and what was the full-time equivalent number of those staff.

ANSWER:

I am informed that:

The Department of Human Services publishes each year in its annual report details of the composition of the Department's work force. This comprises a table setting out the number of full time equivalent employees (FTE) for each designation group, including VPS designation.

I refer the Honourable member to the Department of Human Services annual reports for the relevant period. Similar information is anticipated to be published in the 2003 Annual Report.

Health: Human Services — staff

422. **THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Aged Care (for the Honourable the Minister for Health):

As at 31 December 2002, how many members of the Victorian Public Service worked for the Department of Human Services and what was the full-time equivalent number of those staff.

ANSWER:

The Honourable the Minister for Aged Care (for the Honourable the Minister for Health): I am informed that:

The Department of Human Services publishes each year in its annual report details of the composition of the Department's work force. This comprises a table setting out the number of full time equivalent employees (FTE) for each designation group, including VPS designation.

I refer the Honourable member to the Department of Human Services annual reports for the relevant period. Similar information is anticipated to be published in the 2003 Annual Report.

QUESTIONS ON NOTICE

Answers to the following questions on notice were circulated on the date shown.
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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.

Wednesday, 11 June 2003

Education services: schools — Internet access

187. **THE HON. B. N. ATKINSON —** To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): In relation to the Minister's press statement of 11 February 2003 "*Faster Internet Access for Hundreds of Victorian Schools*":

(a) Has the Minister or the Department of Education and Training been informed as to the 'later this year' date by which the Telecommunications Purchasing and Management Strategy (TPAMS) is due; if not, has the Department made any inquiries as to when precisely TPAMS is due.

(b) What are the itemised, ongoing and once-off costs (if any) to the Department, to schools or to individual agencies or schools whilst TPAMS remains incomplete.

(c) Has there been a delay in the roll-out of broadband to schools caused by the wait for TPAMS; if so, how long is the delay.

(d) On what basis has the Department or the Minister formed the view that TPAMS will deliver broadband 'later this year' and how long afterward does the Department or the Minister anticipate that the 'schools not able to access the enhanced technology' will be upgraded.

(e) How many 'schools not able to access the enhanced technology' are there.

(f) What will 'schools not able to access the enhanced technology' be upgraded to.

(g) How many schools in Victoria currently rely on the completion of TPAMs before they will be eligible to be upgraded.

(h) Who will manage the supply, sourcing and provision of broadband and/or Asymetric Digital Subscriber Line (ADSL) or some other upgrade, to these schools and which schools are not currently eligible for the ADSL technology and why are they not able to access the technology.

ANSWER:

I am informed as follows:

The provision of the information requested cannot be justified on the grounds that it would require an unreasonable diversion of time and resources which are not available.

Education services: schools — Internet access

188. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): In relation to the Minister's press statement of 11 February 2003 "*Faster Internet Access for Hundreds of Victorian Schools*":

(a) On what basis has the Department of Education and Training or the Minister formed the view that the Asymetric Digital Subscriber Line (ADSL) is the most adequate technology or a better

technology to meet the broadband needs of schools, students, teachers and the Department of Education and Training than cable, satellite or other broadband technologies.

(b) Is the ADSL technology 'new' or 'enhanced'.

(c) How long term is the ADSL solution.

(d) Is the ADSL solution considered to be 'future proof".

(e) Have future costs been projected; if so, what do they amount to.

(f) Has an analysis been done on the comparative benefits of ADSL, cable, satellite and other broadband technologies in delivering broadband to schools; if so — (i) who undertook the research; (ii) what were its major findings; (iii) were they reported on, and if not, on what basis has the Minister or the Department made the decision to proceed with this initial roll out of new technology.

ANSWER:

I am informed as follows:

The provision of the information requested cannot be justified on the grounds that it would require an unreasonable diversion of time and resources which are not available.

Education services: schools — Internet access

189. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): What is the comparative difference in cost and service on a school to bandwidth and a student to bandwidth ratio between the Western Australian Government's 10 megabyte per school policy and the Victorian Government's policy.

ANSWER:

I am informed as follows:

The initiative being implemented in Western Australian will not provide 10 megabits of bandwidth to all schools in Western Australia. This level of bandwidth is the maximum bandwidth available and is only available to metropolitan schools. Western Australian schools will receive bandwidths ranging from a 'Remote Data' service, which provides a 128 kilobit link from the school with a shared satellite link back to the school, up to the maximum available bandwidth.

An analysis of school to bandwidth and student to bandwidth ratios would require detailed current knowledge of all bandwidth allocations and student numbers at each Western Australian school which the Department does not have.

The exact cost of the WA school bandwidth solution is unknown.

Education services: schools — Internet access

190. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services):

(a) What analysis has the Department of Education and Training undertaken to gauge the bandwidth needs of the state school system now and into the future, taking into account curriculum changes, multimedia developments and student and teacher uptake and skills development.

(b) Has the Department or another agency undertaken a needs analysis; if not, why; if so, has a report been produced, and by whom.

(c) How far into the future is the strategy projected.

(d) What key factors and limitations were considered.

(e) What will be the itemised costs.

(f) What resources are there within the Department that will meet the identified needs.

(g) What are the schools and regions most in need.

(h) What are the schools and regions least in need.

(i) What are the schools best served by the Government's broadband policy and where are they located.

ANSWER:

I am informed as follows:

The provision of the information requested cannot be justified on the grounds that it would require an unreasonable diversion of time and resources which are not available.

Education services: centres for excellence in languages

192. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): In relation to the establishment of three centres of excellence in languages:

(a) Where will the centres be established.

(b) Who will have access to these facilities.

(c) Who will not have access to these facilities.

(d) What will be the eligibility criteria.

(e) What will be the indicators of success.

(f) What will be the languages taught at each centre.

(g) Against what criteria will the languages be selected.

(h) What programs and facilities will these centres offer.

(i) How much of the $6 million allocated to language education will be allocated to the development of these programs.

ANSWER:

I am informed as follows:

This question does not fall within my portfolio responsibilities and it would be more appropriately directed to the Minister for Education and Training.

Education services: Victorian schools of languages

193. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): In relation to the establishment of an additional five Victorian schools of languages:

(a) What new programs or resources will these schools provide compared with the existing School of Languages.

(b) How much of the $6 million allocated to language education will be allocated to the development of these programs.

ANSWER:

I am informed as follows:

This question does not fall within my portfolio responsibilities and it would be more appropriately directed to the Minister for Education and Training.

Education services: school welfare officers

197. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services):

(a) What qualifications will the proposed 256 primary school welfare officers be required to have.

(b) How will the needs of each school be determined when distributing the 256 welfare officers.

(c) How many welfare officers will be appointed in 2003-04.

(d) How many schools will benefit.

(e) How many schools will not benefit.

(f) What will be the number of hours per term per school deemed to define a benefit.

ANSWER:

I am informed as follows:

This question relates to the Government's 2002 election commitments. The relevant policy is available at www.vic.alp.au/policy. Implementation details are in progress.

The Government will deliver on its election commitments during this term of office.

Education services: election commitments — schools

199. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): In relation to each of Lynbrook Primary School located south east of Dandenong, 'Cheese Factory' Primary School located at Centre Road, Berwick, Strathaird Primary School located in Narre Warren South, Roxburgh Park North Primary School, Jamieson Way Primary School located in Point Cook, Truganina South Primary School located north of Werribee, Tarneit Primary School located north west of Werribee, Mill Park Lakes Primary School, Mill Park Lakes Secondary School, Laurimar Park Primary School located near Yan Yean, Epping North Primary School, Caroline Springs School Years 9–12 Campus, Timbarra Secondary School located in Berwick, Wallan Years 7–8 Campus, Somerville Years 7–10 Campus as announced in August 2002 and Caroline Springs Prep to Year 8 Campus, as announced in August 2002:

(a) In what time frame is the school proposed to be completed.

(b) When will works commence.

(c) How many students will be accommodated.

(d) What will be the proposed specialisations at the school.

(e) Will it be fitted with a sprinkler system.

(f) Will the buildings have security alarms.

(g) How many fire exits are proposed.

(i) What sports facilities, ovals and playgrounds are proposed.

(j) What network capacity is the school proposed to be connected to.

(k) Will the buildings have air conditioning or cooling installed.

(l) What is the proposed budget for construction of the buildings.

(m) What is the proposed budget for fittings and what itemised fittings are proposed.

(n) Are works including bus stops and crossings proposed to be funded; if not, by whom will these works be funded and under what allocation.

(o) What is the proposed life cycle of the school.

(p) Will it be built to accommodate community and further learning.

ANSWER:

I am informed as follows:

This question relates to the Government's 2002 election commitments for all schools listed except Timbarra Secondary College.

The relevant policy is available at www.vic.alp.org.au/policy. Implementation details are in progress.

The Government will deliver on its election commitments during this term of office.

