

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE ASSEMBLY

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

6 June 2002

(extract from Book 9)

Internet: www.parliament.vic.gov.au/downloadhansard

By authority of the Victorian Government Printer

The Governor

JOHN LANDY, AC, MBE

The Lieutenant-Governor

Lady SOUTHEY, AM

The Ministry

Premier and Minister for Multicultural Affairs	The Hon. S. P. Bracks, MP
Deputy Premier and Minister for Health	The Hon. J. W. Thwaites, MP
Minister for Education Services and Minister for Youth Affairs	The Hon. M. M. Gould, MLC
Minister for Transport and Minister for Major Projects	The Hon. P. Batchelor, MP
Minister for Energy and Resources and Minister for Ports	The Hon. C. C. Broad, MLC
Minister for State and Regional Development, Treasurer and Minister for Innovation	The Hon. J. M. Brumby, MP
Minister for Local Government and Minister for Workcover	The Hon. R. G. Cameron, MP
Minister for Senior Victorians and Minister for Consumer Affairs	The Hon. C. M. Campbell, MP
Minister for Planning, Minister for the Arts and Minister for Women's Affairs	The Hon. M. E. Delahunty, MP
Minister for Environment and Conservation	The Hon. S. M. Garbutt, MP
Minister for Police and Emergency Services and Minister for Corrections	The Hon. A. Haermeyer, MP
Minister for Agriculture and Minister for Aboriginal Affairs	The Hon. K. G. Hamilton, MP
Attorney-General, Minister for Manufacturing Industry and Minister for Racing	The Hon. R. J. Hulls, MP
Minister for Education and Training	The Hon. L. J. Kosky, MP
Minister for Finance and Minister for Industrial Relations	The Hon. J. J. J. Lenders, MP
Minister for Sport and Recreation and Minister for Commonwealth Games	The Hon. J. M. Madden, MLC
Minister for Gaming, Minister for Tourism, Minister for Employment and Minister assisting the Premier on Multicultural Affairs	The Hon. J. Pandazopoulos, MP
Minister for Housing, Minister for Community Services and Minister assisting the Premier on Community Building	The Hon. B. J. Pike, MP
Minister for Small Business and Minister for Information and Communication Technology	The Hon. M. R. Thomson, MLC
Parliamentary Secretary of the Cabinet	The Hon. Gavin Jennings, MLC

Legislative Assembly Committees

Privileges Committee — Mr Cooper, Mr Holding, Mr Hulls, Mr Loney, Mr Maclellan, Mr Maughan, Mr Nardella, Mr Plowman and Mr Thwaites.

Standing Orders Committee — Mr Speaker, Mrs Barker, Mr Jasper, Mr Langdon, Mr McArthur, Mrs Maddigan and Mr Perton.

Joint Committees

Drugs and Crime Prevention Committee — (*Council*): The Honourables B. C. Boardman and S. M. Nguyen. (*Assembly*): Mr Cooper, Mr Jasper, Mr Lupton, Mr Mildenhall and Mr Wynne.

Environment and Natural Resources Committee — (*Council*): The Honourables R. F. Smith and E. G. Stoney. (*Assembly*): Mr Delahunty, Ms Duncan, Mrs Fyffe, Ms Lindell and Mr Seitz.

Family and Community Development Committee — (*Council*): The Honourables E. J. Powell, G. D. Romanes and J. W. G. Ross. (*Assembly*): Mr Hardman, Mr Lim, Mr Nardella and Mrs Peulich.

House Committee — (*Council*): The Honourables the President (*ex officio*), G. B. Ashman, R. A. Best, J. M. McQuilten, Jenny Mikakos and R. F. Smith. (*Assembly*): Mr Speaker (*ex officio*), Ms Beattie, Mr Kilgour, Ms McCall, Mr Rowe, Mr Savage and Mr Stensholt.

Law Reform Committee — (*Council*): The Honourables R. H. Bowden, D. G. Hadden and P. A. Katsambanis. (*Assembly*): Mr Languiller, Ms McCall, Mr Stensholt and Mr Thompson.

Library Committee — (*Council*): The Honourables the President, E. C. Carbines, M. T. Luckins, E. J. Powell and C. A. Strong. (*Assembly*): Mr Speaker, Ms Duncan, Mr Languiller, Mrs Peulich and Mr Seitz.

Printing Committee — (*Council*): The Honourables the President, Andrea Coote, Kaye Darveniza and E. J. Powell. (*Assembly*): Mr Speaker, Ms Gillett, Mr Nardella and Mr Richardson.

Public Accounts and Estimates Committee — (*Council*): The Honourables D. McL. Davis, R. M. Hallam, G. K. Rich-Phillips and T. C. Theophanous. (*Assembly*): Ms Barker, Mr Clark, Ms Davies, Mr Holding, Mr Loney and Mrs Maddigan.

Road Safety Committee — (*Council*): The Honourables Andrew Brideson and E. C. Carbines. (*Assembly*): Mr Kilgour, Mr Langdon, Mr Plowman, Mr Spry and Mr Trezise.

Scrutiny of Acts and Regulations Committee — (*Council*): The Honourables M. A. Birrell, Jenny Mikakos, A. P. Olexander and C. A. Strong. (*Assembly*): Ms Beattie, Mr Carli, Ms Gillett, Mr Maclellan and Mr Robinson.

Heads of Parliamentary Departments

Assembly — Clerk of the Parliaments and Clerk of the Legislative Assembly: Mr R. W. Purdey

Council — Clerk of the Legislative Council: Mr W. R. Tunnecliffe

Hansard — Chief Reporter: Ms C. J. Williams

Library — Librarian: Mr B. J. Davidson

Joint Services — Director, Corporate Services: Mr S. N. Aird
Director, Infrastructure Services: Mr G. C. Spurr

MEMBERS OF THE LEGISLATIVE ASSEMBLY

FIFTY-FOURTH PARLIAMENT — FIRST SESSION

Speaker: The Hon. ALEX ANDRIANOPOULOS

Deputy Speaker and Chairman of Committees: Mrs J. M. MADDIGAN

Temporary Chairmen of Committees: Ms Barker, Ms Davies, Mr Jasper, Mr Kilgour, Mr Loney, Mr Lupton, Mr Nardella,
Mrs Peulich, Mr Phillips, Mr Plowman, Mr Richardson, Mr Savage, Mr Seitz

Leader of the Parliamentary Labor Party and Premier:

The Hon. S. P. BRACKS

Deputy Leader of the Parliamentary Labor Party and Deputy Premier:

The Hon. J. W. THWAITES

Leader of the Parliamentary Liberal Party and Leader of the Opposition:

The Hon. D. V. NAPHTHINE

Deputy Leader of the Parliamentary Liberal Party and Deputy Leader of the Opposition:

The Hon. LOUISE ASHER

Leader of the Parliamentary National Party:

Mr P. J. RYAN

Deputy Leader of the Parliamentary National Party:

Mr B. E. H. STEGGALL

Member	District	Party	Member	District	Party
Allan, Ms Jacinta Marie	Bendigo East	ALP	Leighton, Mr Michael Andrew	Preston	ALP
Allen, Ms Denise Margret ⁴	Benalla	ALP	Lenders, Mr John Johannes Joseph	Dandenong North	ALP
Andrianopoulos, Mr Alex	Mill Park	ALP	Lim, Mr Hong Muy	Clayton	ALP
Asher, Ms Louise	Brighton	LP	Lindell, Ms Jennifer Margaret	Carrum	ALP
Ashley, Mr Gordon Wetzel	Bayswater	LP	Loney, Mr Peter James	Geelong North	ALP
Baillieu, Mr Edward Norman	Hawthorn	LP	Lupton, Mr Hurtle Reginald, OAM, JP	Knox	LP
Barker, Ms Ann Patricia	Oakleigh	ALP	McArthur, Mr Stephen James	Monbulk	LP
Batchelor, Mr Peter	Thomastown	ALP	McCall, Ms Andrea Lea	Frankston	LP
Beattie, Ms Elizabeth Jean	Tullamarine	ALP	McIntosh, Mr Andrew John	Kew	LP
Bracks, Mr Stephen Phillip	Williamstown	ALP	MacLellan, Mr Robert Roy Cameron	Pakenham	LP
Brumby, Mr John Mansfield	Broadmeadows	ALP	McNamara, Mr Patrick John ³	Benalla	NP
Burke, Ms Leonie Therese	Prahran	LP	Maddigan, Mrs Judith Marilyn	Essendon	ALP
Cameron, Mr Robert Graham	Bendigo West	ALP	Maughan, Mr Noel John	Rodney	NP
Campbell, Ms Christine Mary	Pascoe Vale	ALP	Maxfield, Mr Ian John	Narracan	ALP
Carli, Mr Carlo	Coburg	ALP	Mildenhall, Mr Bruce Allan	Footscray	ALP
Clark, Mr Robert William	Box Hill	LP	Mulder, Mr Terence Wynn	Polwarth	LP
Cooper, Mr Robert Fitzgerald	Mornington	LP	Napthine, Dr Denis Vincent	Portland	LP
Davies, Ms Susan Margaret	Gippsland West	Ind	Nardella, Mr Donato Antonio	Melton	ALP
Dean, Dr Robert Logan	Berwick	LP	Overington, Ms Karen Marie	Ballarat West	ALP
Delahunty, Mr Hugh Francis	Wimmera	NP	Pandazopoulos, Mr John	Dandenong	ALP
Delahunty, Ms Mary Elizabeth	Northcote	ALP	Paterson, Mr Alister Irvine	South Barwon	LP
Dixon, Mr Martin Francis	Dromana	LP	Perton, Mr Victor John	Doncaster	LP
Doyle, Robert Keith Bennett	Malvern	LP	Peulich, Mrs Inga	Bentleigh	LP
Duncan, Ms Joanne Therese	Gisborne	ALP	Phillips, Mr Wayne	Eltham	LP
Elliott, Mrs Lorraine Clare	Mooroolbark	LP	Pike, Ms Bronwyn Jane	Melbourne	ALP
Fyffe, Mrs Christine Ann	Evelyn	LP	Plowman, Mr Antony Fulton	Benambra	LP
Garbutt, Ms Sherryl Maree	Bundoora	ALP	Richardson, Mr John Ingles	Forest Hill	LP
Gillett, Ms Mary Jane	Werribee	ALP	Robinson, Mr Anthony Gerard Peter	Mitcham	ALP
Haermeyer, Mr André	Yan Yean	ALP	Rowe, Mr Gary James	Cranbourne	LP
Hamilton, Mr Keith Graeme	Morwell	ALP	Ryan, Mr Peter Julian	Gippsland South	NP
Hardman, Mr Benedict Paul	Seymour	ALP	Savage, Mr Russell Irwin	Mildura	Ind
Helper, Mr Jochen	Ripon	ALP	Seitz, Mr George	Keilor	ALP
Holding, Mr Timothy James	Springvale	ALP	Shardey, Mrs Helen Jean	Caulfield	LP
Honeywood, Mr Phillip Neville	Warrandyte	LP	Smith, Mr Ernest Ross	Glen Waverley	LP
Howard, Mr Geoffrey Kemp	Ballarat East	ALP	Spry, Mr Garry Howard	Bellarine	LP
Hulls, Mr Rob Justin	Niddrie	ALP	Steggall, Mr Barry Edward Hector	Swan Hill	NP
Ingram, Mr Craig	Gippsland East	Ind	Stensholt, Mr Robert Einar ²	Burwood	ALP
Jasper, Mr Kenneth Stephen	Murray Valley	NP	Thompson, Mr Murray Hamilton	Sandringham	LP
Kennett, Mr Jeffrey Gibb ¹	Burwood	LP	Thwaites, Mr Johnstone William	Albert Park	ALP
Kilgour, Mr Donald	Shepparton	NP	Treize, Mr Ian Douglas	Geelong	ALP
Kosky, Ms Lynne Janice	Altona	ALP	Viney, Mr Matthew Shaw	Frankston East	ALP
Kotsiras, Mr Nicholas	Bulleen	LP	Vogels, Mr John Adrian	Warrnambool	LP
Langdon, Mr Craig Anthony Cuffe	Ivanhoe	ALP	Wells, Mr Kimberley Arthur	Wantima	LP
Languiller, Mr Telmo	Sunshine	ALP	Wilson, Mr Ronald Charles	Bennettswood	LP
Leigh, Mr Geoffrey Graeme	Mordialloc	LP	Wynne, Mr Richard William	Richmond	ALP

¹ Resigned 3 November 1999

² Elected 11 December 1999

³ Resigned 12 April 2000

⁴ Elected 13 May 2000

CONTENTS

THURSDAY, 6 JUNE 2002

PETITIONS		
<i>Planning: Wantirna development</i>	2257	
<i>Insurance: public liability</i>	2257	
VICTORIAN CHILD DEATH REVIEW COMMITTEE		
<i>Annual report</i>	2257	
PAPER.....		2257
BUSINESS OF THE HOUSE		
<i>Adjournment</i>	2258	
MEMBERS STATEMENTS		
<i>Prisons: Carrum Downs</i>	2258	
<i>Forests: box-ironbark</i>	2258	
<i>Essendon Hockey Management</i>	2258	
<i>President of the Hellenic Republic</i>	2258	
<i>Tom Austin</i>	2259	
<i>Parliament: sitting hours</i>	2259, 2261	
<i>Streets Ahead forum</i>	2259	
<i>Local government: roads</i>	2260	
<i>Friends of Woodlands Historic Park</i>	2260	
<i>Insurance: public liability</i>	2260	
ENVIRONMENT PROTECTION (RESOURCE EFFICIENCY) BILL		
<i>Second reading</i>	2261, 2295	
<i>Committee</i>	2299	
<i>Remaining stages</i>	2314	
DOMESTIC BUILDING CONTRACTS (CONCILIATION AND DISPUTE RESOLUTION) BILL		
<i>Second reading</i>	2261	
<i>Committee</i>	2276	
<i>Remaining stages</i>	2278	
APPROPRIATION (2002/2003) BILL		
<i>Second reading</i>	2278	
<i>Remaining stages</i>	2288	
QUESTIONS WITHOUT NOTICE		
<i>Melbourne Cricket Ground: redevelopment</i>	2288	
<i>Privacy: government policy</i>	2289	
<i>Environment: greenhouse strategy</i>	2290	
<i>Latrobe Regional Hospital</i>	2290	
<i>Attorney-General: conduct</i>	2291, 2292, 2294	
<i>Public transport: ticketing system</i>	2292	
<i>Western Victoria: government policy</i>	2293	
<i>Workplace safety: initiatives</i>	2295	
LIQUOR CONTROL REFORM (PACKAGED LIQUOR LICENCES) BILL		
<i>Second reading</i>	2314	
<i>Circulated amendments</i>	2315	
<i>Third reading</i>	2315	
<i>Remaining stages</i>	2315	
NATIONAL PARKS (MARINE NATIONAL PARKS AND MARINE SANCTUARIES) BILL (No. 2)		
<i>Committee</i>	2315	
<i>Circulated amendments</i>	2316	
<i>Remaining stages</i>	2316	
AGRICULTURAL INDUSTRY DEVELOPMENT (FURTHER AMENDMENT) BILL		
<i>Second reading</i>	2316	

COUNTY COURT JUDGES	
<i>Annual report</i>	2319
ADJOURNMENT	
<i>Schools: class sizes</i>	2319
<i>Echuca Adult Literacy Group</i>	2319
<i>Calder Highway: funding</i>	2320
<i>Yarra Ranges: Upper Yarra</i>	2320
<i>Disability services: advocacy</i>	2321
<i>Boisdale Consolidated School</i>	2321
<i>Warrnambool Regional Rifle Range</i>	2322
<i>Geelong: ethnic community facilities</i>	2322
<i>Payroll tax: small business</i>	2323
<i>Employment: seniors</i>	2323
<i>Walwa and District Bush Nursing Hospital</i>	2324
<i>Electricity: special payment</i>	2324
<i>Responses</i>	2324

QUESTIONS ON NOTICE

TUESDAY, 4 JUNE 2002

555.	<i>Premier: ministerial officers</i>	2329
728.	<i>Police and emergency services: drug testing of drivers</i>	2329
745.	<i>Transport: complaints about taxidrivrs</i>	2329
746.	<i>Transport: penalties issued by the Victorian Taxi Directorate</i>	2330
836(c).	<i>Ports: purchase of paintings</i>	2336
836(d).	<i>Transport: purchase of paintings</i>	2336

WEDNESDAY, 5 JUNE 2002

559.	<i>Transport: Blackburn bus services</i>	2337
562.	<i>Major projects and tourism: Melbourne Sports and Aquatic Centre</i>	2337
750(a).	<i>Transport: staffing levels of transit police</i>	2338
753.	<i>Transport: public transport use</i>	2338
813.	<i>Transport: weed infestation in Vicroads areas</i>	2339
826(c).	<i>Transport: revenue raised by speeding fines in various speed limit zones</i>	2340
828(b).	<i>Transport: speeding during Easter 2002</i>	2340
829(c).	<i>Transport: motorists booked in various speed limit zones</i>	2340
830(c).	<i>Transport: fake driver licences</i>	2341
833.	<i>Transport: Met public transport tickets</i>	2342
839.	<i>Transport: industrial action</i>	2342
840(a).	<i>Transport: state petrol taxes</i>	2342
846.	<i>Transport: traffic levels on Manningham Road</i>	2343

Thursday, 6 June 2002

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 9.35 a.m. and read the prayer.

PETITIONS

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

Planning: Wantirna development

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

The humble petition of the undersigned citizens of the state of Victoria sheweth that we oppose the proposed development of the land at 54 Kingloch Parade, Wantirna, in the state of Victoria by the minister of health and community services as the development:

- (1) will reduce the open space available in the area;
- (2) is not sympathetic to the existing development of the area;
- (3) will impact adversely on the —
 - (a) recreational use of the land;
 - (b) use of off-street parking; and
 - (c) traffic flows in the area.
- (4) will create a cluster socioeconomic group;
- (5) the size of the proposed allotments does not complement, enhance or respect the existing character and environment of the area;
- (6) fails to take into account the increased cost of supplying social services and infrastructure to the area as a direct result of the proposed development;
- (7) fails to adequately take into account the future needs of the area.

Your petitioners therefore pray that:

- (1) The proposed development be reconsidered and the land be retained as open space for recreational purposes.
- (2) That the land be vested in the City of Knox and reserved solely for use for recreational purposes.
- (3) That no decisions regarding the development of the land are implemented without consultation with the residents and the City of Knox.
- (4) That any development be sympathetic with the existing character of the area and be in accordance with the planning policy of the City of Knox for the area.

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

By Mr ASHLEY (Bayswater) (890 signatures)

Insurance: public liability

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

Wonthaggi Pony Club Inc. is a member of the Pony Club Association of Victoria Inc. This association is a youth movement with 8000 riding members in Victoria, supported by about 12 000 adult members.

Our insurers, SLE Worldwide, will not renew our public liability and professional indemnity insurance when it expires on 30 June 2002. Without this cover our club cannot continue.

We understand that the state government is considering legislation to make the provision of cover more attractive to insurance companies and more affordable for the insured.

We ask that this matter be treated as one of the utmost urgency so that any legislation can be enacted before 30 June 2002.

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

By Ms DAVIES (Gippsland West) (355 signatures)

Laid on table.