Education services: classroom replacement program

200. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): In relation to the Class Room Replacement Program:

(a) How much of the $14 million already allocated to the relocatable upgrade program has been spent.

(b) What classifies as an 'older' portable.

(c) When will the 600 older portable classrooms be removed.

(d) Will these portables be destroyed once removed.

(e) When and how will the portables be destroyed.

(f) Against what criteria will the decision be made to provide double classroom relocatable units or to build permanent classrooms.

(g) What schools will benefit from these new classrooms.

(h) How many and which schools have applied for new classrooms.

(i) How many and which schools have applied for new relocatables.

(j) How many and which schools have applied for relocatables to replace portable stock.

(k) How many and which schools have applied for new classrooms to replace relocatable or portable stock.

(l) Is there a waiting list for relocatables; if so, what are the names of the schools on the list.

(m) Is there a waiting list for new permanent classrooms; if so, what are the names of the schools on the list and what is the average length of time schools must wait.

(n) What is the cost to — (i) install a new relocatable;(ii) remove an older portable; and (iii) maintain an older portable.

(o) Is maintenance being undertaken on portables which Departmental management and budgeting practices would define as inefficient.

(p) What is best practice in relation to the management of relocatable and portable stock.

(q) What is the most number of older portables currently sited at a school or schools and what are the names of these school or schools.

(r) What other urgent upgrades of school facilities will be catered for with the additional funding.

ANSWER:

I am informed as follows:

The majority of these questions relate to the Government's 2002 election commitments. The relevant policy is available at www.vic.alp.org/policy . Implementation details are in progress.

The Government will deliver on its election commitment during this term of office.

In respect of the following parts of the question, I am informed as follows:

(a) The entire $14 million has been spent.

(b) Portable classrooms are single classroom relocatable buildings comprising two modular units. The age of portable classrooms vary, with the oldest buildings being constructed in the early 1960s. "Older" portable classrooms were built in this era.

Education services: environmentally friendly schools policy

201. THE HON. B. N. ATKINSON — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): In relation to the Environmentally Friendly Schools Policy:

(a) What are the design principles that will ensure new schools have a low environmental impact.

(b) In relation to the design principles — (i) who will determine them and over what period of time; and (ii) what methods of consultation will be used.

(c) What constitutes a low environmental impact for the purposes of a school.

(d) What measurements will be put in place to gauge the success of these design principles.

(e) What criteria will be used to determine environmental unfriendliness in — (i) impact; and (ii) materials.

(f) What criteria will be used to determine environmental friendliness in materials and how will Government budgeting constrain these considerations.

(g) What is the policy on recyclable construction materials.

(h) What will be done to upgrade existing stock to ensure environmental friendliness.

(i) Against what criteria are schools currently judged to be environmental or unenvironmental.

(j) Has there been an audit of all stock to determine levels of friendliness and impact; if not, will this take place; if so, who will undertake it and when will the details of such an audit be made publicly available.

ANSWER:

I am informed as follows:

A Building Quality Standards Handbook has been prepared by the Department for use by designers for all government schools. A copy of the handbook is available through www.sofweb.vic.edu.au/facility.

Education services: facilities for excellence

202. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): In relation to Facilities for Excellence:

(a) Has any of the $80 million allocated to these facilities already been committed.

(b) In relation to facilities that have been completed or are close to completion, for each category — (i) how many are there; (ii) when were they completed and where are they located; (iii) were these facilities completed within budget; (iv) which facilities were under budget or over budget; and (v) are the facilities within environmental impact parameters.

(c) Have the new facilities for innovative programs been implemented; if so, where.

(d) Against what criteria is innovation measured.

(e) How are the areas of specialisation for each local community determined.

ANSWER:

I am informed as follows:

This question relates to the Government's 2002 election commitments. The relevant policy is available at www.vic.alp.org/policy . Implementation details are in progress.

The Government will deliver on its election commitments during this term of office.

Education services: rural campus learning program

203. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): In relation to the Rural Campus Learning Program:

(a) When will the two new rural learning campuses be built.

(b) On what basis will their location be chosen.

(c) What services and programs are the campuses proposed to provide.

(d) How much will each campus cost.

(e) How many students will have access to the facilities.

(f) On what basis will eligibility be determined.

(g) Will the facilities be privately managed.

(h) What will be the annual throughput of students.

ANSWER:

I am informed as follows:

This question relates to the Government's 2002 election commitments. The relevant policy is available at www.vic.alp.org.au/policy . Implementation details are in progress.

The Government will deliver on its election commitments during this term of office.

Education services: community facilities fund

204. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): In relation to the Community Facilities Fund:

(a) Have applications from schools been sought for the use of these funds; if so, from which schools.

(b) Has any of the $30 million in the fund been delivered to schools.

ANSWER:

I am informed as follows:

This question relates to the Government's 2002 election commitments. The relevant policy is available at www.vic.alp.org.au/policy . Implementation details are in progress.

The Government will deliver on its election commitments during this term of office.

Education services: schoolyard blitz program

205. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): In relation to the Schoolyard Blitz Program:

(a) By what date will an expert co-ordinator and maintenance crew be employed in each region.

(b) Against what criteria will their performance be measured.

(c) What will be the minimum qualifications or prerequisites for appointment.

(d) In relation to the occupational health and safety implications of the initiative — (i) what (if any) consideration has been made; and (ii) is there a report; if so, who has undertaken this research.

(e) Does the Program supplant parent working bees.

(f) How does the Program fit with existing capital works and programs.

(g) How much of the $10 million allocated, as promised in the Government's election policy, will be wages.

(h) What are the insurance liabilities and costs and has this been budgeted for.

(i) Has the $5,000 per school, as promised in the Government's election policy, been allocated to schools for materials; if not, when will it be allocated.

ANSWER:

I am informed as follows:

This question relates to the Government's 2002 election commitments. The relevant policy is available at www.vic.alp.org.au/policy. Implementation details are in progress.

The Government will deliver on its election commitments during this term of office.

Aboriginal affairs: Shannon's Way Pty Ltd — contracts

230. **THE HON. E. G. STONEY** — To ask the Minister for Aboriginal Affairs: What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

The Department for Victorian Communities was established on 5 December 2002. Since this time no contracts have been entered into between the Department for Victorian Communities and the firm Shannon's Way Pty Ltd.

Since becoming Minister for Aboriginal Affairs no contracts have been entered into between my Private Office and the firm Shannon's Way Pty Ltd.

Commonwealth Games: Shannon's Way Pty Ltd — contracts

235. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Commonwealth Games: What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

The Department for Victorian Communities was established on 5 December 2002. Since this time no contracts have been entered into between the Department for Victorian Communities and the firm Shannon's Way Pty Ltd.

Since becoming Minister for Commonwealth Games no contracts were entered into between my Private Office and the firm Shannon's Way Pty Ltd.

Finance: Shannon's Way Pty Ltd — contracts

244. **THE HON. E. G. STONEY** — To ask the Minister for Finance: What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that:

For information relating to contracts between the Department of Treasury and Finance and the firm Shannon's Way between October 1999 and April 2002, the Member should refer to the answers previously provided to Legislative Council questions on notice - numbers 1519, 1520, 2074, 2856.

No contracts have been entered into between the Department of Treasury and Finance within my portfolio responsibility and the firm Shannon's Way since April 2002.

Since becoming Minister for Finance no contracts have been entered into between my Private Office and the firm Shannon's Way.

[*Hansard Reference: 1519, 1520 Legislative Council, Vol. 452, 16 August 2001, page 165*]

[*Hansard Reference: 2074 Legislative Council, Vol. 453, 30 October 2001, page 1053*]

[*Hansard Reference: 2856 Legislative Council, Vol. 456, 10 October 2002, page 691*]

Financial services industry: Shannon's Way Pty Ltd — contracts

245. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Financial Services Industry): What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

For information relating to contracts between the Department of Innovation, Industry and Regional Development and the firm Shannon's Way between October 1999 and April 2002, the Member should refer to the answers previously provided to Legislative Council questions on notice - numbers 1587 and 2098. Copies of these answers are attached.

No contracts were entered into between the Department of Innovation, Industry and Regional Development and the firm Shannon's Way since April 2002.

Since becoming Minister for Financial Services Industry, no contracts have been entered into between my Private Office and the firm Shannon's Way.

[*Hansard Reference: 1587 Legislative Council, Vol. 452, 16 August 2001, page 187*]

[*Hansard Reference: 2098 Legislative Council, Vol. 453, 7 November 2001, page 1132*]

Industrial relations: Shannon's Way Pty Ltd — contracts

249. **THE HON. E. G. STONEY** — To ask the Minister for Aged Care (for the Honourable the Minister for Industrial Relations): What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

For information relating to contracts between the Department of Innovation, Industry and Regional Development and the firm Shannon's Way between October 1999 and April 2002, the Member should refer to the answers previously provided to Legislative Council questions on notice - numbers 1499 and 2070. Copies of these answers are attached.

No contracts were entered into between the Department of Innovation, Industry and Regional Development and the firm Shannon's Way since April 2002.

Since becoming Minister for Industrial Relations no contracts have been entered into between my Private Office and the firm Shannon's Way.

[*Hansard Reference: 1499 Legislative Council, Vol. 452, 16 August 2001, page 157*]

[*Hansard Reference: 2070 Legislative Council, Vol. 453, 7 November 2001, page 1129*]

Local government: Shannon's Way Pty Ltd — contracts

252. **THE HON. E. G. STONEY** — To ask the Minister for Local Government: What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

The Department for Victorian Communities was established on 5 December 2002. Since this time no contracts have been entered into between the Department for Victorian Communities and the firm Shannon's Way Pty Ltd.

Since becoming Minister for Local Government no contracts were entered into between my Private Office and the firm Shannon's Way Pty Ltd.

Manufacturing and export: Shannon's Way Pty Ltd — contracts

254. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

For information relating to contracts between the Department of Innovation, Industry and Regional Development and the firm Shannon's Way between October 1999 and April 2002, the Member should refer to the answers previously provided to Legislative Council questions on notice - numbers 1587 and 2098. Copies of these answers are attached.

No contracts were entered into between the Department of Innovation, Industry and Regional Development and the firm Shannon's Way since April 2002.

Since becoming Minister for Manufacturing & Export, no contracts have been entered into between my Private Office and the firm Shannon's Way.

[*Hansard Reference: 1587 Legislative Council, Vol. 452, 16 August 2001, page 187*]

[*Hansard Reference: 2098 Legislative Council, Vol. 453, 7 November 2001, page 1132*]

Small business: Shannon's Way Pty Ltd — contracts

259. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business: What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

For information relating to contracts between the Department of Innovation, Industry and Regional Development and the firm Shannon's Way between October 1999 and April 2002, the Member should refer to the answers previously provided to Legislative Council questions on notice - numbers 1603 and 2102. Copies of these answers are attached.

No contracts were entered into between the Department of Innovation, Industry and Regional Development and the firm Shannon's Way since April 2002.

For information relating to contracts between my Private Office and the firm Shannon's Way between October 1999 and March 2001, the Member should refer to the answer previously provided to Legislative Council question on notice 1604. A copy of this answer is attached.

No contracts were entered into between my Private Office and the firm Shannon's Way since March 2001.

[*Hansard Reference: 1603, 1604 Legislative Council, Vol. 452, 16 August 2001, page 192*]

[*Hansard Reference: 2102 Legislative Council, Vol. 453, 7 November 2001, page 1134*]

Sport and recreation: Shannon's Way Pty Ltd — contracts

260. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Sport and Recreation: What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

The Department for Victorian Communities was established on 5 December 2002. Since this time no contracts have been entered into between the Department for Victorian Communities and the firm Shannon's Way Pty Ltd.

Since becoming Minister for Sport and Recreation no contracts were entered into between my Private Office and the firm Shannon's Way Pty Ltd.

Tourism: Shannon's Way Pty Ltd — contracts

262. THE HON. E. G. STONEY — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism): What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

For information relating to contracts between the Department of Innovation, Industry and Regional Development and the firm Shannon's Way between October 1999 and April 2002, the Member should refer to the answers previously provided to Legislative Council questions on notice - numbers 1595 and 2100. Copies of these answers are attached.

No contracts were entered into between the Department of Innovation, Industry and Regional Development and the firm Shannon's Way since April 2002.

For information relating to contracts between my Private Office and the firm Shannon's Way between October 1999 and March 2001, the Member should refer to the answer previously provided to Legislative Council question on notice 1596. A copy of this answer is attached.

No contracts were entered into between my Private Office and the firm Shannon's Way since March 2001.

[*Hansard Reference: 1595, 1596 Legislative Council, Vol. 452, 16 August 2001, page 190*]

[*Hansard Reference: 2100 Legislative Council, Vol. 453, 7 November 2001, page 1133*]

Workcover: Shannon's Way Pty Ltd — contracts

268. THE HON. E. G. STONEY — To ask the Minister for Finance (for the Honourable the Minister for Workcover): What are the details of every contract entered into between the Minister's department or private office and the firm Shannon's Way Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that:

For information relating to contracts between the Department of Treasury and Finance and the firm Shannon's Way between October 1999 and April 2002, the Member should refer to the answers previously provided to Legislative Council questions on notice - numbers 1507, 1508, 2073, 2849.

No contracts were entered into between the Department of Treasury and Finance, in relation to the outputs supporting the WorkCover portfolio, and the firm Shannon's Way since April 2002.

Since becoming Minister for WorkCover no contracts have been entered into between my Private Office and the firm Shannon's Way.

[*Hansard Reference: 1507 Legislative Council, Vol. 452, 16 August 2001, page 160*]

[*Hansard Reference: 1508 Legislative Council, Vol. 452, 16 August 2001, page 161*]

[*Hansard Reference: 2073 Legislative Council, Vol. 453, 30 October 2001, page 1052*]

[*Hansard Reference: 2849 Legislative Council, Vol. 456, 10 October 2002, page 687*]

Aboriginal affairs: CPR Communications and Public Relations Pty Ltd — contracts

269. **THE HON. E. G. STONEY** — To ask the Minister for Aboriginal Affairs: What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

The Department for Victorian Communities was established on 5 December 2002. Since this time no contracts have been entered into between the Department for Victorian Communities and the firm CPR Communications & Public Relations Pty Ltd.

Since becoming Minister for Aboriginal Affairs no contracts have been entered into between my Private Office and the firm CPR Communications & Public Relations Pty Ltd.

Commonwealth Games: CPR Communications and Public Relations Pty Ltd — contracts

274. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Commonwealth Games: What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

The Department for Victorian Communities was established on 5 December 2002. Since this time no contracts have been entered into between the Department for Victorian Communities and the firm CPR Communications & Public Relations Pty Ltd.

Since becoming Minister for Commonwealth Games no contracts were entered into between my Private Office and the firm CPR Communications & Public Relations Pty Ltd.

Consumer affairs: CPR Communications and Public Relations Pty Ltd — contracts

276. **THE HON. E. G. STONEY** — To ask the Minister for Consumer Affairs: What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that:

Since 20 October 2000, Consumer Affairs Victoria has engaged CPR Communications and Public Relations on two separate occasions:

Phase 1 Contract –	*Date Awarded:*	17 April 2000
	Value:	$13,200 plus approved out-of-pocket expenses of $2,988

		totalling $16,188.
	Description:	To design and conduct the launch of the Victorian Government's Fuel Pricing Initiative.
Phase 2 Contract –	*Date Awarded:*	23 May 2000
	Value:	$30,800 plus approved out-of-pocket expenses of $14,091.85 totalling $44,891.85.
	Description:	To design and manage the public relations campaign ensuing from the launch of the Victorian Government's Fuel Pricing Initiative.

I am advised that the Department of Justice has complied with supply policies and the associated best practice guidelines which are publicly available on the Victorian Government Purchasing Board's web site at www.vgpb.vic.gov.au/polguid/polmenu.htm

For personal privacy reasons it is inappropriate to provide details of the names and positions of the people who awarded contracts or made decisions for any work to be given to the firm in question.

Since becoming Minister for Consumer Affairs no contracts have been entered into between my Private Office and the firm CPR Communications and Public Relations.

Corrections: CPR Communications and Public Relations Pty Ltd — contracts

277. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Corrections): What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that:

No contracts were entered into between the Department of Justice within my portfolio responsibility, and the firm CPR Communications & Public Relations since 20 October 1999.

No contracts were entered into between my Private Office and the firm CPR Communications & Public Relations since 20 October 1999.

Resources: CPR Communications and Public Relations Pty Ltd — contracts

282. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Resources: What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that:

The Department of Primary Industries was established on 5 December 2002. Since this time no contracts have been entered into between the Department of Primary Industries and the firm CPR Communications & Public Relations Pty Ltd.

Since becoming Minister for Resources no contracts have been entered into between my Private Office and the firm CPR Communications and Public Relations.

Finance: CPR Communications and Public Relations Pty Ltd — contracts

284. **THE HON. E. G. STONEY** — To ask the Minister for Finance: What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that:

No contracts have been entered into between the Department of Treasury and Finance and the firm CPR Communications and Public Relations Pty Ltd since 20 October 1999.

Since becoming Minister for Finance no contracts have been entered into between my Private Office and the firm CPR Communications and Public Relations.

Industrial relations: CPR Communications and Public Relations Pty Ltd — contracts

289. **THE HON. E. G. STONEY** — To ask the Minister for Aged Care (for the Honourable the Minister for Industrial Relations): What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

No agency or departmental unit within the parameters of my portfolio has entered into contracts with CPR Communications & Public Relations since October 1999.