Ordered that petition presented by honourable member for Bayswater be considered next day on motion of Mr ASHLEY (Bayswater).

Ordered that petition presented by honourable member for Gippsland West be considered next day on motion of Ms DAVIES (Gippsland West).

VICTORIAN CHILD DEATH REVIEW COMMITTEE

Annual report

Ms PIKE (Minister for Community Services) — By leave, I move:

That there be presented to this house the annual report of inquiries into child deaths — *Child Protection 2002*.

Motion agreed to.

Laid on table.

PAPER

Laid on table by Clerk:

Members of Parliament (Register of Interests) Act 1978 — Summary of Variations notified between 29 November 2001 and 5 June 2002

BUSINESS OF THE HOUSE**Adjournment**

Mr BATCHELOR (Minister for Transport) — I move:

That the house, at its rising, adjourn until a day and hour to be fixed by the Speaker, which time of meeting shall be notified in writing to each member of the house.

Motion agreed to.

MEMBERS STATEMENTS**Prisons: Carrum Downs**

Mr ROWE (Cranbourne) — I bring to the attention of the house the receipt in my office of a petition containing the signatures of more than 2000 residents of Carrum Downs, Seaford and Frankston North praying that the government will abandon plans to establish a prison in the Carrum Downs area. The residents are concerned for their safety and the safety of the community in the event of the prison proceeding due to the proximity of the proposed site to residential areas, aged care facilities and schools.

The concerns of the people of Frankston North, Carrum Downs and Seaford were exacerbated by comments made by the honourable member for Frankston East in supporting the prison and attempting to sell the benefits a prison would bring to the community. Under no circumstances should the government allow the prison to proceed. It should immediately announce an alternative site to alleviate the concerns of residents in my electorate.

Forests: box-ironbark

Mr MAUGHAN (Rodney) — Yesterday I had the pleasure of presenting to the house a petition on behalf of a coalition of organisations under the umbrella of the Bush Users Group Victoria, commonly known as BUG, expressing the concerns of 7770 petitioners about the decision of the Bracks Labor government to accept the recommendations of the Environment Conservation Council to create extensive parks and reserves in the box-ironbark region despite the council's failure to demonstrate that the area will be improved by declaring additional parks and prohibiting or curtailing existing uses therein.

BUG deplores the fact that more than half of the entire box-ironbark forest will be locked away from the public under the government's proposals. Activities to be banned in the proposed national parks include

horseriding, walking a dog, hunting, metal detecting, gold panning, mineral exploration, gemstone fossicking, domestic firewood collection, eucalyptus oil production, grazing and camping except in designated camp sites.

I support Robin Taylor, Tracee Spibey, Kirsten Gentle and their many supporters in their campaign to put the public back into public land.

Essendon Hockey Management

Mrs MADDIGAN (Essendon) — I congratulate Essendon Hockey Management on the opening of its new synthetic pitch last month. The body was formed in 1986 by an amalgamation of the Essendon Hockey Club and the Essendon Ladies Hockey Club. Since that time great things have been achieved for hockey in our region, not only in the Ascot Vale and Essendon areas but throughout the western region.

The club now has a significant number of teams for both men and women and boys and girls. The men's and women's teams currently play in level 1 in Victoria and are playing very well. The club has shown itself to be a fine economic manager. The amalgamation occurred when I was a councillor in the City of Essendon, and I know that the club was lent a significant sum of money to build its first pitch, which it paid off well before the due date. It has now entered into an agreement to pay off the second pitch and has raised substantial funds.

The state government is very impressed with the work it is doing and to this end has just made, through the Minister for Sport and Recreation, a grant of \$50 000 to upgrade the women's facilities, particularly the toilets and changing rooms — they have so many teams now they won't fit in.

I congratulate very much the management and all the people involved with Essendon Hockey Management, including the many parents and supporters who get down to the grounds on Saturdays to assist with the teams, particularly the junior teams. They do great things for hockey, not just in Essendon but in the western suburbs generally.

President of the Hellenic Republic

Mr KOTSIRAS (Bulleen) — It is with regret and sadness that I advise of this mean-spirited Labor government's use of the visit of the President of the Hellenic Republic to Victoria as a means to score cheap political points.

Yesterday I was approached during the reception in Queen's Hall, by members of the Greek community asking me why the Honourable Peter Katsambanis in the other place and I had boycotted the state luncheon at Government House in honour of His Excellency. I need to make it clear that neither the Honourable Peter Katsambanis nor myself were invited to attend. Despite the fact that all four Labor members of the Victorian Parliament of Greek background were invited and were all present, those in the Premier's private office who made up the list felt it was not in their interest to invite the Honourable Peter Katsambanis or me. They did, however, invite themselves. You might excuse one adviser, but to have four political advisers sitting at the same table as the President of the Hellenic Republic at the exclusion of two sitting members of Parliament is poor judgment.

I am not sure how the four advisers contributed to the discussions or what assistance or advice they gave the Premier or minister over the lunch. Perhaps the Premier and minister needed to be advised which fork to use for each course or perhaps the advisers were there simply to enjoy the fine cuisine and liquid refreshments compliments of the Victorian taxpayer. Whatever the reason, it was poor judgment.

Tom Austin

Mr HELPER (Ripon) — Honourable members will be aware that later today the state funeral for the late Tom Austin is to be held. Tom's distinguished service to this Parliament, firstly as the member for Hampden between 1972 to 1976 and subsequently as the member for Ripon between 1976 until his retirement in 1992 will be appreciated by all members. In 1947 Tom contested the seat of Grant and lost by a mere 700 votes to the Country Party candidate.

I put on the record the expression of respect and esteem with which the community of Ripon continues to view Tom. I regret that I cannot claim to have known Tom well; however, the sense I get of a man and a member who was prepared to genuinely serve the whole community serves as a model to me.

Tom was clearly a man who understood the often unique issues confronting the Ripon community and had an engaging and fair manner in addressing them. Clearly Tom and I saw the life of politics from quite different perspectives but this in no way diminishes the respect I feel for his lifelong commitment to his community — the community I am now privileged to serve.

At this sad and difficult time my sympathy is with Tom's family, friends and political colleagues of his on the opposite side of the chamber.

Parliament: sitting hours

Ms McCALL (Frankston) — We are now at the end of another sitting. We started off with nothing to do and have ended up with a logjam. We have had a very interesting sitting. We have had backbenchers promoted to ministers, ministers demoted, backbenchers causing trouble in the wee small hours of the morning, and parliamentary secretaries stood down and stood up again. We have had all sorts of things go on. We have had interesting bills like the industrial manslaughter bill go back to the gutter, where it belonged.

We are in the final week of this sitting and we have been subjected to the most unfriendly family hours any of us have ever experienced. It is incumbent on the Parliament, given the appalling road toll in Victoria, to bear in mind that honourable members left Parliament House in the wee small hours of Wednesday and Thursday mornings, got in their cars and drove. One of the most appalling things about the government is the expectation of us that we drive when we are all very tired.

This is an example of the government that the people of Victoria did not think they were going to get. It is a shameful government. It is disorganised. It is pathetic that we have had shuffle board played in ministerial offices during the last sitting and a logjam in legislation and that all of us are short tempered and short of sleep!

Streets Ahead forum

Mr TREZISE (Geelong) — I commend a number of community organisations involved in the successful organisation of the Streets Ahead public forum held last Monday night in Geelong. The public forum was arranged in partnership with the Vines Road Community Centre, people with multiple sclerosis, the Multiple Sclerosis Society of Victoria and the rural access project. The forum addressed the issue of people with disabilities inclusively living, working, participating — and importantly achieving — in community life.

The night consisted of a panel of speakers and two workshops addressing the topics — first, 'How can communities be more inclusive of people with a disability?', and second, 'Remaining positive in the workplace'. I take this opportunity to commend all those who organised or participated in the public forum,

Jonathon Goodfellow, Kevin Murfitt, Zane McKenzie, Keith Riehl, Danka Dear, Liz Carroll, Tim McCallum, Janine Shelly and Murray Scott, for their work. This was the first of three public forums that will be conducted by the Vines Road Community Centre with all forums designed to promote awareness and understanding of key public health and wellbeing issues within the community of Geelong.

Local government: roads

Mr INGRAM (Gippsland East) — I thank you, Mr Speaker, for finally giving me the call. I rise to recognise the concern of the condition of the roads across the state and to discuss the effect the Auditor-General's report has on the management of roads by local government.

I understand the anger of rural councils over the recommendations in the Auditor-General's report on the management of roads by local government. We need to remember the challenges facing regional Victoria identified by the Delatite Shire Council and the consequences of a compulsory 20 per cent rate cut imposed by this Parliament, declining populations, higher-than-state-average unemployment levels, lower average incomes, economic reliance on the agricultural sector, fortunes that fluctuate dramatically, and difficulties in attracting appropriately skilled technical staff. Added to these challenges are the consequences of a High Court decision last year concerning the duty of authorities responsible for maintaining roads.

The Wellington Shire Council is meeting with me today to discuss this matter. This is not to say that these challenges constitute a reason to ignore inefficiency or ineffectiveness. However, we cannot allow councils to shut roads because these roads have a huge —

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

Friends of Woodlands Historic Park

Ms BEATTIE (Tullamarine) — On Saturday I had the privilege of attending the celebrations of the 20th anniversary of the Friends of Woodlands Historic Park. I express my sincere thanks and appreciation for their dedication and hard work over the past 20 years.

The organisation consists of unpaid volunteers whose commitment ensures that this is a wonderful place that we can all share in. The group conducts guided tours of the park and historic Woodlands homestead and is involved in revegetation and weed management to enhance the tremendous ecological value of the park. On Saturday the Bracks government added

113 hectares of natural vegetation and habitat to the 700 hectares that previously made up this beautiful spot in Melbourne's north-west.

The park is home to a vast array of wildlife, including the eastern barred bandicoot. There are few places so close to Melbourne where we can see native animals in their natural habitat. This creature is one of Victoria's most endangered mammals. It was formerly widespread throughout Western Victoria but is now virtually extinct in the wild. The Woodlands Historic Park enclosure has become a safe haven for the regeneration of this species.

The additional land will ensure that it continues to be a source of cultural and heritage value for all of us, and for those of generations still to come. Another great addition to Victoria's natural —

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

Insurance: public liability

Mrs ELLIOTT (Mooroolbark) — During debate on the matter of public importance yesterday the Minister for Tourism claimed that support by the opposition for the Adventure Activities Protection Bill 2002 was all about the Liberals winning Benalla. How cynical, and how typical of this 'put off till tomorrow what should be done today' government. For me this is all about adventure activities in the electorate of Mooroolbark: kayaking on the Yarra, hot-air ballooning, and the pony clubs that are numerous in the area and that provide so much enjoyment and so much skills development to young people.

To quote one email that I received from Montrose:

As a nation we have a culture that is largely coloured by our love of the outdoors. The very fabric of our culture is being threatened by the situation in regard to public liability insurance.

And from Kilsyth:

The pony club and daily commitment to riding skills development is my daughter's life and passion. We support a couple of local businesses on a weekly basis through my daughter's activities. These businesses will also close without public liability insurance.

The huge Walk for Cover should have convinced this do-nothing government to do something about public liability insurance for adventure activities.

The SPEAKER — Order! The honourable member for Doncaster has 10 seconds.

Parliament: sitting hours

Mr PERTON (Doncaster) — Last night all of the people in this house suffered as a result of the late hour of sitting, and I wish the staff well — —

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

**ENVIRONMENT PROTECTION
(RESOURCE EFFICIENCY) BILL***Second reading*

Debate resumed from 9 May; motion of Ms GARBUTT (Minister for Environment and Conservation).

Further government amendments circulated by Ms GARBUTT (Minister for Environment and Conservation) pursuant to sessional orders.

Debate adjourned on motion of Ms BEATTIE (Tullamarine).

Debate adjourned until later this day.

**DOMESTIC BUILDING CONTRACTS
(CONCILIATION AND DISPUTE
RESOLUTION) BILL***Second reading*

Debate resumed from 16 May; motion of Ms DELAHUNTY (Minister for Planning).

Government amendments circulated by Mr CAMERON (Minister for Local Government) pursuant to sessional orders.

Mr BAILLIEU (Hawthorn) — The Domestic Building Contracts (Conciliation and Dispute Resolution) Bill is otherwise known as the fingers-crossed bill: it is the bill where we all have our fingers crossed, hoping that it will work.

The bill implements part of the government's so-called 10-point plan to prop up home warranty insurance, and at the commencement of this contribution I want to reinforce that we are talking about domestic building insurance here, and domestic building insurance only.

That insurance, as honourable members will know, has been threatened by the global retreat of the insurance industry, the collapse of HIH and the withdrawal of reinsurers on a worldwide basis from a number of

insurance products, including home warranty insurance in Victoria.

The position of the opposition is to not oppose this bill, but there are a number of concerns which are worthy of mention in this house which we wish to place on alert in terms of the success or otherwise of this bill. This is a bill on which to keep our fingers crossed. It is a bill which requires a great deal of hope — maybe even some prayer — because there is a lot at stake. We in the opposition hope this bill is successful in its ambitions. The building industry hopes it is successful in its ambitions. The government, I am sure, is hoping it is successful, too, because if it is not successful the ultimate collapse of home warranty insurance is assured and the reality is that the government has no exit strategy in place. There will be no remediation of a collapse in the home warranty insurance in accordance with any plans the government currently has.

A little bit of context, Mr Speaker: as I said before, we are talking about domestic building. Under the various components of legislation builders are required to have home warranty insurance in order to practise. That is an instrument supposedly to benefit consumers, but the reality is that 99 per cent of builders never suffer any claims.

That insurance has been provided in principle by two insurers: Royal and Sun Alliance, associated with the Housing Industry Association; and Dexta Corporation, associated with the Master Builders Association of Victoria. Those two insurers have competitive products. Although both associations are competitive, their insurance product is managed in a different way in each case. Not everyone is happy with the product they have and not everyone is happy with the access they have to the product. Indeed, there is an argument that one of those insurers enjoys an exclusive arrangement with one of the associations, but that is somewhat beside the point here.

The reality is that that has been the history. There have been complaints from builders over the last 18 months about the difficulty of getting insurance, the onerous scrutiny that is imposed on builders making application for insurance, delays in receiving those approvals for that insurance, the threat to the builders practices and registration which ensues, and the cost involved. That was topped off finally by the withdrawal of Dexta from the insurance market notionally beyond 30 June.

The honourable member for Box Hill, my predecessor as shadow Minister for Planning, went to some trouble last year to warn the government about the difficulties being faced by builders in the home warranty insurance

market. He made it clear that some risk management techniques and a program of overt risk management needed to be undertaken by the government and that otherwise it was facing some extreme problems. The government's response at the time was, 'Market forces will sort this out', and, 'Where there are risks, they should be priced accordingly'.

That has not been the reality. Dexta ended up withdrawing as a consequence of its own reinsurers withdrawing their support. Since then we have seen the government move to prop up Dexta to 30 June, which is obviously the deadline. We are only a few weeks away now from a point where a decision will ultimately have to be made by insurance companies as to whether they stick around. In that process the government has come forward with a 10-point plan which it claims to have put in place in conjunction with the New South Wales government. That 10-point plan is intended to address a range of issues in the insurance field.

There are a number of points I want to refer to quickly here. They are on matters which essentially reduce the cover that consumers or owners have. The first of those is a lift to the threshold for compulsory home warranty insurance from \$5000 to \$12 000 — not a huge thing, but a component of the plan. The change to the minimum period of defects covered is down to six years and for non-structural defects down to two years, and there is a removal of the compulsory requirement for domestic home warranty insurance for high-rise buildings, effectively over three storeys. That means the domestic home warranty insurance which has been known to the industry and consumers for some time will not apply for high-rise residential.

One of the elements of the 10-point plan is that claims on insurance will now only effectively be available when a builder dies, disappears or becomes insolvent, or, as one of my colleagues put to me, the other way around: when a builder becomes insolvent, disappears and then dies. We also have a proposed cap for claims over \$10 million. So we have a lift in the threshold and a cap at the top of the claims market. It is interesting that this is a government that when in opposition was very opposed to thresholds and caps in the insurance market. The Minister for Workcover is sitting at the table. This government has probably abandoned its concern about thresholds and caps. It is an interesting piece of the history of the hypocrisy of this government that it has done so. All these measures in the 10-point plan are designed to risk manage and to shield the insurers from the prospect of a claim. Under the 10-point plan the government is effectively stepping between consumers and insurers.

Where are we at now? We are facing the possible final exit on 30 June of one or more of the insurers. We are in the situation where there has been a very slow take-up of insurance of builders who are crossing from one insurer to another. We are facing a situation where the government — and it advised this in the briefings we had on this bill — cannot guarantee that there will be continuity of insurance post-30 June. Equally, we have been advised that the government cannot guarantee, as a consequence of the 10-point plan or the measures in this bill, that there will be any reduction in premiums.

There is a hope that there will be a reduction in premiums. At present the hope stretches to about 10 per cent or possibly 15 per cent reduction, but it is only a hope. We have a situation where insurers have strongly represented themselves, as have the reinsurers. You would expect that because they tend to be large companies — the reinsurers are internationally based and they are going to strongly represent themselves in this dilemma.

Builders have representative associations and they, too, have made strong representations. Consumers, on the other hand, are really represented only by the government. There is not an essentially consumer organisation dealing with home owners. It is up to the government to ensure that consumer rights are protected. But it remains a fact that builders are very concerned about the prospect, and that is simply a reality.

As I said previously, we had warnings from the honourable member for Box Hill last year about what the government should have been doing. A risk reduction project should have been put in place sooner. The government focused on allowing market forces to price the risk and as a consequence demonstrated some insensitivity towards the building industry. The government has been slow to act on this, but the reality is we are here, and this bill is a step in that process.

Broadly, the provisions in this bill shift the position of the insurers to one of last, not first, resort. The government is stepping between owners and insurers. The government will be absorbing the front-end risk on home warranty insurance; the government will be standing as a shield in front of those insurers. It will be the responsibility of the government to manage down the risk in order to ensure that the potential liabilities which are noted in the budget — but they are open-ended — are minimised.

The fundamental purpose of this bill is to establish a conciliation and dispute resolution process at the front

end of home building disputes. The proposition is put that this process will be a one-stop shop managed by Consumer and Business Affairs Victoria via a 1300 number, whereby an initial assessment will be made of any dispute claimed. We are told that on the basis of experience some 30 000 claims are expected annually. Upon that initial assessment of a claimed dispute the director of Consumer and Business Affairs Victoria will have to resolve whether it is possible for conciliation to be effective in resolving it. If it is likely to be settled then a conciliator will be assigned to the dispute, and it is then a question of the conciliation either working or not working.

If it is deemed that the conciliation is unlikely to be successful and if it is then deemed that there is a technical nature to the dispute, in particular if there is defective work under clause 3 of the bill which inserts proposed section 43F(3) into the principal act, the Domestic Building Contracts Act, an inspector can be appointed. The director then invites the Building Commission — it crosses portfolios and departments, so this is an issue that effectively covers two ministers — to appoint an inspector. If it is deemed necessary to appoint an inspector to resolve a dispute, if it is deemed that conciliation is not likely to be successful and if there is deemed to be defective work at the core of the dispute, then the inspector will have the power under clause 6 to recommend remedial action. The inspector basically has the power to direct how to overcome the shortcoming in the work that has been done.