Since becoming Minister for Industrial Relations no contracts have been entered into between my Private Office and the firm CPR Communications and Public Relations.

Local government: CPR Communications and Public Relations Pty Ltd — contracts

292. **THE HON. E. G. STONEY** — To ask the Minister for Local Government: What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

The Department for Victorian Communities was established on 5 December 2002. Since this time no contracts have been entered into between the Department for Victorian Communities and the firm CPR Communications & Public Relations Pty Ltd.

Since becoming Minister for Local Government no contracts were entered into between my Private Office and the firm CPR Communications & Public Relations Pty Ltd.

Police and emergency services: CPR Communications and Public Relations Pty Ltd — contracts

297. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Police and Emergency Services): What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that:

No contracts were entered into between areas of the Department of Justice under my portfolio responsibilities and the firm CPR Communications and Public Relations since 20 October 1999.

No contracts were entered into between my Private Office and the firm CPR Communications and Public Relations since 20 October 1999.

Sport and recreation: CPR Communications and Public Relations Pty Ltd — contracts

300. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Sport and Recreation: What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed as follows:

The Department for Victorian Communities was established on 5 December 2002. Since this time no contracts have been entered into between the Department for Victorian Communities and the firm CPR Communications & Public Relations Pty Ltd.

Since becoming Minister for Sport and Recreation no contracts were entered into between my Private Office and the firm CPR Communications & Public Relations Pty Ltd.

Workcover: CPR Communications and Public Relations Pty Ltd — contracts

308. **THE HON. E. G. STONEY** — To ask the Minister for Finance (for the Honourable the Minister for Workcover): What are the details of every contract entered into between the Minister's department or private office and the firm CPR Communications & Public Relations Pty Ltd since 20 October 1999, including the names and positions of the people who awarded any contract or who made the decision for any work to be given to the firm.

ANSWER:

I am informed that:

No contracts have been entered into between the Department of Treasury and Finance and the firm CPR Communications and Public Relations since 20 October 1999.

Since becoming Minister for WorkCover no contracts have been entered into between my Private Office and the firm CPR Communications and Public Relations Pty Ltd.

Education services: ministerial air travel

310. **THE HON. ANDREW BRIDESON** — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services): What was the total cost of airplane travel to country Victoria incurred by the Minister's office from 1 December 2002 to 25 March 2003, including trips taken by the Minister, ministerial staff and advisors and the relevant Parliamentary Secretary.

ANSWER:

I am informed as follows:

No cost was incurred for airplane travel to country Victoria by the Minister for Education Services, her ministerial staff, her advisors or the relevant Parliamentary Secretary with responsibility for Education Services in the period 1 December 2002 to 25 March 2003.

Tourism: Commonwealth Games — marketing campaigns

343. **THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism):

(a) What marketing campaigns have begun to link the Commonwealth Games with Victoria's broader tourist destinations.

(b) What is the cost of the marketing campaign in 2001-02 and 2002-03, respectively.

(c) To what market is this campaign directed.

ANSWER:

I am informed as follows:

(a) A key objective of the comprehensive Tourism Marketing Plan associated with the Melbourne 2006 Commonwealth Games is to link the Games with Victoria's broader tourist destinations.

The Tourism Marketing Plan will:

- Build on and maximise the international and national brand awareness of Melbourne and regional Victoria;
- Increase long-term tourism visitation to Victoria following the Games; and
- Maximise international, interstate and intrastate visitation to the Games.

The Manchester component of the Tourism Marketing Plan has already been completed.

(b) The cost of the Tourism Marketing Plan in 2001-2002 was $89,000. The budget allocation for 2002-2003 is $661,000.

(c) The Plan is directed at interstate and key international markets including the United Kingdom, New Zealand, South Africa, Canada, India, Malaysia and Singapore.

Tourism: Commonwealth Games — brand awareness initiatives

344. **THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism):

(a) What brand awareness initiatives have begun to link the Commonwealth Games with Victoria's broader tourist destinations.

(b) What is the cost of brand awareness initiatives in 2001-02 and 2002-03, respectively.

(c) To what market is the brand awareness campaign directed.

ANSWER:

I am informed as follows:

(a) A key objective of the comprehensive Tourism Marketing Plan associated with the Melbourne 2006 Commonwealth Games is to link the Games with Victoria's broader tourist destinations.

The Tourism Marketing Plan will:

- Build on and maximise the international and national awareness of brand Melbourne and regional Victoria;
- Increase long-term tourism visitation to Victoria following the Games; and
- Maximise international, interstate and intrastate visitation to the Games.

The Manchester component of the Tourism Marketing Plan has already been completed.

(b) The cost of the Tourism Marketing Plan in 2001-2002 was $89,000. The budget allocation for 2002-2003 is $661,000.

(c) The Plan is directed at interstate and key international markets including the United Kingdom, New Zealand, South Africa, Canada, India, Malaysia and Singapore.

Tourism: Commonwealth Games — research

345. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism):

(a) What research has begun to link the Commonwealth Games with Victoria's broader tourist destinations.

(b) What is the cost of this research in 2001-02 and 2002-03, respectively.

(c) What are the details of this research.

ANSWER:

I am informed as follows:

(a) Brand Health research currently being undertaken by Tourism Victoria provides the necessary information to ensure that the Tourism Marketing Strategy that has been developed for the Commonwealth Games effectively connects with Victoria's broader tourist destinations.

(b) As such, there is no additional cost associated with this research.

(c) The Brand Health Surveys provide information on regional Victoria's tourism strengths and their relevance to the Tourism Marketing Plan for the Commonwealth Games. This will ensure that these tourism strengths are promoted to visitors attending the Games.

Community services: ministerial expenses

361. THE HON. ANDREW BRIDESON — To ask the Minister for Aged Care (for the Honourable the Minister for Community Services):

(a) What amount of taxpayers funds were spent at the opening of the Minister's electorate office and ministerial office between 30 November 2002 and 10 April 2003 on — (i) food; (ii) alcohol; (iii) labour costs; and (iv) other incidental expenses.

(b) What amount of taxpayers funds have been spent by the Minister between 30 November 2002 and 10 April 2003 in the carrying out of ministerial duties on — (i) food; (ii) alcohol; (iii) labour hire; and (iv) other incidental expenses.

ANSWER:

I am informed by the Department of Human Services that :

(a) My electorate office does not fall under the administration of Government or my responsibilities as Minister for Community Services.

There was no official opening of my ministerial office.

(b) Between 30 November 2002 and 10 April 2003 the following costs were incurred in the carrying out of ministerial duties:

$239.35

Aged care: ministerial expenses

362. THE HON. ANDREW BRIDESON — To ask the Minister for Aged Care:

(a) What amount of taxpayers funds were spent at the opening of the Minister's electorate office and ministerial office between 30 November 2002 and 10 April 2003 on — (i) food; (ii) alcohol; (iii) labour costs; and (iv) other incidental expenses.

(b) What amount of taxpayers funds have been spent by the Minister between 30 November 2002 and 10 April 2003 in the carrying out of ministerial duties on — (i) food; (ii) alcohol; (iii) labour hire; and (iv) other incidental expenses.

ANSWER:

I am informed by the Department of Human Services that :

(a) My electorate office does not fall under the administration of Government or my responsibilities as Minister for Aged Care.

There was no official opening of my ministerial office.

(b) Between 30 November 2002 and 10 April 2003 the following amounts were spent by the Minister between 30 November 2002 and 10 April 2003 in the carrying out of ministerial duties on (i) food, (ii) alcohol, (iii) labour hire; and (iv) other incidental expenses:

$299.20

Manufacturing and export: ministerial expenses

368. THE HON. ANDREW BRIDESON — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export):

(a) What amount of taxpayers funds were spent at the opening of the Minister's electorate office and ministerial office between 30 November 2002 and 10 April 2003 on — (i) food; (ii) alcohol; (iii) labour costs; and (iv) other incidental expenses.

(b) What amount of taxpayers funds have been spent by the Minister between 30 November 2002 and 10 April 2003 in the carrying out of ministerial duties on — (i) food; (ii) alcohol; (iii) labour hire; and (iv) other incidental expenses.

ANSWER:

I am informed as follows:

(a) My electorate office does not fall under the administration of Government or my responsibilities as Minister for Manufacturing & Export.

There was no official opening of my Ministerial Office.

(b) Nil
Nil
Nil
Nil

Small business: ministerial expenses

370. THE HON. ANDREW BRIDESON — To ask the Honourable the Minister for Small Business:

(a) What amount of taxpayers funds were spent at the opening of the Minister's electorate office and ministerial office between 30 November 2002 and 10 April 2003 on — (i) food; (ii) alcohol; (iii) labour costs; and (iv) other incidental expenses.