A dispute over an inspector's decision can only end up in front of the Building Practitioners Board, and the only way that can have an impact is to effectively threaten the builder's registration. That makes this a pretty sensitive subject for builders because essentially without an appeal process from an inspector's ruling they are under the heavy hammer.

In short, this process works at the front end of all disputes. The opposition was advised at the briefing on the bill that some 5000 disputes are expected to move through from conciliation to the Building Commission and some \$6 million has been budgeted to deal with the process.

The process is being funded by an increase in the building levy of 0.064 per cent of the building contract sum, and clause 13 in the bill specifies that. That is an additional cost at the front end of every building project, and the reality is that that will be passed through to consumers.

All of this is a nice concept. It is a one-stop shop, but really it is only a one-stop shop in the same sense that a supermarket is a one-stop shop. It is very pleasant to know that when you go to a supermarket you only have to go through one door and you only have to make one stop, but once you are inside there are a myriad of choices and the complexity really only begins once you have picked up the trolley. This process is a one-stop shop in terms of a 1300 number but it is still a very complex process and the industry has expressed a number of concerns with it.

I have a list of 14 or 15 concerns about the process and the impact it has which I will briefly run through. The first concern is that there is an imbalance of access to the dispute resolution scheme. Under clause 3 of the bill which inserts proposed section 43B into the principal act, the building owner is specifically and explicitly given the opportunity to access the dispute resolution system being invoked by the bill. The second-reading speech on the other hand refers to the owner or the builder having access to the dispute resolution scheme — in other words, having the ability to make a claim. Clause 3 is silent on that issue — in other words, on whether the builder can have access to the scheme. The second-reading speech refers to the owner or builder having access but the bill refers only to the owner.

The proposition was put to the government that an amendment to clarify this discrepancy between the second-reading speech and the bill would be useful. The industry supported the need for clarification, and I put the proposition to the minister's adviser myself. The Liberal opposition would certainly support an amendment to make that clarification, because the provisions of the bill seem to suggest that only the owner has access to the dispute resolution scheme and that works throughout all the subclauses as well, but the second-reading speech suggests otherwise.

I have been advised by the minister's office and I put it on the record that it is the intention of the government — I trust the government will spell this out as well — that both the owner and the builder will have access to the system and will be capable of making a claim. That is in a sense some direction on the issue, but the reality is that the bill is silent on it, and given that the bill is not silent on the owner's access to the system it is open to the interpretation of the courts that a builder does not have access to the dispute resolution system initiated by this bill.

That is not something the Liberal opposition is comfortable with and it is not something the industry is comfortable with, and I encourage the government

again to have another look at it when the bill is between houses and to contemplate a correction of that amendment, if not in this round then in some future rounds.

The second concern I will address is the imbalance of the extra options available in the dispute settlement or resolution process under this bill. The current situation in Victoria is that there are a number of options for builders and owners to take disputes to an independent person for resolution. Essentially, the principal options are to go to an insurer, to go to an association, to go to a building surveyor or to go to the Victorian Civil and Administrative Tribunal (VCAT). As a consequence of this bill the options for owners are considerably increased, but the options for builders are not. Along the way, the protection given to owners is increased in terms of who represents them, who defends them and who has access to systems, but not the protection for builders. There is considerable concern about that.

At the moment, if a dispute occurs on a building site then that dispute can be taken to VCAT by the builder or by the owner. Under the arrangement we are considering here, if the dispute is taken to VCAT by the owner then the owner can be supported in his or her claim by the Building Commission. At present the options are reasonably balanced, but the owner has the extra protection of the potential support from the Building Commission. Under the system proposed by the bill the owner can refer a complaint to the director of Consumer and Business Affairs Victoria, but it is still to be finally determined whether a builder can have that same access.

The next step is to answer the question: is this dispute likely to be settled by conciliation? If the answer to that is yes, then the conciliation proceeds. If the conciliation is then successful the dispute is resolved and we do not have a problem. If the answer to the first question — which is, ‘Is it likely to be settled?’ — is no, then the only option is for the dispute to be taken to VCAT by the owner, and again the builder does not have that facility — with one exception, and I will come back to that.

If the answer to the first question is yes and the conciliation proceeds but the conciliation proves to be unsuccessful the only option is for the dispute to be taken by the owner to VCAT or for the director to seek the Building Commission to appoint an inspector. If the Building Commission appoints an inspector and the inspector then makes a report, there can be no appeal and the builder has very few options left to resolve the matter. In short, there are a number of advantages under the system as it is described in the bill. I again note that

there is an inconsistency that needs resolution by the government to address the imbalance in access to the system.

The complexity of the system is what I refer to as my third concern. That complexity belies the claim that this is a one-stop shop. There are additional complexities because the fourth concern I raise is that the process is avoidable by means of process. The reference in the bill to proposed section 43B(5) to be inserted by clause 3 concerns the management of a dispute. It is said that the management of a dispute can be avoided or forced not to proceed if the builder first lodges with VCAT. Therefore, under this dispute resolution process an owner can seek to make a complaint to the director of consumer and business affairs, and start the process. However, if the builder gets in first and lodges with VCAT, and effectively goes jurisdiction shopping, the processes under the bill are put on hold. I suspect that will present some dilemmas also.

The fifth concern I raise concerns proposed section 43C — that is, in determining whether to go to conciliation the director of consumer and business affairs has no guidelines to refer to. The nature of the decision the director makes will be one of discretion only. That discretion in building disputes is likely to lead to further disputes as to whether the discretion has been principally exercised. I suggest to the government that some guidelines — not that a provision for guidelines is included in the legislation — would be of assistance.

The sixth concern is that the director can apply on the owner’s behalf to set aside a counterclaim. That is an advantage to the owners that the builder is not provided with, according to the bill. The reference in the bill to proposed section 43E(2) is to the capacity of the director to set aside a builder’s counterclaim. That raises concerns that there may again be an imbalance of access.

The seventh concern is clause 6, by which an inspector’s determination is in effect a final determination and there can be no appeal. The builder’s options beyond that point are very limited. As I said earlier, the builder’s registration is effectively on the table if no action is taken to follow up the inspector’s recommendations.

The eighth concern is again to do with inspection and decisions of an inspector as set out in clause 6. Proposed new section 48(3) states:

If the inspector believes that the building work is defective ...

The words 'believes' and 'defective' introduce the capacity for some abuse of and breakdown in the process. Undoubtedly there will be disputes about what 'believe' and 'defective' mean because the potential exists for an inspector who, for one reason or another, is not on the same track as either the owner or the builder to turn beliefs into prejudices. That would lead to a potential for abuse.

The other important thing about the inspector's power is that if the inspector believes there is defective work he must — and I stress 'must' — include recommendations as to how it must be remedied. The question then arises as to who is liable if the inspector makes an error. If, for instance, the inspector makes a suggestion that work be repaired in a certain way — say, roofing and particularly, roof plumbing — and it proves to be in its own sense defective for one reason or another, who is liable? This is a 'must' requirement on an inspector. When we put these questions during the briefing eventually the government said the Building Commission would be liable for the inspector's decisions. That introduces an open-ended liability for the government and the Building Commission in particular.

The ninth concern I raise is the fact that there is nothing to prevent multiple complaints. No fee is attached to making a complaint and having a dispute go through the system. Once access to the system is realised the cost of having multiple complaints is open ended and it is possible for one owner in one building contract to raise multiple disputes in a sequence and, as a consequence of there being no fee, debilitate a job completely.

The tenth concern I raise is the cost of the levy. As I said earlier, it is an additional \$128 on every home. It may be easy to say it is only \$128 but a lot of imposts are being put on home building at present, and that is yet another.

The eleventh concern I raise is about the definition of 'defective'. Only by asking questions at the briefing did we determine that 'defective' is not to include any contractual work. Therefore if it is defective in a contractual situation, that does not apply. Contractual disputes are out, time disputes are out, building permit disputes are out, planning permit disputes are out and payment disputes are out. 'Defective' is limited implicitly to technical work. Even then we question what 'defective' means because invariably it is mixed up with disputes about contractual situations. The reality is that a dispute about a contractual situation on a building site is invariably tied back to some technical perception.

The twelfth point I make is that according to the definition of 'defective' it is possible to do work wrongly but for the work not to be defective. For instance, if a builder installs power points in the wrong place but installs them very well is that defective work? That is set to raise issues on building sites.

The thirteenth point I raise is the reference in the bill to proposed section 43D, which provides, in effect, legal aid to owners in that the director represents owners in disputes. That again is an imbalance.

The fourteenth point is that there is no reference in the bill to the qualifications of inspectors. I am sure the inspectors will be suitably qualified.

The final concern I raise relates to clauses 7 and 11. They allow, in effect, an exchange of information between the director of consumer and business affairs and the Building Commission in terms of information collected and the use and potential abuse of that information. That is a concern in the industry because the potential for vexatious disputes exists. There are vexatious disputes in the building industry. The one thing that threatens a builder's livelihood at the moment is the loss of insurance, because without insurance a builder cannot practise. If a builder's insurance is threatened by vexatious disputes that can accumulate, any track record associated with disputes has an effect on access to insurance. A builder would then face it impacting on his registration. That is an ongoing issue and needs to be carefully monitored by the government.

The concerns I mention are all reasonable. The opposition does not oppose the bill, although it has some concerns about it. We hope it is successful. We are concerned that it may break down, and we are very concerned that there is no exit strategy or a fall-back if the system does not have the desired impact — that is, to assure that insurers stick around after 30 June and to assure that insurance premiums are reduced as a consequence.

At the moment in Victoria builders are enduring a fair bit of pain. They have had to endure a range of measures which are also prospective from this government in terms of things that will impact on the way they do business and the costs that they incur. They have already suffered a significant increase in their Workcover levies and have faced increasing permit fees. They have found it very much harder to get permits; there are substantial delays. Under another bill before the house, they are being advised that they will not be able to appoint building surveyors.

They are facing, or have faced, heavy penalties under the workplace deaths bill, which has not gone through the Parliament but is an indication of the government's intentions. They are facing increased burdens which, again, are in an imbalance under the security of payments legislation which recently went through the Parliament. They are facing increased insurance and dispute resolution procedures which, from some perspectives, are out of balance. They are facing vexatious litigants as well. There is reason to feel sensitive, or at least to feel for those builders who face that prospect. At the same time we have to feel for consumers because ultimately consumers pay the cost and ultimately the legislation exists to protect them. Creating a burden for builders which ends up producing no greater cover is no help at all.

What happens next? As I said, there is no exit strategy if this 10-point plan fails. If insurers collapse and the insurers walk away, what happens? We are three or four weeks away from that prospect and we do not know what the reserve plan is. Interestingly, the government has proposed an amendment, which I think is sound, but it reflects the government's concern that things might not go well, because this amendment contemplates that there may be extensive delays in builders getting their insurance. These amendments provide that builders will not necessarily be suspended if they do not get their insurance. The amendment is a bit equivocal, but it is a reflection of the fact that even the government believes that there are problems here that they may not yet have resolved.

The government also indicated at the briefing that it is proposing to establish an interdepartmental committee to review the operation of this system. It is also considering giving a grace period to those who are unable to get insurance. Maybe that is reflected in this amendment and maybe the government is contemplating additional legislation or dropping some of the insurance requirements altogether. The government also indicated in the briefing that it is considering a review of building practitioners' professional indemnity insurance, because the reality is that the inspectors will need the insurance themselves. Certainly amongst building practitioners ongoing insurance is a difficult issue. I should have declared my interest up front: as an architect, I am a registered building practitioner.

If the government did not have this bill there would be no insurance, and if there were no insurance then building work would stop. But we have to look at a counterview as well — that is, that if there is no insurance, then what? What happens if the insurers

walk away? It is a matter of concern to the building industry and of great concern to owners.

An Honourable Member — What do you think, Ted?

Mr BAILLIEU — It is an interesting question, because we do not have access to all the information about insurance which the government has access to. Some weeks ago I wrote to the minister and indicated my concern about the urgency of these matters. I made the opposition available to be included in discussions. In good faith, we offered to sit down with the government and insurers and to be involved. That offer was not accepted and we have to take on faith what the government has advised, but even in the amendments the government is suggesting there are still some problems in front of us.

So who is better off as a consequence of this bill? Are the consumers better off? Not really. To start with, they are going to pay more through the building levy. They are going to have less cover and more process, but we hope that in the wash-up they are not adversely affected.

Are the builders going to be any better off as a consequence of this bill? They are going to pay more. Arguably they are going to suffer an imbalance in access to this scheme. I do not see any sign from builders that they believe they will be better off other than that they hope, as we all hope, they will still be able to get their insurance.

Are the insurers better off? There is no doubt they will be. They will have the government standing in front of them shielding them from the up-front risks in dispute resolution. Arguably they will be better off.

Will the government be better off? We have to wait and see. The government on behalf of the taxpayers, or the taxpayers on behalf of the government, are going to absorb a great deal of risk in this process. It is open-ended risk and there are provisional liabilities mentioned in the budget. It is open ended, there are no figures, but it is noted. At one time during the briefing we were told that the government in effect had already underwritten 10 per cent of the shared risk up to 30 June. Since then I have heard that it is over 50 per cent, but we do not know.

The opposition hopes this bill offers some success and we hope it works. If Parliament could find a way to cross its collective fingers, now would be the moment to do it, because there are only a few weeks left. We now find a situation where the insurers will be selling

umbrellas and it will be the government's duty to ensure that it does not rain.

In short, the opposition does not oppose the bill; we hope it works. As I said, our fingers are crossed.

Mr DELAHUNTY (Wimmera) — On behalf of the National Party I rise to speak on the Domestic Contracts (Conciliation and Dispute Resolution) Bill. I congratulate my colleague the Honourable Jeanette Powell in the other place on the work she has done in preparing the National Party's position on this bill.

The bill amends three acts, the Domestic Building Contracts Act, the Building Act and the Victorian Civil and Administrative Tribunal Act. This is about domestic insurance, and from 1 July to 30 September it will relieve the Building Practitioners Board of its obligation to suspend the registration of building practitioners who are temporarily unable to obtain proof of insurance or insurance cover.

The honourable member for Hawthorn said that this is another amendment at 5 minutes to midnight — and there seem to be a fair few amendments to various bills coming through the house at the last minute. Obviously the government is concerned that the original intention of the bill might not be able to be delivered, because it has now brought in amendments to cover any extensive delays in building practitioners getting insurance.

Relief from the statutory obligation to suspend practitioners was given to the Building Practitioners Board by the Housing Contracts Guarantee (HIH) Act. This provision sunsetted on 31 July 2001. The Master Builders Association of Victoria, the Housing Industry Association and builders in all areas, including the country areas that I focus on, have expressed concern to both the government and the opposition about the withdrawal of Dexta Insurance from the builders warranty insurance market on 30 June.

The bill enables building practitioners who are awaiting a decision from their insurer to continue to be registered. Currently if they are not insured they could not stay registered and could therefore not finish the work they were doing. This is commonsense legislation. The preservation of their registration avoids any potentially adverse reflection on a building practitioner's professional standing in circumstances where the loss of insurance cover arises through no fault of the building practitioner. That is important, particularly in country areas where everyone knows each other and there is talk around the industry and within the community.

The National Party has consulted widely, and I thank Hayden Wood and Steven Harkin for their briefing. The party consulted with local planners and builders, who were asked for comments about how the bill will affect the industry. It also contacted local councils, because they will be the ones to collect the money. The National Party has had no comment back from councils, but in talking to building practitioners we have found that they are not too concerned about that because they believe that something had to be done.

The National Party will not be opposing the legislation. The honourable member for Hawthorn said that he had his fingers crossed. National Party members trust, hope and pray that this legislation will work for the sake of the building industry and for the sake of all those people, including young people, who are in the process of building a house. I know from personal experience that building on my son's house was delayed for a couple of weeks because the builder's insurance was held up — although luckily work soon got going again.

I must say that the second-reading speech reads more like a media release: it takes two pages to get into the real nitty-gritty of it all. This morning we were all alerted by the ABC — that great little broadcaster that plays such a vital part in country Victoria — to news of fires in the small township of Marnoo, where six buildings were set alight. Luckily three did not catch, but three buildings were destroyed. If you are driving from Horsham to Bendigo, Marnoo is on the main road between Rupanyup and St Arnaud. Two houses and the Anglican church were destroyed, and it was reported that a number of young families were distressed. I congratulate the nine CFA units who worked all night to address the problem. Earlier this morning I spoke to the mayor of the Northern Grampians Shire Council, Graeme Trickey, to ask if there was anything I could do as the local member. I have not heard back from him at this stage, but he was getting information when I was talking to him.

I am aware that it is Tom Austin's funeral today, so I pass on my condolences to the family and friends of that good man who served in this place.

To return to the bill, the scheme introduced by the bill will facilitate resolutions for domestic building disputes, and the honourable member for Hawthorn has outlined that in great detail. I am concerned that as from 1 July there will be an increase in the building levy payable for building permits to provide for the new building advisory service. I understand that it will increase the cost of applications by \$128 per \$100 000. Obviously we must keep an eye on cost increases, because under this Labor government there have been

increases right across the board. Unfortunately the consumers, the builders and everyone will have to pay this levy.

The building advisory service will coordinate inquiries, information, conciliation and the dispute resolution system. There is a 1300 telephone number for people to ring. The building advisory service will promote a one-stop shop approach to the handling of building inquiries, complaints and disputes. That is to be commended, because too often developers, builders and consumers with complaints are pushed around various government departments. I am pleased to see this one-stop shop approach. We from the National Party support that, particularly having a 1300 number. It will make it possible for people ringing long distance to make a very cost-effective phone call.

Reading through the second-reading speech, I am informed that the building advisory service will combine:

... the resources and expertise of Consumer and Business Affairs Victoria and the Building Commission ...

The second-reading speech promotes this as 'one seamless service for consumers'. I hope that is the case because it is anticipated that Consumer and Business Affairs Victoria will handle many inquiries by phone and provide a suite of information products. When people ring my office and speak to my staff I do not want them to pass the buck. It is important that the staff at CBAV also stay on the end of the phone and help the consumers or builders who call in so that disputes can be handled as quickly as possible.

The ability of builders to obtain warranty insurance on behalf of consumers is vital for consumer protection. Part 2 of the bill introduces amendments to the Domestic Building Contracts Act 1995 to give the director of consumer affairs some new powers. I also know that builders who do not rectify work may face disciplinary action from the Building Practitioners Board.

At the end of the day it is important that we have insurance. Public liability has been a big issue for country people; we have talked about it in relation to events and activities in country areas. It is also the reason for this legislation coming before the house.

The government has promoted its 10-point plan widely. It changes the threshold for compulsory home warranty insurance, raising it to \$12 000 from the current level of \$5000. The minimum period of cover for structural defects will be six years and the minimum period of cover for non-structural defects will be two years; it

was about six and a half years for all work. The minimum amount of cover will be \$200 000 inclusive of legal and other costs; it was \$100 000. It is interesting to note that insurers' liabilities in respect to claims above \$10 million arising from the death, disappearance or insolvency of a single builder will be capped.

The question I have about this is: what exposure is there to the Victorian government on this matter? On Tuesday, 16 April the Minister for Finance put out a press release stating:

Mr Lenders said a government arrangement in partnership with Allianz would allow the Dexta Corporation to continue in the home warranty insurance market.

...