(b) What amount of taxpayers funds have been spent by the Minister between 30 November 2002 and 10 April 2003 in the carrying out of ministerial duties on — (i) food; (ii) alcohol; (iii) labour hire; and (iv) other incidental expenses.

ANSWER:

I am informed as follows:

(a) My electorate office does not fall under the administration of Government or my responsibilities as Minister for Small Business. There was no official opening of my Ministerial Office.

(b) The research required to provide a response to the remainder of the question would place an unreasonable burden on the time and resources of my Office.

Finance: ministerial expenses

374. THE HON. ANDREW BRIDESON — To ask the Minister for Finance:

(a) What amount of taxpayers funds were spent at the opening of the Minister's electorate office and ministerial office between 30 November 2002 and 10 April 2003 on — (i) food; (ii) alcohol; (iii) labour costs; and (iv) other incidental expenses.

(b) What amount of taxpayers funds have been spent by the Minister between 30 November 2002 and 10 April 2003 in the carrying out of ministerial duties on — (i) food; (ii) alcohol; (iii) labour hire; and (iv) other incidental expenses.

ANSWER:

I am informed that:

(a) My electorate office does not fall under the administration of Government or my responsibilities as Minister for Finance. There was no official opening of my ministerial office.

(b) The research required to provide a response to the remainder of the question would place an unreasonable burden on the time and resources of my office.

Premier: ministerial expenses

375. **THE HON. ANDREW BRIDESON** — To ask the Minister for Finance (for the Honourable the Premier):

(a) What amount of taxpayers funds were spent at the opening of the Premier's electorate office and ministerial office between 30 November 2002 and 10 April 2003 on — (i) food; (ii) alcohol; (iii) labour costs; and (iv) other incidental expenses.

(b) What amount of taxpayers funds have been spent by the Premier between 30 November 2002 and 10 April 2003 in the carrying out of ministerial duties on — (i) food; (ii) alcohol; (iii) labour hire; and (iv) other incidental expenses.

ANSWER:

I am informed that:

My electorate office does not fall under the administration of Government or my responsibilities as Premier.

There was no official opening of my ministerial office.

The research required to provide a response to the remainder of the question would place an unreasonable burden on the time and resources of my office.

Tourism: Tourism Victoria — Japanese visitors

388. **THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister Tourism): In relation to the Tourism Victoria marketing strategy to target visitors from Japan:

(a) What marketing programs are being conducted in 2002-03.

(b) What are the details of these programs.

(c) In what countries are these programs being conducted.

(d) What is the total budget for this strategy.

ANSWER:

I am informed as follows:

The following is a breakdown of marketing programs conducted in Japan in 2002-03.

Marketing Program	***Details***	***Country***
Qantas Tokyo-Melbourne Direct Flight Campaign	Integrated trade and consumer marketing campaign incorporating print, broadcast and electronic media.	Japan
Singapore Airlines Joint Promotion	Integrated tactical campaign incorporating radio and press.	Japan
JAL New Style Australia Campaign	Integrated consumer marketing campaign incorporating radio, television and internet.	Japan
Collateral	Production of motivational and informational brochures on Melbourne and Victoria for distribution to trade and consumers.	Japan
Familiarisation Program	Tailored trade and media familiarisation activity to enhance awareness of Melbourne and Victoria.	Japan

Marketing Program	*Details*	*Country*
Trade Shows and Missions	Participation in the Australian Tourist Commission's Japan Australia Mission to raise awareness of Victorian product with the travel trade.	Japan

The total budget for Tourism Victoria's marketing strategy to target visitors from Japan in 2002-03 is $1.25 million.

Tourism: Tourism Victoria — Chinese visitors

390. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism): In relation to the Tourism Victoria marketing strategy to target visitors from China:

(a) What marketing programs are being conducted in 2002-03.

(b) What are the details of these programs.

(c) In what countries are these programs being conducted.

(d) What is the total budget for this strategy.

ANSWER:

The Honourable the Minister for Small Business (for the Honourable the Minister for Tourism): I am informed as follows:

The following is a breakdown of marketing programs conducted in China in 2002-03.

Marketing Program	*Details*	*Country*
Singapore Airlines "Discover Victoria" Campaign	Integrated tactical campaign incorporating radio, television and press.	China
Collateral Production	Motivational and informational brochures and VCDs on Melbourne and Victoria for distribution to trade and consumers.	China
Familiarisations Program	Tailored trade and media familiarisations to enhance awareness of Melbourne and Victoria.	China
Trade Shows and Missions	Participated in the Australian Tourist Commission's Australia China Mission to raise awareness of Victorian product.	China
Training	Product seminars to train travel agents on selling more Victorian product.	China
Consumer Fairs	Participated in the China International Travel Mart, to enhance destination awareness with trade and consumers.	China

The total budget for Tourism Victoria's marketing strategy to target visitors from China in 2002-03 is $370,600.

Attorney-General: Justice — airconditioning inspection

398. **THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Attorney-General):

(a) Has the building at 55 St Andrews Place, Melbourne, used by the Department of Justice had works undertaken on inspecting, upgrading or otherwise modifying air-conditioning systems since June 2000 to meet guidelines that ensure the risk of legionnaires' disease otherwise known as legionella is minimised.

(b) What was the cost of each inspection, upgrade, modification or other work.

(c) What was the date of each inspection, upgrade, modification or other work commenced or is scheduled to commence.

(d) What is the name of the company or organisation that did, is doing, or is commissioned to do, the work in each case.

(e) Are there any plans by the Department of Justice to undertake further inspections.

ANSWER:

I am informed that / as follows:

The building at 55 St Andrews Place does not have a cooling tower system. The air conditioning at 55 St Andrews Place is supplied via cooling tower system at 1 Macarthur Street.

Finance: Human Services — superannuation contributions

423. **THE HON. D. McL. DAVIS** — To ask the Minister for Finance: What was the total contribution made by the Government in the year ending 30 June 1999 to the superannuation of members of the Victorian Public Service who worked for the Department of Human Services.

ANSWER:

I am informed that:

The total contribution made by the Government in the year ending 30 June 1999 to the superannuation of members of the Victorian Public Service who worked for the Department of Human Services was $194.8 million.

Finance: Human Services — superannuation contributions

424. **THE HON. D. McL. DAVIS** — To ask the Minister for Finance: What was the total contribution made by the Government in the year ending 30 June 2000, to the superannuation of members of the Victorian Public Service who worked for the Department of Human Services.

ANSWER:

I am informed that:

The total contribution made by the Government in the year ending 30 June 2000 to the superannuation of members of the Victorian Public Service who worked for the Department of Human Services was $207.4 million.

Finance: Human Services — superannuation contributions

425. **THE HON. D. McL. DAVIS** — To ask the Minister for Finance: What was the total contribution made by the Government in the year ending 30 June 2001 to the superannuation of members of the Victorian Public Service who worked for the Department of Human Services.

ANSWER:

I am informed that:

The total contribution made by the Government in the year ending 30 June 2001 to the superannuation of members of the Victorian Public Service who worked for the Department of Human Services was $249.8 million.

Finance: Human Services — superannuation contributions

426. **THE HON. D. McL. DAVIS —** To ask the Minister for Finance: What was the total contribution made by the Government in the year ending 30 June 2002 to the superannuation of members of the Victorian Public Service who worked for the Department of Human Services.

ANSWER:

I am informed that:

The total contribution made by the Government in the year ending 30 June 2002 to the superannuation of members of the Victorian Public Service who worked for the Department of Human Services was $262.2 million.

Finance: Human Services — superannuation contributions

427. **THE HON. D. McL. DAVIS —** To ask the Minister for Finance: What was the total contribution made by the Government in the 6 months ending 31 December 2002 to the superannuation of members of the Victorian Public Service who worked for the Department of Human Services.

ANSWER:

I am informed that:

The total contribution made by the Government in the six months ending 31 December 2002 June 2002 to the superannuation of members of the Victorian Public Service who worked for the Department of Human Services was $171 million.

Finance: Human Services — superannuation contributions

428. **THE HON. D. McL. DAVIS** — To ask the Minister for Finance: What is the total contribution forecast to be made by the Government in the year ending 30 June 2003, to the superannuation of members of the Victorian Public Service working for the Department of Human Services.

ANSWER:

I am informed that:

The total contribution forecast to be made by the Government in the year ending 30 June 2003 to the superannuation of members of the Victorian Public Service who worked for the Department of Human Services is $332.3 million.

Tourism: Omeo Regional Business Association — strategic and action plan

433. **THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism): In relation to the Omeo Regional Business Association Inc Strategic and Action Plan of 30 June 2002:

(a) What is the current status of funding for this project.

(b) What is the total amount of funding for the project.

(c) When will this funding be available.

ANSWER:

I am informed as follows:

(a & b)
$20,000 has been allocated to the project, which entails the development of a destination plan for the township of Omeo.

(c) The funding is available immediately.

Tourism: bushfire recovery plan — Omeo

434. **THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism): In relation to the $2 million Tourism Bushfire recovery plan:

(a) What is the total amount of funding given to the town of Omeo.

(b) What is the breakdown of the funding.

(c) What are the names of the tourism businesses operating in Omeo that will receive funding.

ANSWER:

I am informed as follows:

The $2 million in tourism bushfire recovery funding provided by the State Government to bushfire affected regions in the North East and East Gippsland is designed to maximise benefit for the region as a whole and, as such, is to be spent on activities that will each benefit a large number of tourism businesses.

Expenditure of the $2 million post-bushfire marketing funds was announced by the Ministerial Bushfire Taskforce and outlined in the interim bushfire report. Further details have been provided in the final report of the taskforce.

The report is available at www.info.vic.gov.au/bushfires.

Tourism: bushfire recovery plan — Dinner Plain

435. **THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism): In relation to the $2 million Tourism Bushfire recovery plan:

(a) What is the total amount of funding given to the town of Dinner Plain.

(b) What is the breakdown of the funding.

(c) What are the names of the tourism businesses operating in Dinner Plain that will receive funding.

ANSWER:

I am informed as follows:

The $2 million in tourism bushfire recovery funding provided by the State Government to bushfire affected regions in the North East and East Gippsland is designed to maximise benefit for the region as a whole and, as such, is to be spent on activities that will each benefit a large number of tourism businesses.

Expenditure of the $2 million post-bushfire marketing funds was announced by the Ministerial Bushfire Taskforce and outlined in the interim bushfire report. Further details have been provided in the final report of the taskforce.

The report is available at www.info.vic.gov.au/bushfires.

Tourism: bushfire recovery plan — Mount Beauty

436. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism): In relation to the $2 million Tourism Bushfire recovery plan:

(a) What is the total amount of funding given to the town of Mt Beauty.

(b) What is the breakdown of the funding.

(c) What are the names of the tourism businesses operating in Mt Beauty that will receive funding.

ANSWER:

I am informed as follows:

The $2 million in tourism bushfire recovery funding provided by the State Government to bushfire affected regions in the North East and East Gippsland is designed to maximise benefit for the region as a whole and, as such, is to be spent on activities that will each benefit a large number of tourism businesses.

Expenditure of the $2 million post-bushfire marketing funds was announced by the Ministerial Bushfire Taskforce and outlined in the interim bushfire report. Further details have been provided in the final report of the taskforce.

The report is available at www.info.vic.gov.au/bushfires.

Tourism: bushfire recovery plan — Bright

437. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism): In relation to the $2 million Tourism Bushfire recovery plan:

(a) What is the total amount of funding given to the town of Bright.

(b) What is the breakdown of the funding.

(c) What are the names of the tourism businesses operating in Bright that will receive funding.

ANSWER:

I am informed as follows:

The $2 million in tourism bushfire recovery funding provided by the State Government to bushfire affected regions in the North East and East Gippsland is designed to maximise benefit for the region as a whole and, as such, is to be spent on activities that will each benefit a large number of tourism businesses.

Expenditure of the $2 million post-bushfire marketing funds was announced by the Ministerial Bushfire Taskforce and outlined in the interim bushfire report. Further details have been provided in the final report of the taskforce.

The report is available at www.info.vic.gov.au/bushfires.

Tourism: adventure tourism — public liability insurance

438. **THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism): In relation to the Adventure Tourism Industry in Victoria, how is Tourism Victoria assisting adventure tourism operators with rising public liability insurance premiums.

ANSWER:

I am informed as follows:

The Bracks Government acted last year to address the insurance crisis with the passing of the Wrongs and Other Acts (Public Liability Insurance Reform) Bill. This package of measures included placing a threshold on general damages for personal injury claims, which should, over time improve the affordability and accessibility of public liability insurance for business, particularly tourism businesses.

The Victorian Managed Insurance Activity scheme, which provides public liability insurance to adventure tourism operators, runs until 31 December 2003. The State Government is working with the Victorian Tourism Operators Association to develop long-term insurance options for the industry beyond this date.

Further, funding of $100,000 was announced in 2002 to assist adventure tourism operators prepare risk management strategies. This will ultimately assist in containing future premium increases.

Tourism Victoria is participating in the State Government's work with the Victorian Tourism Operators Association to develop long-term insurance options for the industry.

Tourism: adventure tourism — sustainability

439. **THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Tourism): What steps will Tourism Victoria take to ensure that the adventure tourism industry in Victoria is sustainable.

ANSWER:

I am informed as follows:

A series of initiatives, as outlined in the Adventure Tourism Action Plan 2002 to 2004, have been implemented. The plan is available at www.tourismvictoria.com.au.

Manufacturing and export: value chain workshops — funding

441. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to the Value Chain Workshops funded under the Agenda for New Manufacturing:

(a) How much of the allocated $160 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: business innovation workshops — funding

442. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to the Business Innovation Workshops funded under the Agenda for New Manufacturing:

(a) How much of the allocated $240 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: opening doors export plan

443. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to the Labor Party's election promise to double the number of Victorian companies involved in export by 2010, how many Victorian companies does the Minister expect to be exporting by the end of 2006.

ANSWER:

I am informed as follows:

The Victorian Government is developing an *Opening Doors Export Plan*, which aims to double the number of Victorian exporters and increase exports to $30 billion per annum by 2010.

The Government is in the process of consulting with industry to identify the type of export assistance that industry needs to achieve the targets, and appropriate policies and programs will be developed in response. The details of these policies and programs will be contained in the *Opening Doors Export Plan*, which we expect to launch in early 2004.

The Government does not intend at this time to set specific intermediate targets.

Manufacturing and export: export communication network — funding

444. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to the Export Communication Network funded under the Agenda for New Manufacturing:

(a) How much of the allocated $410 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: export value chain networks — funding

445. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to the Export Value Chain Networks and Consortia funded under the Agenda for New Manufacturing:

(a) How much of the allocated $320 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: finance for growth — funding

446. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to Finance for Growth funded under the Agenda for New Manufacturing:

(a) How much of the allocated $60 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: first step export program — funding

447. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to the First Step Export Program funded under the Agenda for New Manufacturing:

(a) How much of the allocated $480 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: global purchasing strategy — funding

448. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to the Global Purchasing Strategy funded under the Agenda for New Manufacturing:

(a) How much of the allocated $110 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: going global — funding

449. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to Going Global funded under the Agenda for New Manufacturing:

(a) How much of the allocated $480 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: high performance manufacturing consortia — funding

450. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to the High Performance Manufacturing Consortia funded under the Agenda for New Manufacturing:

(a) How much of the allocated $190 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: industry capability missions — funding

451. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to the Industry Capability Missions funded under the Agenda for New Manufacturing:

(a) How much of the allocated $930 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: innovation insights visits program — funding

452. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to the Innovation Insights Visits Program funded under the Agenda for New Manufacturing:

(a) How much of the allocated $320 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: keynote conference and seminars — funding

453. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to Keynote Conference and Seminars funded under the Agenda for New Manufacturing:

(a) How much of the allocated $200 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: new technology demonstrations — funding

454. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to New Technology Demonstrations funded under the Agenda for New Manufacturing:

(a) How much of the allocated $310 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: promoting the image of manufacturing and manufacturing hall of fame — funding

456. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to Promoting the Image of Manufacturing & Manufacturing Hall of Fame funded under the Agenda for New Manufacturing:

(a) How much of the allocated $500 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: partners at work — funding

457. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to SAVI Industry Plans implementation (Partners at Work) funded under the Agenda for New Manufacturing:

(a) How much of the allocated $1 600 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: areas of future skills needs — funding

458. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to Scholarships in Areas of Future Skills Needs funded under the Agenda for New Manufacturing:

(a) How much of the allocated $200 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: technology evaluation projects — funding

459. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to Technology Evaluation Projects funded under the Agenda for New Manufacturing:

(a) How much of the allocated $480 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Manufacturing and export: technology road map and skills studies — funding

460. **THE HON. E. G. STONEY** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Manufacturing and Export): In relation to Technology Roadmap and Skills Studies funded under the Agenda for New Manufacturing:

(a) How much of the allocated $110 000 has been distributed in 2002-03.

(b) Of the funds distributed, what is — (i) the name of each business/organisation that received assistance; (ii) the value of assistance granted to each named business/organisation; and (iii) the purpose for which the funds were granted.

(c) What conditions did the business/organisation have to satisfy to receive the assistance.

ANSWER:

I am informed as follows:

The time and resources required to answer this question could not be justified on the grounds the department's resources would be diverted from their core functions.