'The two governments will essentially act as minority reinsurers in the short term to fill the gaps that emerged in the market.'

...

'Over the coming months we expect private insurers to enter the market and provide insurance and reinsurance for builders warranty meaning the government will exit the reinsurance market.'

I do not think that is going to happen. I know this is a difficult time for the government but at the end of the day the insurers must come out. Members of the National Party are not privy to the information given to the government but whether it be public liability for general events in country Victoria or insurance for the building industry, the insurance industry must be open and frank about this. At the end of the day we need insurance.

I am a bit worried that the government is not standing up to the insurance companies and ensuring that they play their part in relation to this. On behalf of the people of Victoria I am worried about the exposure to this government if this is not resolved very shortly. At the end of the day, under this legislation and the foreshadowed amendments we see that the government could be exposed to much greater costs.

The 10-point plan was brought down through a Victorian *Government Gazette* on Monday, 20 May 2002 and I believe it has been implemented under ministerial order. The exemption under that ministerial order was for the dispute and conciliation model that is in the legislation.

Can I say in finishing, as I am sure many other people want to talk, that the honourable member for Hawthorn outlined a lot of the concerns and I do not need to go over them. I compliment him on his presentation. From

the point of view of country consumers and builders it is important that this legislation works. As I have said right from the start, we hope, trust and pray that this will work. At the end of the day the building industry is vital for the continuing development of industry in Victoria and Australia. It creates a lot of jobs generally and provides many jobs in country Victoria. With that short presentation, I indicate that the National Party will not be opposing this legislation.

Ms CAMPBELL (Minister for Senior Victorians) — It is a pleasure to join with the Minister for Planning in bringing this bill to the house. This is a very important piece of legislation for consumers and the building industry. The bill will enable a much better approach for consumers and builders. The amendments that have been circulated are designed to establish a framework for the seamless handling of domestic building disputes by Consumer and Business Affairs Victoria and the Building Commission.

The amendments to the principal act establish a very specific right for complaints about domestic building disputes to be made by building owners to the director of the department, and allow particularly for conciliation of those disputes where appropriate. If the disputes are technical in nature a building inspector's report will be commissioned by the director of consumer affairs. It is essential that the house is mindful of the importance of obtaining that technical expertise and having it provided to the director for his or her use. Following the inspector's report the complaint will then proceed seamlessly to the Building Commission, where efforts will be made to resolve it.

An additional levy on building permits will fund the new conciliation and dispute resolution service. This is achieved by an amendment to the Building Act. The amendments to the Building Act permit the Building Commission to refer to the Building Practitioners Board (BPB) a builder who fails to carry out the recommendations contained in an inspector's report. That is a very important provision for consumers. Consumers want to know that their matters will be attended to, but many of them are equally concerned that other consumers do not experience the turmoil and frustration they have experienced as a result of shoddy workmanship. That is where the Building Practitioners Board is essential. Consumers rely on the Building Practitioners Board and the government wants to emphasise in this house that its responsibility for inquiring into a builder who fails to carry out recommendations contained in an inspector's report should be attended to thoroughly.

The new conciliation and dispute resolution service is designed in part to offset the changes to compulsory builders warranty insurance to take effect on 1 July. Those changes will diminish the compulsory insurance cover available in respect to domestic building work. Under the new arrangements builders and other building practitioners will be able to make full use of the inquiry and information elements of the service, but it is a consumer service and builders will not be able to lodge a written complaint, as the service is primarily aimed at consumers. The bill does not alter the basis for access to the tribunal, so I emphasise that a builder, as a party to a dispute, will always be able to elect to take the dispute to the tribunal, should they choose that path.

The steering committee will oversee the efficient operation of the new service. The committee is not a statutory body; it will operate by agreement between consumer affairs, the Building Commission and the tribunal. It will also be responsible for advising the ministers in respect of the service.

I commend those involved at Consumer and Business Affairs Victoria, the Building Commission and the Victorian Civil and Administrative Tribunal for their cooperative work to this point.

I want to refer briefly to a house amendment. The purpose of the amendment is to avoid the administrative complexities of having to suspend and then reregister building practitioners who have applied for insurance where the insurer has not yet made a decision on that particular application. The amendment essentially seeks to permit the Building Practitioners Board to allow a building practitioner to continue to be registered even though the building practitioner is not able at that point to show eligibility for insurance or proof of insurance.

I emphasise that the amendment does not authorise a building practitioner to carry out major domestic building work without the required insurance. The insurance provisions in the Building Act have not been altered and continue to safeguard consumer protection in this regard — and that will be emphasised through consumer affairs and the building industry. Therefore, when the Building Practitioners Board uses the discretion a building practitioner will not have his registration suspended, but I emphasise they cannot perform any work until they hold the required insurance. The amendment limits the powers of the BPB to avoid suspending a building practitioner to only one set of circumstances — that is, where the only reason for avoiding suspension would be where an application to an insurer has been made and the decision has not yet been made.

The Building Commission and Consumer and Business Affairs Victoria will work together to develop an ongoing, productive and efficient working relationship. Of course the Victorian Civil and Administrative Tribunal will be an integral part of that service. We have absolutely committed ourselves to making sure consumers are protected through this bill and that the building industry continues to flourish. There is a sense and a knowledge in the community that Victoria is serious about ethical business practices and quality building, and that consumers will be protected should they require the services of the new dispute resolution system.

Mr McINTOSH (Kew) — I rise to deal with the aspect of consumer affairs, conciliation and dispute resolution, which are the principal parts of the bill.

I am grateful to the Minister for Consumer Affairs for being at the coalface of consumer protection. An owner or householder can now register a consumer affairs complaint via a 1300 number rather than with the Building Commission. That complaint registration then initiates a process of conciliation. If the matter is not resolved, an inspection is carried out by the Building Commission. After inspection, if any defects are found in the building work, at the end of the day that is it. There appear to be no grounds of appeal against a finding, which is a pretty draconian step as far as the builders are concerned. An appeal mechanism would provide a powerful consumer protection tool — something I have spoken about in relation to these matters on previous occasions in this house.

The honourable member for Hawthorn mentioned defective work — whether the work is purely defective or just incorrect. He mentioned power points that may have been put in properly but in the wrong place, and where that would amount to a technical defect. There is a degree of anomaly there. On my reading of the bill there does not appear to be any change in a person's opportunity to go directly to the Building Commission to obtain the appointment of an expert to produce an independent inspector's report of a household, so that opportunity appears still to be available to either a builder or owner.

Finally, the arbitral remedy avenue is to go directly to the Victorian Civil and Administrative Tribunal to resolve the dispute if one party chooses to do so. That is reflected in the bill in that if a builder lodges a claim before VCAT, that will prevent the conciliation process being adopted and the matter will then go directly to VCAT.

For the vast majority of us as well as for the vast majority of people in the community, our principal asset is our home. Not only is the home a principal asset, it is also a focal point for people's lives; it is where people live with their families, entertain friends and so on. The home is a matter of pride and utmost joy. I am sure we would have appreciated that as we all left here at 3 o'clock in the morning. The honourable member for Richmond, like me, probably went home last night but unfortunately many country members and people from outlying suburban areas may have had to stay. Mr Acting Speaker, you would have stayed in the city. But one of the great advantages of living in the city is that I get to sleep in my bed most nights as a state member of Parliament. I occasionally have to go to rural and regional Victoria.

Ms Asher interjected.

Mr McINTOSH — To clarify for the deputy leader of my own party, I was referring to country trips or interstate trips!

The situation we are left with is that this principal asset, this focal point of joy, harmony and pride, costs an enormous amount of money; it is usually a person's principal asset. If something goes wrong in the construction of a house it can be terribly debilitating; it can destabilise the whole family and lead to all sorts of consequences which I do not need to go into.

Of course it is within our purview to create the mechanism to resolve disputes. Other mechanisms are in place for formally resolving disputes. If those disputes are not resolved in the quickest, most cost-effective and simple way we will all be lost as a community.

During the course of the past 12 months I have raised the issue of inspection reports by the Building Commission in this house on three occasions. I was critical of what appeared to be a unilateral decision of the former Building Control Commission before it became the Building Commission in about 1 July of last year, although I understand there had been some antecedents but they had unilaterally decided to suspend the building service of the then Building Control Commission. It was a matter of some concern that I raised on two further occasions after the suspension in July.

Ultimately the Building Commission reinstated the service, and I was grateful to the then Minister for Planning — who obviously listened to and heeded my words — for ensuring the reinstatement of the commission. I was also grateful to be given a full

briefing by Mr Tony Arnel, the head of the then Building Control Commission, in relation to that matter. He also indicated that there was perhaps an imbalance in the Building Control Commission because of issues revolving around the cost of that service.

What consumers could do — and this still seems to be the case — was avail themselves of that service by paying a fee of about \$300, after which an inspector was appointed. The inspector would come out and inspect the property and would produce a report that could then provide the grounds for any ultimate settlement — and if that failed, it could be produced in evidence before the Victorian Civil and Administrative Tribunal.

That service was suspended, and as I understand it, the real reason for its suspension was the cost to the Building Commission. Essentially, if someone was getting somewhere between \$1500 and \$3000 worth of inspection at a cost of a mere \$300 to \$400, a substantial imbalance was being borne by the commission.

It was a terribly powerful tool. I had the opportunity of speaking to a couple of members of VCAT about this matter — not about the specifics of any particular issue before the tribunal, just about the general issue — and both of them confirmed that these inspection reports were terribly powerful tools for resolving disputes between householders and builders. That fact led inevitably to a practical, simple path to a solution.

By the time a building dispute got to VCAT, the owner would have employed experts and would have a list of grievances to do with defective work; and the builder likewise would have gone out and got an expert to produce a list of reasons why these various things were not defective and were appropriately put together. What inevitably happened was that the two parties would lock themselves into an issue, according to our adversarial system, which would ultimately be resolved by the tribunal member.

The independent Building Control Commission would produce the report — or rather, the report would be produced at the tribunal. Inevitably human nature would dictate that you had two warring parties, and you had an umpire who had to make a decision about who won and who lost and what was defective and what was not. The Building Commission inspector's report would be looked at, and that inevitably became the solution to the dispute between the two parties.

At that stage there was a very powerful tool in the hands of VCAT and in the hands of owners and

builders before the tribunal that could be used to resolve a dispute before it was arbitrated on. That was removed because the Building Control Commission unilaterally decided to suspend the service because of the cost it was imposing on the commission.

That powerful tool was then reinstated, but according to what I was told by the Building Control Commission, not that many people availed themselves of that service, and it is patently obvious why that was the case. Firstly, when you rang the Building Control Commission you were told of your rights, which at that stage were limited to taking a builder to VCAT; but the whole idea of the inspection service was not promoted extensively by the Building Control Commission. One can understand why: it was too cost inefficient for the Building Control Commission. The cost of publicity itself would have been a cost to the commission, and that would have been another disincentive to providing the service.

After listening to the words of the Minister for Consumer Affairs, however, I hope the inspection service will now be rigorously and vigorously promoted by Consumer and Business Affairs Victoria so that it becomes common knowledge that householders have, through a 1300 number, access to that powerful remedy.

I am troubled by the matter of imbalance raised by the honourable member for Hawthorn, and perhaps it is a matter that the government should either take a look at while the bill is between houses or keep constantly under review. No-one is saying that just because consumers have the opportunity to avail themselves of the service that an imbalance has been created. Whether builders can access that service is a moot point, but they can still work through other mechanisms. Once the inspection is carried out, the report is produced and defective workmanship is identified, what is left is a report that becomes an obligation on the builder to perform that work.

There does not appear to be any mechanism for appeal by a builder against an inspector's report, notwithstanding the fact that there would appear to be some obligation on the part of the Building Commission to assume liability for any errors in that report.

The government needs to look at that. It should be made perfectly clear to all that when an owner makes a complaint to consumer affairs about their asset — which they are very proud of and which has cost them a great deal of money but which is now causing them a great deal of angst — they will firstly go through a

process involving the conciliation teams that we are told about in the second-reading speech, which will assume responsibility for resolving the dispute in an amicable form.

Once that dispute is not resolved, you then move on to the next step, which is that the director would require the Building Commission to appoint an inspector to carry out an inspection. The beauty of that is that that does not cost the consumer any money. It has to be done by the Building Commission for and on behalf of the director, and it becomes an even greater and more powerful tool because it then assumes an almost double independent status, because it is the Building Commission appointing the inspector at the request of the director of consumer affairs.

Once that report is produced — and there are issues, as the honourable member for Hawthorn indicated, as to whether something is a technical defect or whether it is just defective because something was properly installed but was put in the incorrect area — there are really no guidelines for us to peruse at this stage but no doubt that will be dealt with at a practical level; as everybody knows, people get things wrong. Sometimes they are not always accurate, and there may be some room for a matter of interpretation as to what is defective, what is appropriate workmanship, what is the appropriate product, what is the appropriate material in all cases. Once those appropriate materials, those appropriate products, those appropriate mechanisms and techniques are resolved, that is fine, but there may be a real issue as to whether it is appropriate in these circumstances.

What I do not quite understand — and perhaps the minister can clarify for my benefit, and certainly it was a matter that the honourable member for Hawthorn raised — is what happens once that report is produced. We are told that a complaint can be made and becomes a disciplinary matter if it is not rectified, but surely there should be some escape valve. You may have cost impediments. It may have to be to a court — I do not know — but there should be some mechanism for challenging the veracity of that inspector's report, testing whether the report itself is accurate because there may be some legitimate reasons for complaint about the report. But it seems to be given this capacity to be virtually inviolate — that is, it is given some status which is quite different from what practical building would dictate, which is that there is some room for error there and that should be properly tested.

If those appeal mechanisms do not exist, notwithstanding that we can all advocate very strongly on behalf of a consumer, particularly in relation to a product which is going to be a part of their lives for a

long period of time, because these matters will hang around for a long time, it is a real issue that we can support that, and we can strongly advocate on behalf of consumers that they should have a proper and appropriate mechanism in place to help resolve those disputes. But it should not go to the other extent that you deprive a builder of an avenue to appeal or to challenge those matters. I certainly would not want to ever see the position that we should be moving the debate so far in favour of the consumer as to deprive a builder of a legitimate right to deal with those issues.

In conclusion, I think the government has taken a step that was taken by my predecessor as the honourable member for Kew, the former Attorney-General, who introduced substantial changes to the Domestic Building Contracts Act and the Building Act that enabled a consumer to adopt these independent inspection reports. It has taken it now and probably put it into a logical area, which is in the hands of Consumer and Business Affairs Victoria. That has provided a mechanism. I look forward to an active, rigorous and vigorous campaign by Consumer Affairs to protect this situation, but I hope it is not done at the expense of our building practitioners who are legitimately carrying out their activities in an appropriate manner.

Mr CARLI (Coburg) — I am pleased to rise in support of this piece of legislation. I am also pleased that the opposition parties have recognised the difficult situation that has arisen in Victoria as a result of the insurance companies wishing to withdraw from, or at least take a lot of their own risk out of insuring the building industry, and the consequences of that. Obviously it is a very important industry that is vital to this state, so clearly the government has to act.

The bill originates from two different directions. One is the crisis in the insurance industry — a crisis that is partly a result of the HIH collapse, but also partly a result of the international consequences of the events of 11 September.

Another aspect that is equally important is that it also arises out of the general problem we have in terms of disputes within the building industry. I recognise that in disputes we need to protect consumers, but we also need to ensure that builders have an opportunity to be part of the conciliation process and are not detrimentally affected. If we want to affect anything, we want to improve the quality of the building industry and of the builders. If anyone has to leave the industry, it is the substandard builders.

Clearly this legislation is not aimed at the building industry itself but at the issue of resolving disputes. As

every member of this house would know from their electorate work, there are always disputes in the building industry and they are often brought into our offices.

It is an extraordinarily complex system. I think it is to the credit of the government that it is seeking a solution to the problem of conciliation and to the insurance crisis by going down the road of dispute conciliation. It is a fundamental change in the manner of handling building disputes. If it works effectively, as no doubt it will, it will also raise the standard of the building industry and of builders in this state. In that sense it is a piece of legislation which strives to do two equally important things. One is to provide confidence to the industry in a time of great difficulty. The other is to provide a conciliation system and to resource that conciliation system.

In the first year we are talking about something like \$6 million extra being put into the conciliation system, into the inspectorate system, and the 1300 number which will be available to all builders and consumers. It will provide advice, assistance and the capacity to negotiate disputes. That service will be administered jointly by Consumer and Business Affairs Victoria and the Building Commission. So clearly we are creating a conciliation and dispute resolution system that is available to both parties equally.

Some things need to be clarified. While there is no restriction on the builder being able to use the 1300 number and the process of negotiation and conciliation, the ability to call on the inspector to look at the accusation of substandard building is a right that belongs to the consumer, and in a certain sense that is self-evident. The only reason you have an inspector is that there has been an accusation of substandard workmanship. Clearly it is something that is available to the consumer and is initiated by the consumer.

The system itself is very even handed and is very much about tackling the problems before they start. As we know with building disputes, often the disputes become intractable. They end up in the Victorian Civil and Administrative Tribunal (VCAT) and can spend a year in dispute there. The legal fees rise and everyone loses, so getting in there early and being able to negotiate those disputes and effect a change is really important. The other one is that there is a process — a stick, if you like — which is the ability to challenge the credentialling or the licensing of builders if their work is consistently substandard or if they are consistently in dispute.

That is to the credit of this bill, because it is an attempt to weed out substandard activity in the building sector — the shonks, if you like. However, it is not aimed at and certainly will not affect the good operators in the building industry. The process will be an improvement for builders, who also need certainty. They need to have disputes resolved early on before they become intractable, before they become expensive in terms of legal fees and before they drag on and on, ending at the Victorian Civil and Administrative Tribunal.

I will make a few comments about the state of insurance for building projects. We are going from a situation with a broad coverage of building works with insurance as a first resort to a situation of insurance as a last resort. Insurance will be available only for the death, disappearance or insolvency of builders, so it will not be available for many of the disputes that arise in the building industry. Hence the importance of early intervention; on-site visits by building experts who contribute a third party's perspective; objective reviews of the facts; and dispute conciliation skills. All those things are available essentially not only because they are good in themselves but because insurance coverage will not allow for those disputes, so they need to be resolved under the terms of the project insurance.

The reason for that is that private insurers are greatly reducing their exposure in the Victorian industry. As I said, that is partly because of global volatility, the level of risk within the industry itself and the inability of the insurers to make a buck. Ultimately that is an issue, because they dispute that they can make money out of the industry, which is a relatively low performer. In the context of what is happening to the industry globally, insurers are withdrawing from areas of low profitability. They are basically trying to withdraw from exposure in a whole lot of sectors, and we are seeing that in public liability insurance as well as in the building industry.

The government ultimately has to act. It has to provide confidence in the industry so it can continue without the sort of broad insurance coverage it has become used to — and that is where the 10-point plan comes into it. It is very much an important aspect of government to say, 'We will get through this difficult time'.

Ultimately the strategy for government, the strategy for the building industry and the strategy for consumers is to reduce the risk. There has to be a process of risk reduction, and that is what this bill is on about. It is basically there to reduce risk, which is good for consumers and good for builders; it will get to the problem early on and seek to resolve it early on; and it

will avoid those intractable disputes that we have become so familiar with in the building industry.

The bill is good consumer protection legislation, regardless of what has happened to our insurance industry, and that needs to be highlighted. It is in part driven by a global crisis in the insurance industry and by a particular crisis among insurers in Victoria who provide a broad coverage of building works. As I said, first-resort insurance is disappearing, and we are going towards last-resort insurance. That is clearly a factor, but it needs to be highlighted that the bill provides good consumer protection.

I am very supportive of this bill, because it will work. There is an enormous commitment from government to make it work, and a lot of money has been put aside to make the system work. Yes, it is an impost on the industry and ultimately on the consumer, but in the context of the difficulties we are dealing with it is a small impost. Ultimately, the bill provides an opportunity to have a very good conciliation system within our building industry and to drive up industry standards, and that has to be seen as a positive for Victoria.

Mr HARDMAN (Seymour) — I am pleased to speak on the Domestic Building Contracts (Conciliation and Dispute Resolution) Bill 2002. When I was speaking to the parliamentary secretary earlier on he informed me of the bill's ability to streamline the process for solving disputes and getting better outcomes through a conciliation process under Consumer and Business Affairs Victoria. Obviously this is a great thing for all of us across Victoria.

The honourable member for Coburg talked about how the bill will have some effect in his electorate, but it will also have an important effect in electorates such as Seymour, which is growing quite rapidly. Towns in the southern part of my electorate such as Kilmore, Wallan, Wandong, Yarra Glen and Whittlesea are growing at an amazing rate. There has been a big increase in home building in those areas, and if any builders in the area are not doing good work, that will lead to more disputes.

This bill will mean a better quality of life for those people who might once have been affected by such disputes, whether it involves shonky builders or builders with clients who are trying to take advantage of them, and that has to be a great thing for all of us. The fairly tough process provided for in the bill will help weed out shonks from the building industry. The process starts with directives and fines and then moves on to not allowing builders to operate in the industry

anymore. For builders that will mean there will no longer be people out there undercutting them because they use bad materials or just do not spend the time to do a good quality job.

I know many builders in my electorate who really pride themselves on their craftsmanship, and they will be pleased to know that that has been recognised by this bill. Consumers will be able to have confidence that there is a body out there enforcing the building laws of Victoria, and that is a great thing. Therefore the bill is very good news for all of us. Owners and builders still have the Victorian Civil and Administrative Tribunal option, the Building Commission option and the Builders Practitioners Board option, but if a dispute can be resolved using the 1300 number of Consumer and Business Affairs Victoria — it is operated by the Building Commission, so obviously building expertise as well as consumer expertise is available — then a lot of cost will be saved. Builders, for example, will get to save the cost of going to VCAT and being kept there by well-to-do complainants, which can be a real impost and the threat of which can scare builders from actually taking them on. So from a builder's point of view there are also obviously big advantages.

I do not need to say much more, and I know there are a few other members around the house who would like to speak. I thank the Opposition Whip for giving me the opportunity to speak, and I commend the bill to the house.

Mr THOMPSON (Sandringham) — The Domestic Building Contracts (Conciliation and Dispute Resolution) Bill is very important for those involved in the building industry. The bill has an impact on three other acts that are currently applicable in the Victorian Parliament — the Domestic Building Contracts Act of 1995, the Building Act of 1993 and the Victorian Civil and Administrative Tribunal Act of 1998.

People who have been involved in the settlement of building disputes would know that they represent in legal terms one of the worst types of disputes to resolve, principally because in the case of the medical profession it might be said that they bury their mistakes; in the case of errors in the legal profession the practitioners are generally sued; and in the case of builders their mistakes are set in concrete!

Building disputes can be part fact-finding missions just to unravel the problems and see where the legal liability and responsibility lies for the mistakes and errors that have been made. Recently I was called on to adjudicate on a building site where the builder was embarking on a partial concrete pour when a neighbour in an adjoining

property raised concerns that the footings for the new construction encroached upon his property by a distance of some 4 centimetres. There were 10 workmen on site. The concrete mixer was churning and the people were ready to have a go. Had the concrete pour issue not been satisfactorily resolved, the issue would have required enormous expense to unravel.

Often builders work on lower margins. People start on a low-cost factor or a low-profit margin for a particular project and they may sometimes develop the view that instead of completing four buildings a year, an increase to 12 buildings a year would see their returns improve. However, history has shown that then there are many problems in the supervision of staff and the ability to obtain subcontractors, specialist and skilled tradespeople who are able to embark on work in a satisfactory manner.

There also may be differing expectations and standards of finish expected of builders. Once a particular task has been completed it can be a matter of major consternation and aggravation for people in the industry who are consumers who have work undertaken to sort out the disputes.

Once the matter goes to court you can be locked in considerations that may take two weeks to resolve and involve expert witnesses and the cross-examination of those witnesses by both sides. It may involve a visit to the particular construction site. Then there is the issue of the accumulated legal costs and the awarding of costs in the event that the dispute is not resolved in favour of the plaintiff.

The main purposes of the bill are to amend the Domestic Building Contracts Act, which governs the powers of the Director of Business and Consumer Affairs to conciliate building disputes; the carrying out of building inspections and the provision of information in relation to domestic building disputes.

The amendments in the bill as they relate to the Building Act include the establishment of an increased building permit levy that will go to fund the scheme being established by the legislation; provision for the giving of information in relation to domestic building disputes; provision to increase the grounds upon which disciplinary proceedings can be brought against a builder — something I find interesting; provision for reports to be given in evidence in proceedings against an unregistered builder; and provision to clarify the power to amend an insurance order.

In the order of responsibilities that I have in relation to the environment one issue that has often arisen regarding shonky building work may be the connection of stormwater drains into the sewerage system. On days of high levels of inundation that has had the impact of flooding the sewerage system, which causes sewage to flow into the stormwater system and then out into Victorian rivers and waterways, in particular Port Phillip Bay. It is a very complex and expensive procedure for the Environment Protection Authority to smoke out the drains and tunnels to work out where the poor connections have been made.

There are other major concerns at present, and the difficulty of obtaining insurance is a major concern for builders who may have a number of contracts on the go. With 30 June approaching many builders have contacted my office both recently and following the collapse of HIH Insurance because they have been unable to obtain insurance for their building work. They had subcontractors engaged, goods ordered and significant liabilities in perhaps their investment in plant and equipment and in building materials, with outstanding accounts with various suppliers, and it was imperative for them to remain viable to maintain their ability to continue their work and get progress payments.

I had the example only about a week ago of a business with a turnover of \$12 million a year that wished to engage in domestic building work to complete a project worth \$1.5 million. This company had done work for some of the major corporations in Victoria including Bonlac, Kodak, CSL, Bi-Lo Pty Ltd and Coles Myer. As it was exploring its insurance opportunities it was not clear whether the company would be able to obtain insurance for the work it wished to embark upon.

Currently the company's insurance payments are \$19 000 for defects insurance, some \$20 000 to \$25 000 for contracts works insurance, and a \$15 000 levy for domestic insurance. All up it paid \$60 000 a year for its insurance work. In 14 years of operation the company has never had a claim. It is prepared to pay the significant amounts of money, but the difficulty a fortnight ago was that it could not find an insurer. It has had an excellent claims history. We have difficulties at present with the ongoing viability of Dexta and the ability of Royal Sun Alliance Insurance to take over the policies if Dexta does not come to the party.

The bill has been well received by previous speakers on the debate as they have covered a number of features. One related to the 10-point plan that includes provision for a catastrophe fund, which relates to the purchasers

of high-rise buildings. The bill also funds the establishment of the building advisory service.

I have a view that a lot is to be gained by effective methods of conciliation. When faults or flaws are established in building design and construction, the sooner the issues are resolved constructively — and mediation has proved to be highly successful — the better off both the builder and the owner of the building site will be. Accordingly, the opposition is prepared to let this bill pass.

Ms DELAHUNTY (Minister for Planning) — With great pleasure I sum up on the bill, which has been supported by both the Liberal Party and the National Party. The Domestic Building Contracts (Conciliation and Dispute Resolution) Bill is important because it provides a seamless system to resolve disputes between consumers and builders. It is an important addition to that process because in the face of the withdrawal of Dexta and the shakiness generally about building warranty insurance, the government moved very quickly to ensure the building industry was protected, that its strength was supported and that there was no diminution in the rights and opportunities of home owners and home builders.

I thank the honourable members who contributed to the debate, including the honourable members for Hawthorn and Wimmera; the Minister for Consumer Affairs; the honourable member for Kew; the Parliamentary Secretary for Infrastructure, the honourable member for Coburg; and the honourable members for Seymour and Sandringham.

In a bill of some complexity there are always a few niggles. I respond to the main issue that the opposition seems to be concerned about, as suggested by the honourable member for Hawthorn, that in some way there was an inconsistency between the detail of the bill and the second-reading speech particularly with reference to, as I think he put it, the imbalance between the rights of the consumers and the builders.

There is no discrepancy. The second-reading speech was referring generally to the whole service, which is now a one-stop shop for both consumers and builders. However, since this is a consumer protection initiative it does not disturb the existing provisions under which parties may request an inspection report under section 44 of the Domestic Building Contracts Act, independence of conciliation, or the Victorian Civil and Administrative Tribunal.

The fact of the matter is that this system is open to builders and to consumers. It is open to all players in

the industry. Certainly anyone can access the 1300 line. That is the critical point. As we know, in many cases the conciliation or the mediation can occur after that formal complaint is made. The strength of this bill is that we have a one-stop shop where that mediation and conciliation can occur.

As far as inspectors are concerned, they are responding to the argument that there is defective work. This is a defective work issue. The independent inspectors would be called upon to assess that work, and that is directly an issue for a consumer. I think it was the honourable member for Kew who noted that in the past inspectors have not been used. As he saw it, there was some imbalance against the consumer. He now sees this bill as rectifying that imbalance, thus he supports it.

The honourable members for Hawthorn and Kew commented that the decision of inspectors meant that the Building Commission will actively monitor the quality of the inspector's work, and that is absolutely right. This is not just about responding when defective work has occurred; this is a proactive approach so that the Building Commission will be required to monitor the work of the inspectors. The final sanction is that if builders are consistently breaching that level of work required and the standard required, they could lose their registration.

The important point is that protection of the consumer is maintained, indeed the government would argue that it is enhanced, in the light of the dramatic changes in building warranty insurance. As the building warranty insurers moved from first-resort insurance to last-resort insurance, a void was created. The government has moved quickly to fill that void with a very simple, seamless and, it believes, very effective process. I am delighted that so many honourable members from both sides of the house have supported this bill. I thank the Building Commission for the work it has put into the preparation of this bill. I also thank Consumer and Business Affairs Victoria. It has been a very harmonious relationship and a very productive one. I also thank and commend my ministerial colleague the Minister for Consumer Affairs for her work on this bill.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1 agreed to.

Clause 2

Ms DELAHUNTY (Minister for Planning) — I move:

1. Clause 2, line 30, after “this Act” insert “(except section 10(4))”.
2. Clause 2, page 3, line 1, after “this Act” insert “(other than section 10(4))”.
3. Clause 2, page 3, after line 3 insert —
“(3) Section 10(4) comes into operation on 31 May 2003.”.

These three amendments amend the provisions of the bill dealing with the commencement of the various provisions of the bill. Taken together, the three amendments have the effect that proposed section 10(4) of the bill will come into operation on 31 May 2003. Proposed section 10(4) revokes the amendments made by proposed sections 10(2) and 10(3) of the bill. Proposed sections 10(2) and 10(3) amend sections 172 and 174 of the Building Act 1993 to relieve the Building Practitioners Board from the obligation to suspend the registration of a building practitioner in certain circumstances. The three amendments achieve the intended sunset on 31 May 2003 of the dispensation provided for in this bill.

Ms ASHER (Brighton) — I seek an explanation from the minister as to why the dates were different in the original bill.

Ms DELAHUNTY (Minister for Planning) — The original bill did not have this amendment, and that is why we are making it now. As the Deputy Leader of the Opposition probably knows, this is a response to the fact that with the withdrawal of building warranty insurance there will be some cases where builders in the middle of a project find themselves perhaps without insurance to continue that project. Under the terms of the Building Act 1993 they are automatically suspended and they lose their registration. Clearly that is not what anyone in this state would want. If through no fault of their own, but through dramatic changes in building warranty insurance, builders are left in this position, it would seem to be unfair that they would automatically have their registration removed. This gives them an opportunity to complete the work, thereby satisfying the home owner, and not to lose their registration, and it gives them time to seek alternative insurance which they must have before they begin another project.

It was suggested that the sunset clause be agreed to in negotiations between the peak industry bodies and the

government, and 31 May was the agreement as determined in this amendment.

Amendments agreed to; amended clause agreed to; clauses 3 to 15 agreed to.

New clause

Ms DELAHUNTY (Minister for Planning) — I move:

4. Insert the following new clause to follow clause 9 —

‘AA. Modification of insurance requirements for registration

- (1) In section 172(2)(b) of the **Building Act 1993**, before “give written proof” **insert** “if under Part 9 the applicant is required to be covered by insurance.”.
- (2) In section 172 of the **Building Act 1993** for sub-sections (8) and (9) **substitute** —
“(8) Despite sub-section (3), the Board is not required to suspend the registration of a person for a failure to comply with sub-section 2(b) if the Board is satisfied that —
(a) the person has applied for the required insurance; and
(b) the only reason for the person not being covered by the required insurance is that the insurer has not made a decision on the application.”.
- (3) In section 174 of the **Building Act 1993** for sub-sections (4) and (5) **substitute** —
“(4) Despite sub-section (1), the Board is not required to suspend the registration of a person who has ceased to be covered by the required insurance if the Board is satisfied that —
(a) the person has applied for the required insurance; and
(b) the only reason for the person not being covered by the required insurance is that the insurer has not made a decision on the application.”.
- (4) In the **Building Act 1993** —
(a) in section 172, sub-section (8) is **repealed**;
(b) in section 174, sub-section (4) is **repealed**.’

Ms ASHER (Brighton) — Could the minister give an explanation of why this amendment is being made?

Ms DELAHUNTY (Minister for Planning) — The clause amends section 172(2)(b) of the Building Act to clarify that there is no need for a building practitioner to provide evidence to the Building Practitioners Board of the required insurance where, based upon the kind of building work carried out by that practitioner, there is no required insurance for that particular work.

This amendment has been included to address the misconceptions in the legal interpretation of the existing provisions, which have been advised by industry representatives through continuing consultation.

New clause agreed to.

Reported to house with amendments.

Remaining stages

Passed remaining stages.

APPROPRIATION (2002/2003) BILL

Second reading

Debate resumed from 4 June; motion of Mr BRUMBY (Treasurer).

Mr WYNNE (Richmond) — I welcome the opportunity to join the appropriation debate for a fairly limited time. In that time I want to indicate just how extraordinarily well this Bracks budget has been received by the community — not only the community of metropolitan Melbourne but throughout Victoria.

This is a budget that delivers for all Victorians. It has been applauded by the financial press, the business community and the community and welfare sectors as a measured and appropriate budgetary response. To use the words of a former prime minister, this budget, 'brings home the bacon' for all sections of the community. From my perspective it goes to some of the key areas of concern.

It delivers more teachers and new and improved schools; more nurses and better equipped hospitals; and safer communities with more police on the streets. It is a strong investment in the future industries in this country, particularly Victoria, which has been the traditional base of the manufacturing sector. The government is looking for new technology areas and the Treasurer recently announced another successful enterprise in our knowledge precinct in the emerging technology of stem cell research. There is no doubt that in the future that will provide extraordinary outcomes for the state.

We have the intellectual horsepower; Victoria has truly grasped the wonderful opportunities that arise through medical research. Honourable members just have to look up the road to the cluster of medical research facilities located up and down Royal Parade to see just how important medical research is going to be as a frontier industry, not only for intellectual capacity in its own right but for the outcomes from this research to assist people with tragic illnesses, and also the capacity to market this research on a national and international basis.

By any measure this has been an absolutely superb budget. I want to deal briefly with three matters which are of particular local interest to me. Not surprisingly, the first is the question of public housing. As I have said on numerous occasions in this house, the electorate which I have the honour to represent hosts the largest percentage of public housing of any electorate in the state.

I listened very carefully to the contribution of the honourable member for Caulfield late on Tuesday night. The lateness of the hour did not afford me the opportunity to take up a number of matters the honourable member raised. However, in essence the shadow minister for aged care and housing, the honourable member for Caulfield, suggested that the Bracks government's new spending initiatives on public housing and homelessness — I am basically quoting — —

The DEPUTY SPEAKER — Order! The member cannot quote from this sitting's *Hansard*; however, he can paraphrase it.

Mr WYNNE — I was seeking to summarise — —

Mr Spry — Paraphrase!

Mr WYNNE — I was seeking to paraphrase what the honourable member for Caulfield suggested in her contribution, which was that the initiatives in this budget were too little, too late. Frankly, if it had not been for the election of the Bracks government the public housing stock in this state would have been completely run into the ground.

Some telling statistics need to be put on the public record again and again when it comes to public housing. As we know, the inner city of Melbourne is dotted with about 34 public housing tower blocks, which have been part of our city landscape since the late 1950s. That housing stock contains many thousands of public housing units. How much money was spent to maintain that public housing stock in the seven years of the Kennett government? With 34 tower

blocks you would think it would be some millions of dollars. Over seven years the Kennett government invested just \$7 million in upgrading 34 tower blocks. That is an absolute disgrace.

Basically the tower blocks were left to run down because there was a secret agenda to privatise some of the jewels in the public housing crown. The former government commissioned secret reports to see what opportunities were available to privatise and sell off public housing to catch the wave of resurgence in inner-city housing led by the then Minister for Planning.

Ms Delahunty interjected.

Mr WYNNE — The public housing stock in all of the key inner city areas — Carlton, Richmond and Collingwood — sits on very valuable land, and we know that is the reason why the former government basically ran the stock down. What a shameful effort by the honourable member for Caulfield to come in here and say that the Bracks government has done too little, too late. In the last four years it was in office the former government did not spend \$1 on homeless services. It basically left Victoria's \$8 billion public assets to rot.

This government and this Minister for Housing have had to pick up the pieces of the wreck in public housing and try to rebuild the physical and social infrastructure of our public housing estates. The 2002–03 budget provides \$210 million to expand long-term housing. That will create another 1500 units, with a further 850 units in the pipeline over the out years. The government is also spending \$170 million on upgrading the state's public housing assets.

I am delighted to say that the Elizabeth Street public housing development in my electorate has been slotted in to receive some of that much-needed assistance in the next few months. It was shaming to walk around that estate. Some of the three and four-storey walk-ups were literally sinking into the ground, and there were inch-wide cracks letting the weather into elderly people's housing. It was an absolute disgrace.

This is a social commitment that only a Labor government is interested in. It is only Labor governments that are prepared to invest in the physical and social infrastructure that is so important to the lives of low-income families. That infrastructure is important to the communities I have the honour to serve in the seat of Richmond.

I see that the shadow Minister for Police and Emergency Services has come into the chamber. I want to indicate to him some of the wonderful commitments

that this government has made in the police area of the justice portfolio. The shadow minister cannot escape the fact that this government has put 800 extra police on the beat after the former government took them away. Nobody will believe the opposition, because at the last election it promised 1000 more police officers after taking away 800 — that is the simple reality.