Attorney-General: student action teams program — funding

486. **THE HON. B. N. ATKINSON** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Attorney-General): In relation to the Student Action Teams Program:

(a) Is the program still being funded; if so — (i) by which Department; and (ii) how much funding did the program receive in 1999-2000, 2000-01, 2001-02 and 2002-03 to date.

(b) What reviews, reports or studies of the success or otherwise of the program have been carried out.

(c) What were the outcomes of such reviews, reports or studies.

(d) Are there any documents which report on the program; if so, who prepared the documents and are they publicly available; if not, will they be made available to interested Members of Parliament or the public.

(e) What were the outcomes from the 12 of the original 20 participating schools that received support in 2000.

(f) Have any new schools been added to the program.

(g) What were the outcomes of the — (i) Altona truancy project; (ii) Banksia absenteeism and handbook on teenagers and safety in the City of Banyule projects; (iii) Euroa community service project and relationship between young people and police projects; (iv) Heatherhill improving health and well-being project; (v) Karingal risk behaviour project; (vi) Kyneton skate park and skating awareness issues project; (vii) Melton youth safety and safety audits of areas that are unfriendly to young people project; (viii) Mitchell civic leadership and Ovens leadership and citizenship projects; (ix) Princes Hill links between students and police and between students projects; (x) Wanganui Park bmx track and bmx riding project; and (xi) Weerona community-based road safety campaign-Operation Driver Education for Youth project.

(h) What steps have been undertaken to integrate the teams into the *Middle Years Strategy* for Government schools by the Department of Education and Training.

ANSWER:

I am advised that the question relates to matters falling outside of my portfolio responsibilities and should more appropriately be asked on the Minister for Education.

Community services: disability housing — purchases

509. THE HON. ANDREW BRIDESON — To ask the Minister for Aged Care (for the Honourable the Minister for Community Services): In relation to disability housing:

(a) How many properties were purchased in each region in 2001-02.

(b) What is the address of each property purchased and its purchase price.

(c) What is the name and business address of each real estate agent involved in each purchase.

(d) Which properties were purchased at auction.

(e) Which properties were purchased by private negotiation.

(f) What amount of agent's commission was paid for each property purchased.

(g) Which of the properties required modification and what was the actual cost of each modification.

ANSWER:

(a) Properties purchased in each region in 2001-02 are as follow;

Region	NMR	EMR	SMR	WMR	Barwon/South Western	Gippsland	Hume	Grampians
Properties	6	8	6	2	1	1	2	2

(b) The suburb for each property is detailed in column A of Attachment 1. The purchase price for each property is detailed in column B of Attachment 1.

(c) The name and business address of each real estate agent involved in each purchase are detailed in columns D and E of Attachment 1.

(d) The properties purchased at auction are detailed in column C of Attachment 1.

(e) The properties purchased by private negotiation are detailed in column C of Attachment 1.

(f) None. The Department does not pay agent's commission for any property purchases. Only the Vendor pays agent's commission where applicable.

(g) All of the properties purchased require(d) modification/new construction. The actual/anticipated cost of each modification/new construction is detailed in column F of Attachment 1.

A(1) Property Address	B Purchase price	C Purchase method	D Real Estate Agent	E Real Estate Address	C(II) Actual/Estimated construction cost
Batesford 3221	$157,000	Via Agent	Gartland Real Estate Pty Ltd	57 Gheringhap St Geelong	*$636,364*
Notting Hill 3168	$213,000	Via Agent	MJ Williams & Assocs (Mt Waverley)	300 Stephensons Rd, MT WAVERLEY, 3149	$380,613
Ringwood East 3135	$160,000	Via Agent	More Real Estate	Cnr Dublin Rd & Railway Ave, RINGWOOD EAST 3135	$495,905
Mitcham 3132	$166,500	Via Agent	LJ Hooker (Mitcham)	226 Mitcham Rd, MITCHAM 3132	$494,209
Chadstone 3148	$260,000	Auction	Biggin & Scott Elsternwick	376 Glenhuntly Road ELSTERNWICK 3185	$409,577
Wantirna South 3152	$305,000	Vendor Direct	State Trust Corporation	2 Newbury Ct, WANTIRNA STH	$425,189
Bayswater 3153	$93,500	Via Agent	Ellis Barrass Real Estate Bayswater	Shop 2, 732 Mountain Highway , BAYSWATER 3153	$443,100
Clayton 3168	$244, 000	Auction	Ray White Real Estate (Oakleigh)	Shop 1, 52-54 Atherton Road, OAKLEIGH 3166	$454,667
Mt Evelyn 3796 (III)	$352,500	Via Agent	Stockdale & Leggo (Seville)	652 Warburton Highway, SEVILLE 3139	*$1,229,600*
Warragul 3820	$39,000	Vendor direct	N/A	Civic Place Warragul	$432,946
Ararat 3377	$190,000	Via Agent	Westfarmers Dalgetty (Ararat)	90 Barclay St Arat 3377	$0
Delacombe 3356	$310,000	Vendor direct	N/A	4 The Avenue, Delacombe	$281,110
Shepparton 3630	$160,000	Auction	Youngs & Co	PO Box 6695 Shepparton	$487,034
Wangaratta 3677	$58,000	Via Agent	Morris Bros Real Estate	49 Reid Street WANGARATTA	$527,172
Epping 3076	$180,000	Via Agent	Lauders Real Estate	103 Grimshaw St Greensborough 3088	$499,259

A(1)	B	C	D	E	C(II)
Preston 3072	$330,000	Auction	Stockdale & Lego Preston Pty Ltd	962 High St Reservoir 3073	$423,778
Coburg 3058	$295,000	Via Agent	Lewis Realty Pty Ltd	289 –291 Sydney Road, COBURG 3058	$515,589
Hadfield 3046	$230,000	Via Agent	Lewis Realty Pty Ltd	289 –291 Sydney Road, COBURG 3058	$385,996
Fawkner 3060	$196,000	Via Agent	EJ Love & Co (Thornbury)	274 High St Preston	$389,796
Lalor 3075	$195,000	Via Agent	Stockdale & Leggo Pty Ltd (Epping)	772 High St EPPING 3076	$395,468
Bangholme 3175	$580,000	Auction	Stockdale & Leggo Pty Ltd (Chelsea)	406 Nepean Highway CHELSEA 3196	$279,779
Clayton South 3169	$207,000	Auction	Hocking Stuart (Oakleigh)	31 Atherton Rd OAKLEIGH 3166	$427,646
Clayton South 3169	$235,000	Auction	Woodards	64 Portman St OAKLEIGH	$498,353
Cranbourne 3977	$372,500	Via Agent	Finning First real National Real Estate Cranbourne	148 High St CRANBOURNE	$0
Noble Park 3174	$165,000	Via Agent	Barry Plant Doherty (Dandenong)	Cnr Chandler &Heatherton Rds NOBLE PARK 3174	$495,509
Langwarrin 3910	$317,500	Via Agent	Mornington Peninsula Real Estate	473 Nepean Highway FRANKSTON 3199	$0
Caroline Spring 3335	$416,500	Auction	Douglas Kay Real estate	63 Alfreda St ST ALBANS 3021	$189,474
Melton 3337	$68,000	Via Agent	Williams Real Estate	278 Hampshire Rd SUNSHINE	$402,856

Notes:

(a) Construction costs shown in 'italics' represent estimated construction costs.

(b) $0 construction costs – indicate a project under review

(I) Due to the provisions of the Privacy Act information on actual addresses are not release to a third person.

(II) Actual/Estimated Costs reflect both construction and/or renovation

(III) Costs reflect a 10 bedroom facility.

Community services: disability housing — purchases

510. **THE HON. ANDREW BRIDESON** — To ask the Minister for Aged Care (for the Honourable the Minister for Community Services): In relation to disability housing:

(a) How many properties were purchased in the first six months of the current financial year.

(b) What is the address of each property purchased and its purchase price.

(c) What is the name and business address of each real estate agent involved in each purchase.

(d) Which properties were purchased at auction.

(e) Which properties were purchased by private negotiation.

(f) What amount of agent's commission was paid for each property purchased.

(g) Which of the properties required modification and what was the actual cost of each modification.

ANSWER:

(a) Nine (9) properties were purchased in the first six months of the 2002-03 (current) financial year.

(b) The suburb for each property is detailed in column A of Attachment 1. The purchase price for each property is detailed in column B of Attachment 1.

(c) The name and business address of each real estate agent involved in each purchase are detailed in columns D and E of Attachment 1.

(d) The properties purchased at auction are detailed in column C of Attachment 1.

(e) The properties purchased by private negotiation are detailed in column C of Attachment 1.

(f) No agent's commission paid. The Department does not pay agent's commission for any property purchases. Only the Vendor pays agent's commission where applicable.

(g) All of the properties purchased require(d) modification/new construction. The actual/anticipated cost of each modification/new construction is detailed in column F of Attachment 1.