However, I want to talk about the infrastructure investment of \$26.1 million for 14 more police stations over the next four years. The Richmond electorate is a beneficiary of this physical infrastructure investment in police stations. I am delighted to say that the Minister for Police and Emergency Services has agreed to allocate \$7.7 million to construct a 24-hour police station in Church Street, Richmond. This will move the staff of the old, antiquated police station next door to the Richmond town hall around the corner into Church Street and into a new, modern 24-hour police station. It will also involve the consolidation of Criminal Investigation Bureau units from Richmond and Fitzroy into the new complex. I am delighted to say that last night the City of Yarra approved the development.

The final thing I want to say relates to education. What a marvellous announcement in this budget is the allocation of \$6 million for the reopening of the Fitzroy High School, one of the hundreds of schools so cruelly closed by the Kennett government! Honourable members will recall that this school was blockaded for 13 months by members of the community who stood up and said that they did not want public assets like their schools closed. What an extraordinary fight those people put up, and what an extraordinary result to get that school re-funded so it can be reopened.

I pay particular tribute to a former honourable member for Melbourne Province in the other place, Barry Pullen, who fought that fight with the community right through the 1990s. He ably assisted the government when it came into office in drawing up a proposal to get the school reopened. The government has now fulfilled that ambition with the commitment of \$6 million by the Minister for Education and Training to that outcome, yet all the opposition can do is bag it. The shadow minister for education said it was a waste of money. Is it a waste of money to invest funds in public education and to open a school in the inner city? That reflects an opposition that is clearly out of touch.

In conclusion, I believe this is a fantastic budget for all Victorians. It is a budget that delivers not only for the city but also for country areas. In my electorate it has delivered with funds for public housing, for a new high school and for public safety and security, with the

building of a new 24-hour police station. I commend the budget to the house.

Mr SMITH (Glen Waverley) — We heard the honourable member for Richmond starting off with, ‘If it had not been for the election of the Bracks government’. I would have liked to have continued that phrase to make it, ‘If it had not been for the election of the Bracks government then the most successful spin doctors in Australian political history would not have been let loose to inflict what is considered by many people to be incredible harm on business confidence’.

This morning I heard a speaker on Jon Faine’s program on the ABC — I had only just switched on, so I missed his name — who was commenting on Federation Square. He was one of the leaders of industry, and the bottom line of what he said in the short time I was able to listen was exactly the opposite of what we heard from the honourable member for Richmond. This gentleman was saying that although the construction cost of Federation Square has almost doubled, the biggest problem has been that business will not back the project because it has lost confidence in this government. That is the reason for the blow-out in not only the cost but also the time.

Apart from responding to the honourable member for Richmond I want to concentrate on the government’s use of consultancies, public relations advisers, marketeers, advertisers and spin doctors. There has been a vast increase in such consultancies under the Bracks government. The public relations and advertising budget has blown out to record figures. Spending on government information and communications in the Premier’s own department has increased significantly. The former Kennett government allocated \$7.3 million to the implementation of communications programs and provision of information services for the government and the public. Remember that figure: \$7.3 million. However, in the current 2002–03 budget expenditure on government information services and support is expected to increase to \$22.3 million — a \$15 million or 205 per cent increase over what was spent by the previous government.

The waste of taxpayers’ money is a serious matter. Even worse is the corruption which goes with the waste of that money. I refer to the long list of Labor mates who have been ‘donated’ — or allocated, if you like — consultancies and positions under the Bracks government. We all know of the notorious case of Auspoll, the company formerly run by the honourable member for Frankston East.

Now the smell extends to the granting of Workcover and Transport Accident Commission contracts. The Workcover advertising contract is now in the hands of Shannon’s Way, run by Bill Shannon, close associate and friend of the Premier. That contract is worth \$12 million. It is significant that the other lucrative contract for the TAC is jointly held by Bill Shannon and Anton Staindl. It is worth about \$10 million. Two contracts worth \$22 million — the biggest advertising contracts awarded by the Victorian government!

Let us examine the relationship of these individuals with the government. Mr Staindl is now in partnership with Mr Bill Shannon. Their firm is Haystac Public Affairs. The appalling background of Mr Staindl is that he previously worked as a senior public servant with Workcover and was on the panel which selected his friend, Mr Shannon, for the contract. He subsequently resigned from Workcover and then went into partnership with Bill Shannon. What a scandal!

This kind of preferment and corruption of public funds is redolent only of the former Burke government in Western Australia. It is the kind of corruption that is rare in Australian politics. This kind of preferment had not previously poisoned Victorian politics or public life, and it gives me no pleasure to call for a full public inquiry into the corruption and the misuse of public moneys. An upper house inquiry is not enough. A full judicial inquiry is warranted. We need to know what went wrong so we can prevent it happening again.

Jobs for untalented people is bad enough, but millions of dollars for Labor mates is corrupting Victoria. The media in Victoria is getting a smell for it; it is getting a taste of what is going on. It is now up to the government to come clean, to make the public aware of where it is going. For those of us who were here before the 1992 election, I see a repeat of what went wrong with the Victorian Cain and Kirner governments with the Victorian Economic Development Corporation scandal. We saw a government almost paralysed as it went into the 1992 election because that scandal had overtaken it. When Rob Fordham was responsible for the Victorian Economic Development Corporation I am sure there was no intent on his part to be involved in a scandal. I have always thought of Rob Fordham as a fine man. I think it was a lack of competence and ability to control what became an organisation out of control — the *bête noire* of the Cain government.

In that short while those of us who were here at the time saw John Cain, a man who had come into power with a great majority, reduced to a shadow of his former self. Rob Fordham, then the deputy leader, returned to the back bench. He remained loyal to his party, staying to

cop the daily abuse its members dished out. The same thing will happen if this government does not come clean about where it is going with the contracts it has entered into.

As sane and reasonable people — as most members of Parliament are — we must ensure that the truth comes out. We cannot allow scandals like this to occur. If such scandals are allowed to occur in a small collective fashion they become out of control. When people say, ‘This is wrong’, usually it is because they are envious of the people who have been awarded the contracts.

When everything the government does is based on spin and public relations and not on matters of substance, the government eventually spirals into decline. What the public wants is truth. And the only way the community can obtain the truth is by setting up a full and independent judicial inquiry. Whether it be headed by a judge or a panel is immaterial. What is required is something outside this place. The upper house inquiries we have had to date have been very effective. However, we need more than an upper house inquiry; we need a professional — perhaps a retired judge of the Supreme Court.

Mr Wilson — Lex Lasry is probably free! Have you got your chequebook with you?

Mr SMITH — I think we need someone who is not associated with controversy. We want someone perhaps who has retired recently and is an independent person, to restore confidence to Victoria. It is the same old pattern that we have had in the past — it is a pattern that is repeated continually under Labor governments that have not got strong leadership at the top. We need an inquiry that will allow the people to get to the truth of the matter and to the foundation of the allegations and the documentation so that confidence in the public and business arenas can be restored.

As the gentleman on Jon Faine’s radio program was saying this morning, businesses are no longer prepared to go along with projects like Federation Square because they do not know where they are going; they do not know what the overrun is going to be; and they do not know if there is any control over the unions building the projects.

Victoria was a success before the election, but it now suffers the daily knocking, knocking, knocking by the government — and the spin is there to knock it. The Kennett government came to power when confidence was at its bottom, but soon after that confidence in the government rose to the top. We have all debated what happened after that. The basic point, however, is that

when the Liberal–National coalition went out of office in 1999 business confidence was at the top of the scale.

Okay, the cost of Federation Square doubled in that same period into the \$200 millions; but what has happened since, as Federation Day has come and gone, is that the project is still not finished, and that lack of confidence in the building community is symptomatic of so many other areas. I would love to rise today to talk up business confidence, and I am not really talking it down, but for the benefit of honourable members I am reminding the house of the importance of business confidence as a factor. Once that goes, the engine room of the economy starts to run down.

You cannot prop up an economy with government money; you need the private sector with lots of confidence coming in with its money. People might say from time to time, ‘Well, they are just coming in and then taking their profits away’. My test on the matter is always: are jobs being created? If overseas money comes into the country and creates jobs, if our people are getting employed and generating more work, it all has a widening effect.

What is happening at the moment, however, is that confidence is dwindling at a rapid rate. The government should ensure in its budget it offers incentives so that money is coming in from all sorts of business ventures to build Victoria. On the contrary, however, in the last 12 months we have seen the demise of many well-known firms.

Mr Wilson — Icons.

Mr SMITH — Icons, as the honourable member for Bennettswood says, such as Arnott’s Biscuits. Icons are going out of the state because they have lost confidence. It is no good the unions turning on them and saying, ‘You cannot close’. Once the money and the profits are down the drain, they go elsewhere.

I come back to where I started in calling for a full, open and independent judicial inquiry into these matters, including, as I mentioned, the Transport Accident Commission and Workcover contracts being allocated to mates of government.

An honourable member interjected.

Mr SMITH — They are not being allocated correctly.

An honourable member interjected.

Mr SMITH — They did not go through the right channels. There was no proper course followed, and

whenever that is so you have a recipe for disaster. Those of us who have been around for a while still remember the Victorian Economic Development Corporation, Tricontinental, the State Bank failures and all those issues, things that occur whenever a government loses the confidence of the business sector. Then we can look with no optimism on the future.

I have no qualms about giving this government as much advice as I can in this area, but whether it will listen or not I do not know. Government members have a responsibility not only to the Parliament but to the people of Victoria to call for a full, open, independent judicial inquiry as soon as possible that will get to the bottom of this matter. There is a stench about the whole issue and a need to call in an inquiry so that people will again be able to see that their government is operating within the bounds of proper procedures. Only then will we regain the confidence of the business sector and allow the business sector to be the engine room of the economy, as it should be.

Ms OVERINGTON (Ballarat West) — After all that, aren't I glad to make a contribution to the debate on the Appropriation (2002/2003) Bill!

First off, I congratulate the Treasurer for delivering for all of Victoria one of the best budgets that we have seen for many decades and that will restore confidence in our communities, whether grassroots communities or business communities. It is a budget that is, as I said, for all Victoria because the Bracks Labor government is growing all of Victoria.

The initiatives contained within the budget reveal our continued emphasis on health, education and community safety. We are continuing to rebuild the state after the slash-and-burn policies of the former Kennett government over its seven years of office. And how are we doing it? By putting back, for example, an additional 925 teachers across Victoria. That has meant a massive boost to Victoria's regional and rural schools. Regional school bus services, until now untouched for decades, have also been given a massive boost and will contribute positively to the quality of our children's education. Early numeracy coordinators have been funded, too, to restore resources stripped from schools during those seven years.

The Bracks government needs to continue to replace such much-needed resources. We are coming from way behind because we have to replace so much that was stripped and then build on the improvements — and that is what we are doing.

It goes on. Another thing that this government has been able to provide for in this budget — and again something that people cried out for desperately through those years — is our preschools and kindergartens. Those Kennett years were not so long ago; it is amazing how that name and those seven years keep coming up. It was a dreadful time in Victoria, particularly for preschools, schools and our health system. I remember parents telling me during that time that kinder fees were so high they could not afford to send their kids to kinder. This government has changed that. It has made it extremely affordable for parents to send their kids to kinder.

Kinder is the foundation block of education. It is the place where they start and that will take them right through to when they leave school to take on a position or finish at university. Kindergarten is the foundation for the rest of their lives. This government has enabled parents to be able to afford to send their kids to kinder.

The Labor government has continued to rebuild the Victorian health system. Remember how it was? There has been extra funding to rebuild hospitals and aged care and ambulance facilities. We have a 24-hour mobile intensive care ambulance (MICA) unit in Ballarat now. We never had that before.

Ballarat Health Service received \$263 000 for a suite of endoscope equipment. Our radiotherapy unit is up and running — for 10 years the community lobbied for our radiotherapy unit. I remember the previous Minister for Health kept saying — he was a local, and very supportive, too — 'It is not my fault. Blame the federal government'. It did not really matter which side was in power in the federal government; he said, 'Blame the federal government'.

It is incredible that two and half years after the election of the Bracks government we have a radiotherapy unit operating in Ballarat. What does this do? It will service all the people who previously had to travel to Geelong or Melbourne to receive much-needed, life-giving treatment. It will service not only Ballarat, it will service the whole western region of Victoria. To hear the relief now from patients, the people receiving the treatment, and their families — it has been just such a turnaround. Everybody at some time in their life will be touched by somebody who needs treatment for cancer. When you are put in that situation, you will understand how valuable it is to have those services in the middle of your community.

Many other initiatives in health have been delivered right throughout Victoria, but particularly to my electorate of Ballarat West. I was listening to the

marine parks debate yesterday, when the Deputy Leader of the National Party kept saying, 'We know because we live in country Victoria'. I live in country Victoria, too. He made the statement yesterday that Ballarat West must be somewhere west of Ballarat. No, the seat of Ballarat West is strictly Ballarat. So when I talk about my community, I am talking about Ballarat. I wanted to have that corrected, that Ballarat West does not lie near the Western Australian border!

The budget was extremely well received in Ballarat, not only by the general community but also by the business sector. I have had some well-known businessmen saying, 'Karen, you know we are probably on the other side of the fence', and I have said, 'Yes'. They have said, 'But you are doing a brilliant job — the Bracks Labor government is doing a brilliant job. You are rebuilding Victoria, and business is booming for us in Ballarat and across Victoria'.

As I said, the budget has been very well accepted right across the community. Our local paper, the *Ballarat Courier*, which watches the goings on of government very closely, reported on the budget the day after in an article headed, 'Health, schools: budget winners'. If I had time I would quote from the *Courier* of that day.

Mr Wynne interjected.

Ms OVERINGTON — As I said, right across the community this budget has received enormous support. I congratulate the government and I congratulate the Treasurer, and I look forward to many more years of Labor government budgets.

Mr MAUGHAN (Rodney) — I have listened with a great deal of interest to the member for Ballarat West. Like many of her colleagues, she goes on with a lot of hype and spin. There was no better example of that than when she was talking about the radiotherapy unit at Ballarat, as if just by the election of the Bracks Labor government magically it all came to pass.

The member for Ballarat West knows, as anyone else in the house knows, that there is very long period of gestation to achieve a major project like that. I suggest it was the very hard work of a previous health minister, the Honourable Rob Knowles, that brought that to fruition.

A lot of the projects that government backbenchers are crowing about have been many years in gestation and are now coming to fruition under this government. I applaud that. That is fair enough. But the hard work was done by the previous government, and the economic situation was corrected by the previous

government so that the funding was there to undertake all of these projects.

So with that introduction, I want to say that this budget is a disgrace. Coming from a government that claims to be honest, open, transparent and accountable, there is a lot of spin and hype in the budget as presented by the Treasurer. I will mention a few of those things as I go through it.

The Treasurer's speech was full of hype and exaggerated claims, and it was a disgraceful attempt to denigrate the former Liberal–National Party government that inherited a state that was broke. If members on the other side care to go back and have a look at what the newspapers were saying at the time and what the facts were at the time, they will see that we inherited a state that was broke. The last Labor government was looking at spending \$3000 million more than it had coming in. The honourable member for Ballarat West goes out of the house believing all the hype but being quite ignorant of the facts. I think it behoves members on the other side of the house to look at what the situation was.

The previous government paid off \$25 000 million worth of debt. The consequence of that is that now each and every year an additional \$800 million not paid out in interest can be used for hospitals, schools and all the other projects that members on the government side speak about.

This is a government that has money to spend. It has the money that I talked about from the saving in interest payments. It has had windfall gains in property taxes. Payroll tax has gone up, as have stamp duty, gambling taxes, and insurance taxes. So they have plenty of money to spend, and good luck to them. They are spending money, and I welcome that.

I welcome the increased funding for education. I certainly welcome the increased funding for health. I certainly welcome the \$28 million, albeit over four years, for preschools, because preschools are vitally important. I will touch on that in a minute.

In terms of capital expenditure, as other speakers on this side of the house, certainly from the National Party, have indicated, this is a city-centric budget. Read through the capital expenditure. Apart from the Wimmera–Mallee pipeline — and I will deal with that in a minute — the things that the Treasurer highlighted in his speech — and I am referring to the Treasurer's speech — are the Scoresby freeway, the Austin Hospital, the Linking the Suburbs project, tram extensions, arterial roads and new bus services.

I did not find any schools in my electorate among those listed by the Treasurer, but there were five new schools in the outer metropolitan area. I am not saying that they are not justifiable, but what I am saying is that all of those major projects are essentially in the metropolitan area.

The one exception to that is the Wimmera–Mallee pipeline. That is a terrific project, but this government and the Treasurer in particular have sought to make political capital out of it. The reality was that this government had not even applied to the commonwealth for funding to do the feasibility study and to find out exactly what it was going to cost, and yet this Treasurer and this government go on with the hype that they have committed \$77 million over 10 years. That is rubbish! If you read through the budget documents you will find they say that whatever has been committed — and there is \$77 million, most of it way into the future, because we only need \$3.5 million this year — is subject to the commonwealth matching that funding and confirming the feasibility of the project. The commonwealth government came good with its funding within 48 hours, despite not having received an official application from Victoria.

That is an outstanding example of the sort of hype I am referring to, where the Treasurer gets carried away and where the facts have nothing to do with it. There are many other examples that I will not go into. In his excellent contribution the Leader of the National Party gave many examples of that sort of hype and the spin that is put on it.

The Rodney electorate has received very little in capital expenditure in this budget, and that is partly because in previous years it has done very well. Practically every one — although not all — of the 35 schools I have in my electorate were either rebuilt or refurbished under the former government. Two new primary schools in Kyabram and a new school in Echuca were built under the former government, and one could go on with similar examples right around the electorate, although I do not have the time to do that. Two new hospitals have been built, money has been spent on roads, and theatres have been built in Kyabram and Echuca with funding approved by the former government.

However, I am disappointed about the Echuca Regional Health rebuilding project. The former government approved some \$25 million for that project, and the second stage of it is now almost complete. I was hoping that to reduce the inconvenience to the hospital stage 3 would have been funded under this budget — but no such luck. Stage 2 will now be finished, and there will be a gap before we get on to stage 3, which will cause

increased costs and increased inconvenience. This government is not prepared to put in funding for stage 3 of the Echuca Regional Health project to reduce that inconvenience.

I have been pushing the Minister for Transport for funding for the Echuca–Moama bridge for nine months now. I have written four letters, and I have raised the issue three times in the house, but I had not had a response until — surprise, surprise! — 23 May this year, when I got a letter from the minister. As I said, that was nine months after I originally wrote to him on the issue. But I welcome the letter, because the bridge will be built in the next year or two. I will read onto the record what he said in that letter:

The Bracks government remains committed to this important project and will meet Victoria's share of any shortfall in funding for the project.

I welcome that, but I just wonder why the minister was so long in putting that in writing.

I welcome the increased funding for home and community care services, which are very important. Local government is really struggling to maintain those services, and even with the increased funding I know that in my own area the Shire of Campaspe will still have to reduce them. There is simply not enough money to provide all the services required.

As I said, it is very important that we support preschools. Honourable members have heard me express in this house many times before my view that expenditure on early childhood development and preschool education is the best investment any government can make, and I welcome the funding that has come from this government. Together with positive parenting programs, investment in early childhood development and preschool education is one of the best weapons against low self-esteem and the social problems we are dealing with among young people — drugs and alcohol abuse, juvenile delinquency and so on. They are almost the inevitable outcome of a failure to provide sufficient resources in the preschool and early childhood development sector.

I still appeal to the government to provide more in terms of speech therapists, child psychologists and occupational therapists for those children in the 0 to 6 age group. There are still nowhere near enough of those services, and in my community a child in that early age group who has a speech impediment still has to wait 9 to 12 months to see a speech therapist. That is totally unacceptable. I appeal to the government to stop the rhetoric, get on with addressing this problem and

provide that additional funding, particularly for speech therapist and child psychologists.

I turn to truancy programs. Again the government talks a lot of hype about what is done in education. In Echuca a pilot program has been running for three years which has had excellent results in getting children back to school and overcoming many of those social problems I have mentioned. The report on that pilot program sums it up when it says that you could see the results in the faces of the children. What more do you need? All the facts and figures back up continuing such the program, but what has happened? This government has refused to fund it, and that worker is currently not employed to continue any of those educational strategies. It has been a very successful program, but there has been no sympathy from this government and no funds to keep it going.

In terms of Koori educators, the situation gets even worse. I have a letter from the welfare coordinator at the Echuca East Primary School, Mr Ian Turpin, and the coordinator at the Echuca South Primary School, Mr Brian Wilkinson. Echuca East Primary School, which has 36 Koori students, has one Koori educator two days a week; Echuca South Primary School, which has 32 Koori students, has one Koori educator three days a week. Their letter states:

Other schools in Victoria have less numbers of Koori students yet more Koori educator time.

... five years despite continuous requests by our local Koori community. This situation has meant that Koori home/school liaison programs, student welfare and academic performances are suffering. Koori students are being denied the opportunity to achieve their learning potential.

That is another example of the hype and the rhetoric not really matching the performance, and one could go on and on in that vein.

There is nothing in the budget to provide for the increased number of aged care beds that are needed in my community. There is no plan to deal with the crisis in public liability insurance, which is coming to a crunch, because if a solution is not found — and not just found but announced this week — then we will run out of time. The government is getting a lot of money out of insurance but it is sitting on its hands. For example, it will reap nearly \$800 million in taxes on insurance this year, and I call on the government to provide a fund of, say, \$10 million to assist community organisations to pay the difference between the public liability insurance premiums they paid last year and the huge increases in premiums they face this year. Otherwise many of those community groups will go out of business.

There has been no relief for small business. Taxes have gone up and up, and there is no better illustration of that than payroll tax, which goes up and up and up. This year's total of \$2.7 billion is estimated to go to \$2.8 million, \$2.9 million and then \$3.1 million by 2005–06. Stamp duty on insurance is currently about \$800 million, and it is estimated to go up to \$912 million by 2005–06. The government estimates that it will reap \$1.455 billion in gambling taxes in this financial year, going up to \$1.536 million and \$1.620 million and then \$1.708 billion by 2005–06. This is from a government that came to power saying it was going to do something about reducing the dependence of government on gambling taxes.

I am disappointed that there is nothing in the budget to assist local government to catch up on local roads and the Strathallan and Stewarts bridges in my area.

I conclude by saying that I am critical of the hypocrisy of this government, which claims to have reduced taxes by \$1 billion when the reality is that most of these reductions are projected well into the future. It claims to have spent \$1.4 billion on infrastructure in country Victoria, yet we have seen very little evidence of works on the ground. The reality is that much of the spending will be well into the future, and that includes \$500 million for the fast rail project and rail standardisation. Not a dollar has been spent so far on actual work.

I could go on with a whole range of other things. The government claims to have been concerned about increasing gambling, but gambling taxes keep going up. The government claims to be concerned about small business, but taxes continue to increase. There is nothing of any significance in the budget for country Victoria. The government promised so much, but has delivered so little. I repeat that the budget contains nothing for infrastructure in country Victoria. The budget is full of hype and spin. We have seen the smokescreens and mirrors. It is difficult to obtain the detail from the budget but it is clearly pitched towards an early election. The budget is a disappointment for country Victoria.

Ms DUNCAN (Gisborne) — It gives me great pleasure to speak on the budget for 2002–03. Contrary to the opinion of the honourable member for Rodney, the budget will deliver a lot for country Victoria and certainly for my country electorate. I will go through some of the more significant matters that are unique to my electorate.

I was pleased to accompany the honourable member for Tullamarine to announce the \$4.2 million funding for

the duplication of the bridge in Macedon Street, Sunbury. The previous government acknowledged that the duplication had been needed for many years, but unfortunately it did nothing about it. It took the Bracks government to deliver on that much-needed critical piece of infrastructure for Sunbury. It will make an enormous difference to road users and residents, and will create a better traffic flow around the town. The honourable member for Tullamarine and I are proud to deliver on that exciting project. I very much look forward to it being built.

In the education portfolio the budget allocates \$1.6 million to Macedon Primary School, which is a great little school. That will boost its infrastructure. Also, Sunbury West Primary School received \$1.1 million from the budget.

I will highlight a couple of significant boosts for my electorate in the budget. One is the co-location of a new ambulance station in Kyneton, which comes on top of the \$13 million allocated for a new hospital in Kyneton. The people there can now rest assured it has a secure future, as it was not confident of that under the former government.

In terms of other infrastructure, despite what the honourable member for Rodney said, the Calder Highway from Kyneton to Faraday in my electorate will continue to be duplicated at a budgeted cost of \$70 million. Opposition members ignore those things. The budget continues the ongoing government commitment to improved infrastructure for the rail service from Melbourne to Bendigo, which travels through and benefits my electorate.

The Kyneton District Health Service received \$11 000 for theatre equipment and the upgrade of buildings in the early childhood development area. That is in addition to previous budget commitments and the incredible reinvestment the government has made in health and education in particular. We are seeing the benefits of that in increased student numbers, with an additional 925 teachers to be appointed. Funding in this budget will provide for an extra 700 nurses. That is fantastic.

We are seeing an outstanding improvement in education, particularly through improvements in infrastructure and staffing. The bill has been fantastic for the electorate of Gisborne. I commend the Bracks government for its commitment to my electorate and all Victoria. There are many more good things to come.

Mr PLOWMAN (Benambra) — I am happy to join the debate on the budget but I am certainly not happy

about what is called the good news for north-eastern Victoria, because, as the honourable member for Rodney said, there is no good news for country Victoria in the budget.

Clearly the government that speaks highly of its achievements in country Victoria has let down the country areas of the state. The one exception to that is in the electorate of Benalla. I do not think I have ever seen that level of pork-barrelling to make one seat look good — only because that seat is represented by the present government. It is pork-barrelling at its very worst.

My electorate will get funding for projects planned and committed to by the former government. An example is the Beechworth Hospital. The former government planned and committed funding to it. The funding is now becoming available in this budget, but it is only half the amount the former government committed to. I am concerned about the future of the Beechworth Hospital. It must maintain the initial planning standard and the number of beds the community agreed to accept.

While I am talking about Beechworth, I am still concerned about the actions of the honourable member for Benalla in that she came into my electorate and talked to the people at Beechworth kindergarten, saying they will have full funding reimbursement in respect of the co-location with a day care centre. That was proved to be totally wrong. The minister has assured me she will meet that commitment, and I am grateful, but it is quite inappropriate to have one country member come into the electorate of another and make a promise she could not keep and which the government had not even met, much to the embarrassment of one of the best — or the best — minister in the government. It was an embarrassment to me and to the minister.

The Minister for Planning came into this place and started to take the credit for the relocation of the railway line through Wodonga. For six years I worked on that project with the former Premier to get the commitment of the first \$20 million, and after that we got the federal government's promise. Without my initial commitment Victoria would not have received the federal government's commitment. We achieved that during the life of the last government. The government is taking credit for something for which it certainly cannot take credit.

Then the Attorney-General came into this place and took credit for the new police station and courthouse at Wodonga, for which the Wodonga people are grateful, but that was planned, funded and committed to by the

former government. It is a magnificent institution, and anybody who knows the old police station and courthouse would appreciate that those facilities were very inadequate.

I am concerned that there is absolutely no funding in this budget for the rail corridor to Albury-Wodonga. I am talking about the main rail corridor in the state. It has a greater passenger and freight patronage than any rail line in the state. It desperately needs to be upgraded to two standard gauge lines with, I believe, concrete sleepers on one line so we can be assured of fast freight and passenger services on a dedicated line. That would be better than the moderately fast train to travel from Melbourne to the Latrobe Valley, Geelong, Bendigo and Ballarat.

The budget has two line items that concern me. One is a line item for the decommissioning of Lake Mokoan. This is pre-empting the results of an inquiry that is not due to finish until after the election. The decision has been delayed, but the budget has money for that. There is also money to implement the proposal of the then Environment Conservation Council for the Chiltern Box-Ironbark National Park. That also pre-empts what Parliament has not yet agreed to. I find both those things distressing.

I make one final point before I conclude about the Walwa Bush Nursing Hospital. I imagine every honourable member would have read on the front page of today's *Herald Sun* what is happening there. Every honourable member on both sides of the house would have sympathy for people in that situation. I have been on the hammer of the Minister for Health, as the honourable member for Wantirna could attest. For probably the past four months I have asked the minister to do something to ensure that funding will be available for those people. But that has not occurred.

All I can say is what the honourable member for Rodney said — that is, that there is nothing good in this budget for country Victoria. Because of the shortness of time, I will leave my comments at that.

Mr NARDELLA (Melton) — I rise to speak about roads and roads funding, particularly for the Western Highway. The federal government should be condemned for not providing the money to upgrade it. We need funding for the highway, but the Howard Liberal government is not doing the following things: it is not upgrading the Leakes Road flyover, which will cost approximately \$20; the Deer Park bypass, which will cost \$196 million; and the Anthonys Cutting realignment, which will cost around \$162 million.

The western suburbs are booming. There is a 3 per cent growth in Melton, Bacchus Marsh and Cairnlea, and a 13 per cent growth at Caroline Springs. Industries like Saizeriya are being attracted to and are starting up in the region, as well as in Ballarat and beyond, and they need to be serviced by these bypasses. The Western Highway is the lifeline of the region, and it is currently jammed up, but the Howard Liberal government does not care about my communities in the western suburbs.

The Bracks Labor government completed the preliminary planning for the Deer Park bypass in mid-2000, but there is still no money. Victorians pay 25 per cent of the funds for roads collected by the federal government, but we only get back 15 per cent, so we are being ripped off by the Howard Liberal government. The National Party is no better off because the Honourable John Anderson, the federal transport minister, has not been listening to my constituents.

Today I had some discussions with the Minister for Health about the Blackwoods community emergency response team, and I put a strong case to him regarding the needs of that community.

Lastly, it is extremely sad that over the past few days we have had opposition members whingeing, carping and complaining about a great-news budget. They have no idea of the good news for their electorates. It is very difficult for the opposition. If you watch *Big Brother* you will have seen that the Leader of the Opposition is like Damian, who was kicked off the show in the first couple of weeks, and the Deputy Leader of the Opposition is like Katrina, a Young Liberal who cried and whinged and got kicked out in the second week — but the deputy leader will have to wait until September! I applaud the budget.

Mr THOMPSON (Sandringham) — The electors of Sandringham have been sold out by this budget in a number of significant areas. Firstly, there is no funding for the Dingley bypass. Secondly, the Hampton Rehabilitation Hospital is projected to close in the forthcoming financial period. This includes its hydrotherapy pool, which is used by hospital inpatients and outpatients who have extensive needs for rehabilitation work for chronic back pain and orthopaedic post-operative treatment and who are referred by practitioners in the area. There is also a self-help group, which Mr Peter England has a lot to do with. No public information has been released about the pending closure, and strong, civic-minded members of the community such as Rosemary Farrow and Peter England are extremely concerned about what will happen to the people who need hydrotherapy services in the City of Bayside.

Thirdly, the budget does nothing to meet the promise Labor made in 1988 about building a new police station in Sandringham. There are significant crime issues in the Sandringham station precinct. Fourthly, the budget does nothing to assist the renourishment of the Sandringham beach, where it is estimated that works of over \$1 million will be required to rebuild the foreshore. Fifthly, I have concerns about the amount of funding that will be available in the forthcoming financial year to undertake effective monitoring work in the marine park at Ricketts Point to ensure that the effectiveness of the park structure is appropriately benchmarked.

Finally, there are a number of other issues involving both education and the Sandringham Hospital, where elective surgery waiting lists have extended. When the Labor Party came into office there were 60 semi-urgent cases, and by 2002 that figure has increased to 387. Patients are waiting for elective surgery for longer than is ideal. When the Labor Party came into office there were 5 patients waiting for periods that were longer than ideal, and today there are 46. There has been a significant increase in waiting times at the Sandringham Hospital, which is of major concern to the citizens of Sandringham.

The budget effectively has the tablets of socialism, being both high-taxing and high-spending; but in terms of the issues that I have brought to the attention of the house, it has sold out the electors of Sandringham.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

Sitting suspended 1.00 p.m. to 2.03 p.m.

QUESTIONS WITHOUT NOTICE

Melbourne Cricket Ground: redevelopment

Dr NAPHTHINE (Leader of the Opposition) — My question without notice is to the Premier.

Honourable members interjecting.

The SPEAKER — Order! I ask government benchers to come to order immediately.

Dr NAPHTHINE — For the information of honourable members who are interjecting, the honourable member for Pakenham was at the funeral of

the Honourable Tom Austin this morning. He is with the family at the moment.

My question without notice is to the Premier. I refer to statistics from the Australian Bureau of Statistics which show that in the last two years time lost from industrial disputes in the Victorian construction industry is 80 per cent higher than the national average. I further refer to the Bracks government's own admissions to the building industry royal commission that it has aided and abetted these union rorts. Why has the government once again succumbed to union pressure by rejecting federal funding for the redevelopment of the Melbourne Cricket Ground and forced Victorian taxpayers to pay for government-endorsed union rorts?

Mr BRACKS (Premier) — I thank the opposition leader for his question. I am pleased to report that there is good news for Victorians. The Melbourne Cricket Ground (MCG) redevelopment will go ahead despite the last-minute intervention at the eleventh hour of the federal Minister for Employment and Workplace Relations, Tony Abbott. The Sydney-centric Tony Abbott wanted to scuttle the project, and the opposition was with him!

Let it be known that the government is sticking up for the redevelopment and completion of the MCG. The federal workplace relations minister's attempt to vary the tender specifications has been unsuccessful — but the opposition is supporting the federal government in not wanting to complete the project.

I am absolutely thrilled that the MCG redevelopment will go ahead on time and on budget. The state government will replace the federal government's \$90 million with \$77 million from the state government, which will be applied in future Victorian budgets, and a \$13 million contribution from the Melbourne Cricket Club, for which it will get extra seats, as will the public, for a ground seating 100 000 — which is what it will become. At a press conference with the Melbourne Cricket Club, the Melbourne Cricket Ground Trust and its head, they endorsed and upheld the Victorian government's position to get on with the job of redeveloping the MCG.

I would be surprised if the opposition wanted to publicly back the Sydney-centric view of Mr Abbott who wanted to scuttle this project. The opposition would be better placed just simply backing the redevelopment of the MCG rather than bringing in other agendas.

Just as we had a legacy after the 1956 Olympic Games, so we will have a legacy after the 2006 Commonwealth Games. Victoria will have the premium ground, not only in Australia but in the world. This redevelopment will go ahead on the budget, specifications and tender that were in place. Those were already in and bid for, and Mr Abbott's last-minute attempt to scuttle them has been unsuccessful. The MCC and the Melbourne Cricket Ground Trust are grateful for that, and anyone who follows sport in Victoria is grateful for that. This is a great boon for our major events in Victoria.

Privacy: government policy

Mr STENSHOLT (Burwood) — Will the Attorney-General advise the house of the latest actions taken by the government concerning the laws of privacy and how they address earlier flawed approaches?

Mr HULLS (Attorney-General) — The Bracks Labor government has comprehensively and radically improved privacy protection in Victoria. As it promised, it established the Victorian Privacy Commissioner, whose role is to be a watchdog on Big Brother, to set the benchmark for handling personal information by government. The government's Information Privacy Act achieves a balance between protecting personal privacy and the free flow of information necessary for open and accountable government. The provisions of this act come into effect on 1 September — which is an important date for the Leader of the Opposition, as I understand it.

The government has also given a reference to Professor Marcia Neave of the Victorian Law Reform Commission to inquire into privacy and surveillance in the workplace and to examine whether legislative or other reforms should be made to ensure the privacy of workers, including that of employees, independent contractors, outworkers and volunteers. The government wants to make sure that that information is appropriately protected in Victoria.

Workers from all around Australia face increased scrutiny in the workplace with proposals for drug and alcohol testing, physical and psychological testing, surveillance and monitoring. The government wants to make sure that the right balance is achieved between the privacy of workers and the interests of employers.

An honourable member interjected.

Mr HULLS — There was an interjection, saying, 'This was Stockdale's idea'. The former Liberal government certainly brought in the Data Protection Bill in 1999 and two particular members of Parliament

were considered — by themselves, I guess — experts in the field. One was the Honourable Alan Stockdale, and the other was and is the honourable member for Doncaster. As I recall, a \$1900-a-head conference was conducted on information privacy and the Honourable Alan Stockdale and the honourable member for Doncaster spoke. Another member of Parliament personally organised taxpayers' funds in breach of the relevant guidelines to attend this conference to hear his parliamentary colleagues, instead of speaking to those colleagues personally — —

Mr Perton — On a point of order, Mr Speaker, on the question of debating, in question time ministers are entitled to canvass matters of government policy and government administration. The Attorney-General is now heading down his usual Thursday path of wanting to slander individuals. The path the Attorney-General is clearly going down now is not about a matter of government administration or policy, and I ask you, Mr Speaker, to bring him back to order.

The SPEAKER — Order! I ask the Attorney-General to come back to answering the question that was posed.

Mr HULLS — It is important for governments to get their messages out. The question asked for a comparison between the approach of this government and previous flawed approaches. As I said, one member of Parliament, in breach of guidelines, used taxpayers funds to attend this conference.

Mr Perton — On a further point of order, Mr Speaker, this is typical of the usual try-on by the Attorney-General and the Treasurer. In response to my previous point of order you directed the Attorney-General back to the question, but he has immediately headed back down the path you directed him away from. I ask you to bring him back to order.

The SPEAKER — Order! I am not prepared to uphold the point of order raised by the honourable member for Doncaster. The Attorney-General was being relevant and was, by example, trying to illustrate his point. However, I remind the Attorney-General that he needs to be succinct, and I ask him to conclude his answer.

Mr HULLS — Being succinct, it was the honourable member for Berwick. He actually certified his own expenditure in breach of guidelines.

Mr Perton — On a point of order, Mr Speaker, if the Attorney-General wants to cast an aspersion against another member, he must do it by substantive motion and not in answer to a question.

The SPEAKER — Order! I uphold the point of order, and I will not allow the Attorney-General to proceed down that track except by substantive motion.

Mr HULLS — The government is more than happy to sell the message in relation to privacy legislation. I say to the honourable member for Berwick that I am more than happy to tell him. It's for free — I will give it to you for free!

The SPEAKER — Order! I ask the Attorney-General to make his remarks through the Chair and not to any other honourable member in the chamber.

The Attorney-General has concluded his answer.

Environment: greenhouse strategy

Mr RYAN (Leader of the National Party) — I refer to Labor's continued push for Australia's ratification of the Kyoto protocol, which seeks to cut greenhouse emissions, particularly those produced by burning brown coal. Can the Premier inform the house of the impact these moves will have on jobs in Victoria, particularly in the Latrobe Valley?