Appendix (1)

A(I)	B	C	D	E	F(II)
Property Address	**Purchase Price**	**Purchase Method**	**Real Estate Agent**	**Real Estate Agent Address**	**Actual/Estimated Construction cost**
Mulgrave 3170	$219,000	Via Agent	Barry Plant Real Estate Pty Ltd (Waverley	261 Springvale Road Glen Waverley 3150	*$472,500*
Oakleigh South 3167	$293,000	Via Agent	Hocking Stuart (Oakleigh)	31 Atherton Road, Oakleigh 3166	*$472,500*
Clayton North 3168	$315,000	Via Agent	Ray White (Clayton)	307 Clayton Road, Clayton 3168	*$472,500*
Croydon 3136	$320,000	Auction	Rosier Real Estate (Croydon)	2 Croydon Road, Croydon 3136	*$500,000*
Watsonia 3087	$216,000	Auction	Darren Jones Real Estate	95 Grimshaw Street, Greensborough 3088	$515,589
Noble Park 3174	$220,000	Via Agent	Ray White Real Estate (Noble Park)	31 Buckley Street, Noble Park 3174	*$472,500*
Noble Park 3174	$310,000	Via Agent	Ray White Real Estate (Noble Park)	31 Buckley Street, Noble Park 3174	*$472,500*
Mornington 3931	$325,000	Vendor Direct	N/A	210 Main Street, Mornington 3971	*$290,909*
Melton 3337	$129,500	Via Agent	Mullan Real Estate	317 High Street, Melton 3337	*$546,000*

Notes:

(a) Construction costs shown in 'italics' represent estimated construction costs

(I) Due to the provisions of the Privacy Act, information on actual addresses are not released to a third person

(II) Actual/Estimated Costs reflect both Construction and or Renovation

Education services: school libraries — book purchases

528. THE HON. B. N. ATKINSON — To ask the Honourable the Minister for Energy Industries (for the Honourable the Minister for Education Services):

(a) What rules and/or guidelines are there as to what books should and should not be purchased or otherwise obtained by primary or secondary school libraries.

(b) What is the content of such rules and guidelines, when were they published and how were they determined.

ANSWER:

I am informed as follows:

This question does not fall within my portfolio responsibilities and I believe it has also been directed to the Minister for Education and Training who will provide a response.

Community services: disability services — accommodation support

533. **THE HON. BILL FORWOOD** — To ask the Minister for Aged Care (for the Minister for Community Services): As at 30 June 1999, how many people with disabilities were in receipt of — (i) in-home accommodation support; (ii) accommodation outreach support; (iii) family options support; (iv) home support; (v) a shared supported accommodation place; and (vi) a training centre place.

ANSWER:

For the year ending 30 June 1999;

(i) 485 people with a disability were in receipt of in-home accommodation support (IHAS). The target for 2003/04 for Home First (including IHAS) is 1167 individuals.

(ii) 1065 people with a disability were in receipt of accommodation outreach support. The target for 2003/04 is 1268 individuals.

(iii) 73 people with a disability were in receipt of a family options support package. The target for 2003/04 is 85 individuals.

(iv) 'Home support' did not exist as a discrete funded activity as at 30 June 1999.

(v) 3847 people with a disability were in receipt of a shared supported accommodation place. The target for 2003/04 is 4,435 individuals.

(vi) 942 people with a disability were in receipt of a training centre place. The 2003/04 target for individuals residing in training centres is 635.

Community services: Disability Advisory Council of Victoria

535. **THE HON. BILL FORWOOD** — To ask the Minister for Aged Care (for the Minister for Community Services): On which dates for the nine months ending 31 March 2003 did the Minister for Community Services meet with members of the Disability Advisory Council of Victoria.

ANSWER:

The Chair of the Council met with the former Minister for Community Services and Housing, Minister Pike on August 21 2002.

The former Minister for Community Services and Housing, Minister Pike opened a joint National Disability Advisory Council and Disability Advisory Council of Victoria meeting on September 18 2002.

The Chair of the Council met with the former Minister for Community Services and Housing, Minister Pike on October 22 2002.

The Minister for Community Services, Minister Garbutt attended an end of year celebration with the Council on December 18 2002.

The Chair of the Council met with the Minister for Community Services, Minister Garbutt on 5 March 2003.

Community services: Kew Residential Services — off-site property purchases

537. THE HON. BILL FORWOOD — To ask the Minister for Aged Care (for the Minister for Community Services): In relation to the redevelopment of Kew Residential Services (KRS), for the 12 months ending 30 December 2002:

(a) How many properties have been purchased off-site for the relocation of KRS residents.

(b) What is the purchase price of each property.

(c) What is the expected renovation/building cost (if any) for each property.

(d) How many residents can each property accommodate.

(e) What is the total cost for the purchase of these properties, including contingencies, project management and consultant's fees.

ANSWER:

(a) Fifteen (15) properties were purchased off-site for the relocation of KRS residents.

(b) The purchase price for each property is detailed in column C of Attachment 1.

(c) The expected renovation/building cost for each property is detailed in column D of Attachment 1.

(d) The resident capacity of each property detailed in column B of Attachment 1.

(e) The total actual/anticipated cost for the purchase of these properties, including contingencies, project management and consultant's fees is detailed in column E of Attachment 1.

Appendix (1)

A	B	C	D	E
Property	**No of Residents**	**Purchase Price**	**Actual/Estimated Construction Cost**	**Total Cost for Property**
1	5	$219,000	*$472,500*	*$776,295*
2	5	$293,000	*$472,500*	*$847,618*
3	5	$315,000	*$472,500*	*$877,724*
4	5	$330,000	$423,778	$839,404
5	4	$295,000	$515,589	$897,490
6	5	$230,000	$385,996	$683,251
7	5	$196,000	$389,796	$651,917
8	5	$195,000	$395,468	$662,579
9	5	$216,000	$515,589	$813,733
10	5	$372,500	$0	$0
11	5	$165,000	$495,509	$735,034
12	5	$317,500	$0	$0
13	5	$220,000	*$472,500*	*$769,988*
14	5	$310,000	*$472,500*	*$863,727*
15	5	$325,000	*$290,909*	*$686,147*

Notes:
(a) Construction and total costs shown in 'italics' represent estimated construction and total costs
(b) $0 construction and total cost – indicates a project under review

Community services: disability services — Redlands, Wandin North accommodation

538. **THE HON. BILL FORWOOD** — To ask the Minister for Aged Care (for the Minister for Community Services): In relation to the Redlands, Wandin North accommodation for people with disabilities, for the 12 months ending 30 December 2002:

(a) How many properties have been purchased off-site for the relocation of Redlands residents.

(b) What is the purchase price of each property.

(c) What is the expected renovation/building cost (if any) for each property.

(d) How many residents can each property accommodate.

ANSWER:

(a) Two (2) properties were purchased off-site for the relocation of Redlands residents.

(b) The purchase price for each property is detailed in column C of Attachment 1.

(c) The expected renovation/building cost for each property is detailed in column D of Attachment 1.

(d) The resident capacity of each property detailed in column B of Attachment 1.

Appendix (1)

A	B	C	D
Property	**No. of Residents**	**Purchase Price**	**Actual/Estimated Construction Cost**
1	10	$352,500	*$1,229,600*
2	6	$320,000	$500,000

Notes: Construction costs shown in 'italics' represent estimated construction costs

Community services: disability services — respite services

539. **THE HON. BILL FORWOOD** — To ask the Minister for Aged Care (for the Minister for Community Services): What was the Disability Services expenditure for people with disabilities, as at 30 June 2002, for — (i) shared supported accommodation; and (ii) training centres.

ANSWER:

Expenditure for the year ending 30 June 2002;

(i) Shared Supported Accommodation services - $323.4M

(ii) Training Centres - $74.8M

Community services: disability services — training centres

540. **THE HON. BILL FORWOOD —** To ask the Minister for Aged Care (for the Minister for Community Services): In relation to respite services for carers of people with disabilities, as at 30 June 1999:

(a) How many households were in receipt of a respite service.

(b) What was the Disability Services expenditure for respite services.

ANSWER:

For the year ending 30 June 1999;

(a) 5,610 carer households were in receipt of a respite service.

(b) Disability Services expenditure for respite services as at 30 June 1999 was $20.5M

Community services:

541. **THE HON. BILL FORWOOD —** To ask the Minister for Aged Care (for the Minister for Community Services): In relation to people with disabilities in training centres in 2003-04:

(a) What is the recurrent expenditure budgeted for each training centre.

(b) What is the average expenditure per place for each training centre.

ANSWER:

The 2003-04 budget allocation process is proceeding in accordance with the Department's time lines to implement three year service agreements. Full year recurrent expenditure budgets for each training centre are not currently available, as confirmation of the budgets will not be completed until mid July when the total recurrent budget is fully allocated.

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