Mr BRACKS (Premier) — I thank the Leader of the National Party for his question, which is a good question. Yesterday I released the state government's greenhouse gas emissions strategy for Victoria. I indicated that a number of measures, to be funded to the tune of about \$100 million, will be used to reduce the state's greenhouse gas emissions. I said that would effectively be the equivalent of removing three-quarters of the cars on our roads.

In relation to brown coal, it is true that Victoria has a higher reliance on electricity generation from brown coal than any other state in Australia. However, it is important to note that the new generation capacity put into place under this government — there was no new generation capacity put in place under the previous government — will by this summer amount to an extra 1000 megawatts of electricity from gas-fired power stations. These power stations are less polluting of the environment and produce less greenhouse gas emissions.

The government is also pursuing significant renewable energy and green power options for the future for peak and base-load demand. We know that the Codrington wind farm in the south-west is having an impact on the electricity generation in that area.

An honourable member interjected.

Mr BRACKS — It is small, but there are plans for more electricity generation by wind power in the future. The government supports that occurring, subject to environmental impact statements. The government supports the notion of alternative sources of energy.

The question asked by the Leader of the National Party is a good question and an appropriate one, given Victoria's historic reliance on brown coal. The measures the government is taking cover a whole range of areas, not just the generation of electricity. They concern the whole issue of greenhouse gas emissions, of which coal-fired power stations are but one component, albeit a large one.

With the new generation capacity the government will move to other areas of electricity generation, which will reduce the state's reliance on brown coal as a base load. The government will manage that transition appropriately and properly, and it does not expect there to be any significant reduction in employment in the Latrobe Valley as a result of the change. There are enormous opportunities for new green power generation in the Latrobe Valley and cleaner forms of electricity generation over and above the existing brown coal-fired generators.

Latrobe Regional Hospital

Mr MAXFIELD (Narracan) — Will the Minister for Health inform the house of the latest report on the government's actions to fix up the Kennett government's Latrobe Regional Hospital privatisation time bomb?

Mr THWAITES (Minister for Health) — I thank the honourable member for his question. The Bracks government is having to undo the damage done to the state's health system by the Kennett government. In particular, it has had to fix the bungled privatisation of hospitals such as the Latrobe Regional Hospital. The Liberal Party does not believe in our public hospitals and does not support them. That is why it privatised the Latrobe Regional Hospital and proposed privatising the Austin and Repatriation Medical Centre.

In 1997 the Auditor-General warned the previous government about this. He warned that the Latrobe Regional Hospital privatisation was going ahead without any proper studies or analysis, but those warnings were ignored. The Kennett government then handed over the running of the Latrobe Regional Hospital to a private company, Australian Health Care, and gave ownership of the hospital to a Sydney car yard.

The Auditor-General's report to the Parliament yesterday reveals the folly of that hospital privatisation. It reveals that the so-called efficiency savings expected from the private operation never eventuated. On the contrary, the hospital was going broke.

Mr Honeywood — Because of the trade unions.

Mr THWAITES — The trade unions are not mentioned in the report once! It was another bungled privatisation. I am very proud that this government has restored an independent Auditor-General, who can point that out.

The Auditor-General also revealed that the so-called transfer of risk to the private sector did not work. This report — —

An honourable member interjected.

Mr THWAITES — We do not hate anything, we just take what the Auditor-General says. He says that as a result of the bungled privatisation there was a real risk that the hospital could collapse, with a consequent threat to public health and safety. The Bracks government was forced to step in and rescue the Latrobe Regional Hospital, and the honourable member for Narracan was at the forefront of that. The Auditor-General has endorsed the Bracks government's approach to doing that. He has said that the social obligations of this government could not allow that hospital to collapse — although I might indicate that at the time the honourable member for Malvern suggested the government should not step in and that it should not take over the contract.

I am very pleased to say that since the government stepped in at the Latrobe Regional Hospital it has turned around services there. Waiting lists at the Latrobe Regional Hospital have dropped from 848 two years ago to 641 now.

That is a 24 per cent drop. The only winners from that bungled privatisation were the consultants and the lawyers and others who made hundreds of thousands of dollars, including a contract for \$496 000 to Corporate Kudos — to a well-known mate of Mr Kennett.

Despite the lessons of the Auditor-General, we know that the opposition is still committed to privatisation and it is still committed to the privatisation of our hospitals. The opposition has not only urged us not to take back the Latrobe hospital, it has also put up proposals for other hospital privatisations, as we already know. If ever — —

Mr McArthur — On a point of order, Mr Speaker, I draw your attention to sessional order 3, which requires answers to be succinct. This answer has been going for 6 minutes now, and I do not think that is succinct.

The SPEAKER — Order! I do not uphold the point of order raised by the honourable member for Monbulk. As a matter of fact, the answer has been going for 4 minutes and 30 seconds. Nevertheless, sessional orders require succinctness, and I ask the minister to complete his answer.

Mr THWAITES — This Auditor-General's report is an indictment of the Liberal Party policy of privatisation of our public hospitals. If ever they were in power they would be selling off our hospitals, privatising our nurses and doing everything they could to undermine Medicare and destroy our public hospital system.

Attorney-General: conduct

Dr DEAN (Berwick) — I refer the Attorney-General to documents released yesterday from Operation Culvert, which investigated the Attorney-General's use of taxpayer-funded travel. I further refer the Attorney-General to his statement in this Parliament that he has never used taxpayers' funds for personal travel and that all travel was for legitimate parliamentary business. Given the attorney's claims that he was attending caucus committee meetings in Melbourne, why do Operation Culvert documents show that the caucus committee chairmen such as Les Scott and Ric Charlesworth were not in Melbourne at the time the Attorney-General claims he was attending meetings chaired by these men?

The SPEAKER — Order! The Chair is having some difficulty with the question posed by the honourable member for Berwick, as it appears that the question is asked in regard to circumstances when the Attorney-General did not have ministerial responsibility. However, the Chair has on previous occasions allowed the examination of ministers in regard to statements that they have made whilst ministers. That part of the question is the only part of the question that is in order.

Mr HULLS (Attorney-General) — I note that the documents that were released — —

Dr Dean — You didn't thank me for my question.

Mr HULLS — Indeed, thank you for the question.

The documents that were released by the shadow Attorney-General yesterday state:

The available evidence falls far short of establishing the commission of any offence by Mr Hulls.

Therein lies your answer.

Mr McArthur — On a point of order, Mr Speaker, in light of your earlier ruling and referring you back to this matter, I point out that in his response the Attorney-General has directly quoted from the documents which relate to the investigation. I put it to you that if he is entitled to discuss the documents in an answer, we are entitled to raise the documents in a question.

The SPEAKER — Order! I do not uphold the point of order. The ruling I made earlier was very clear: a question cannot seek information about circumstances where a minister did not have ministerial responsibility. However, I allowed the latter part of the question and the Attorney-General answered it as he saw fit.

Public transport: ticketing system

Mr LEIGHTON (Preston) — I ask the Minister for Transport to advise the house of reaction to the government's latest actions to fix up the Kennett government's Onelink privatisation time bomb and what further action the government will be taking.

Dr Napthine interjected.

Mr Batchelor — How is your leadership meeting going in September?

Dr Napthine interjected.

The SPEAKER — Order! I ask the Leader of the Opposition to cease interjecting, and I ask the minister to cease responding to those interjections and to answer the question that was posed.

Mr BATCHELOR (Minister for Transport) — I was just going to advise the Leader of the Opposition that we have put out the dates of the spring parliamentary sittings today so the opposition can organise that important meeting it has scheduled for September.

Members will be aware that an agreement has been reached to settle claims made by Onelink against the state of Victoria. This is the result of another privatisation time bomb left behind by the former Kennett government. As part of the agreement the government was required to pay \$65 million to settle claims totalling some \$360 million. Those claims relate

to changes to the contract for the automatic ticketing system that occurred between 1994 and 1995 in relation to the specifications for the system.

As well as settling those claims, the government has introduced a new performance regime to ensure that more ticket machines on our public transport network — particularly our rail system — are fully operational. In addition to the performance regime, we have introduced a penalties regime. To avoid penalties the Onelink automatic ticketing system must be in operation between 97 per cent and 99 per cent of the time. We hope this new agreement will clean up that mess.

The reaction to the settlement has been very positive and constructive. According to Craig Wallace, who heads the Association of Victorian Transport Franchisees, speaking on behalf of all the rail and tram operators, that settlement provides Onelink and the private operators with an opportunity to make a fresh start and paves the way for an improved ticketing system that will be customer focused and will be based on rigorous performance regimes.

The reaction from the opposition was also very constructive because it has used the settlement to at last admit that the Kennett government got automatic ticketing wrong. The shadow minister, the honourable member for Mordialloc, acknowledged that the National and Liberal parties bungled that process.

Mr Leigh — On a point of order, Mr Speaker, I will admit our mistake if he admits the 120 years worth of tickets that he bought.

The SPEAKER — Order! That is clearly not a point of order.

Mr BATCHELOR — It might not have been a point of order, but it was yet again another admission that they bungled it and got it wrong. We would like to thank the honourable member for Mordialloc again for that on-the-record admission of the bungling of the automatic ticketing system by the previous Kennett government.

Attorney-General: conduct

Dr DEAN (Berwick) — I again refer the Attorney General to documents released yesterday from Operation Culvert, which investigated his use of taxpayer-funded travel. How does he explain this taxpayer-funded Comcar bill which he claimed in this Parliament took him to a caucus committee meeting which he attended on his own with no other committee members and which lasted Christmas Eve, Christmas

Day, Boxing Day and the Boxing Day holiday in 1992 in Mount Martha? Why does he not just admit that he used taxpayers' funds for a seaside Christmas at Mount Martha?

The SPEAKER — Order! It appears to the Chair that the question posed by the honourable member for Berwick clearly asks for information on matters that were not the responsibility of the Attorney-General whilst he was a minister. I ask the honourable member to rephrase his question.

Dr Napthine — On a point of order, Mr Speaker, the question clearly sought information from the Attorney-General with respect to how he explains this Comcar bill, when he claimed in this Parliament that these expenses were all incurred in attending caucus and parliamentary activities. That is the question. He made a claim in this Parliament. We are testing the veracity of that claim.

The SPEAKER — Order! I will allow the question only on the basis that the Attorney-General responds on the statement that he made to the house.

Mr HULLS (Attorney-General) — As the honourable member will recall, I made a statement to the house that made it quite clear that all travel undertaken by me as a member of Parliament was within the relevant guidelines. Maybe I am mistaken, but I thought I had furnished a copy of the letter dated 25 October to the shadow Attorney-General. If I have not I will repeat what it says. It says, 'There is no evidence of the commission of any offence by you', and that is the end of the matter.

Mr McArthur — On a point of order, Mr Speaker, if the Attorney-General is going to quote all these documents, why doesn't he quote the lot? The letter actually says they couldn't obtain the evidence because he had blocked the inquiry!

The SPEAKER — Order! The honourable member for Monbulk is clearly trying, under the guise of a point of order, to make a point in debate.

Western Victoria: government policy

Mr LANGUILLER (Sunshine) — Back to serious questions. Will the Minister for State and Regional Development inform the house of the latest initiatives by the Bracks government to revitalise western Victoria, and how these compare with the previous government's policies?

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

his question. Since its election just over two years ago the Bracks government has been out listening and delivering for country Victoria. We have been listening and delivering right across the state, but nowhere is that more evident than in western Victoria.

If you take south-western Victoria, for example, there is a new feeling of confidence and optimism through this area. The government has been out there and has been listening to what was needed down there, and it has delivered.

The people of western Victoria needed \$6 million for cattle underpasses. Who delivered those cattle underpasses? The Bracks government! They needed power infrastructure upgrades for the dairy industry. Who delivered? The Bracks government! They needed a televillage at Portland. Who delivered? The Bracks government! They needed \$3 million for the Royal Melbourne Institute of Technology learning centre at Hamilton. Who delivered? The Bracks government! They needed \$77 million for the Wimmera–Mallee pipeline. Which government delivered? The Bracks government! They needed \$400 000 for the Portland airstrip. Which government delivered? The Bracks government! The list goes on and on: \$96 million for rail standardisation. Which government? The Bracks government!

It is not surprising when you think of all the positive initiatives which have been taken in country Victoria and Victoria generally that today's Australian Bureau of Statistics figure on unemployment for Victoria is 5.7 per cent — a great figure. Again I have to say that every member of this Parliament could be proud of this achievement. Unemployment is 5.7 per cent, the lowest rate in Australia. This government has achieved that with an increase in the participation rate.

The Bracks government has been busy listening and delivering in south-western Victoria, but it is apparent that this is in stark contrast to the policies of the former government. In an article in the Ararat *Advertiser* on 28 May 2002 the current leader of the opposition is quoted as saying:

People in country Victoria told us that we didn't listen enough to them and didn't respond to their concerns and I as a leader from country Victoria am very aware of that.

That is true. The opposition made some big mistakes. But it is not the only thing that it got wrong. Today we have heard a number of sorry litanies about failed privatisation of the former Kennett government. And there is another one — in Portland! This one is the privatisation of the port of Portland. The *Portland*

Observer says under the heading ‘Fishing precinct in dire straits’:

If maintenance is not done on Portland’s fishing precinct immediately, someone could be seriously injured, according to squared fisherman John Edgar.

The problem is that the port of Portland was privatised under the former Kennett government.

Just recently the Leader of the Opposition wrote to the Premier about the Portland professional fishing precinct and he said — —

Honourable members interjecting.

Mr BRUMBY — I will tell you what we do: we fix up the mess the opposition left behind!

Here is another one. The honourable member for Portland, having voted in cabinet to privatise the port of Portland, wrote this to the Premier:

I would like to take this opportunity to urge you to consider this offer from the port of Portland to redinvest —

that means reprivatise —

the Portland commercial fishing precinct back into public ownership, as a matter of priority.

Dr Napthine — On a point of order, Mr Speaker, the honourable member is debating the question. I am happy for him to read the whole letter. The fact of the matter is that the port actually wanted to give the fishing precinct back to the government. It wrote to me in December, and the government formed the committee that has not even met on the issue to consider it.

Honourable members interjecting.

Dr Napthine — They want to give it to you!

The SPEAKER — Order! Clearly the honourable Leader of the Opposition is not taking a point of order. I ask the minister to be succinct, as required under sessional orders, and to conclude his answer.

Mr BRUMBY — As I said, we are fixing up the mess. The honourable member for Portland is under a bit of pressure down there, isn’t he?

Here is an article in the *Portland Observer* of Wednesday, 9 May, headed ‘Crime down 8.9 per cent’!

Honourable members interjecting.

The SPEAKER — Order! The Chair appreciates that this is the last day of the autumn sitting. However,

there is no need for honourable members to be so noisy as to make it impossible to hear what the minister is saying. I ask government benchers in particular to quieten down.

Attorney-General: conduct

Honourable members interjecting.

Dr NAPHTHINE (Leader of the Opposition) — Clearly, members of the government do not understand that the port of Portland, since privatisation, has had record throughput, record volumes and record economic growth.

The SPEAKER — Order! I ask the Leader of the Opposition to pose his question.

Dr NAPHTHINE — My question is to the Premier. Given that yesterday the Premier admitted he knew and endorsed his Attorney-General’s decisions not to release his diaries to the police when requested and to refuse all interviews sought by the police, I ask: is it not a fact that it was your decision to starve the police investigation of information so that the police could not find out that your Attorney-General had rorted taxpayer-funded travel entitlements — —

The SPEAKER — Order! I ask the Leader of the Opposition to phrase his question in terminology that is appropriate to this Parliament — that is, in the third person.

Dr NAPHTHINE — Is it not the fact that it was the Premier’s decision to starve the police investigation of information so that the police could not find out that the Attorney-General had rorted taxpayer-funded travel allowances and has lied to the press, the Parliament and the people of Victoria ever since?

Mr BRACKS (Premier) — The matter, which has been investigated by the federal police on referral by the opposition, is a matter that occurred 10 years ago. One year ago the federal police said there was no case to answer. That is correct.

On the matter of the Attorney-General, could I say that we are blessed with the best Attorney-General in this country.

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Bellarine and the honourable member for Sunshine are warned.

Mr BRACKS — That is known nationally; he is known nationally as a law reformer. So the supplementary part of the question — —

Dr Dean — On a point of order, Mr Speaker, on the matter of relevance, this question made a very, very serious allegation against the Premier in relation to a decision it is suggested he made to obstruct the police. I ask the Premier, because the people of Victoria are listening, to answer whether he made that decision.

The SPEAKER — Order! The taking of a point of order does not allow the honourable member to repeat or ask a supplementary question. The Premier was being relevant, and I will continue to hear him.

Mr BRACKS — As to the ability of the Attorney-General, he is a great Attorney-General; he is a reforming Attorney-General. I am very proud to have him amongst my team.

Workplace safety: initiatives

Ms BARKER (Oakleigh) — I ask the Minister for Workcover to advise the house what action the government is taking to improve workplace safety in Victoria, particularly with the upcoming Worksafe Week.

Mr CAMERON (Minister for Local Government) — Unfortunately last year 32 Victorians workers were killed at work. Already this year 16 workers have died at work. Clearly, as a community we have to work hard to improve our health and safety. Although the opposition does not support the creation of the offence of industrial manslaughter and does not want to bring about good and decent debate on that, we are continuing to turn things around.

With Worksafe Week upon us in a fortnight's time, I encourage honourable members to take up the 80 events and activities that will be occurring across the state and across a whole range of industries.

To improve health and safety we have increased the number of inspectors, had a huge increase in the number of improvement notices and increased the number of prohibition notices. Already this financial year there have been over 45 000 visits to employers. They have been longer in duration, and that is because we want to help employers and workers bring about improved health and safety.

We have a small business program. We recognise that health and safety can be difficult with small business. Already there are 14 industry grants across a dozen associations to provide free health and safety

consultancies to individual businesses. The safety development fund has already seen over a dozen projects. That is where we see a collaboration between employers and employees and their unions.

These activities in Worksafe Week are critical. It is critical that we continue to do the work during the winter. That work will continue past September, and I can assure the Deputy Leader of the Opposition that when she and the Leader of the Opposition are not here in September when we come back, this work will continue.

ENVIRONMENT PROTECTION (RESOURCE EFFICIENCY) BILL

Second reading

Debate resumed from 9 May; motion of Ms GARBUTT (Minister for Environment and Conservation).

Mr HOWARD (Ballarat East) — It gives me great pleasure to speak to this Environment Protection (Resource Efficiency) Bill. The Bracks government came into office with a platform of promoting ecologically sustainable development, and through this bill that is exactly what it is doing. This is reflected as a cornerstone of the *Growing Victoria Together* documentation, which is effectively the government's vision for Victoria.

Growing Victoria Together is about ensuring that as we seek to achieve our economic goals we do so recognising the environmental and social responsibilities that we have to the people of this state. It is about triple bottom line in every aspect of this government's activities. This bill is a further stepping stone in enshrining the triple bottom line into the activities of the state.

Let me recap on some of the things we have done in regard to the Environment Protection Authority since we came to government. We brought in a bill in 2000 which increased penalties for people who were not following the requirements in terms of waste management. It also included a range of court penalties including publishing the details of the case in the media so that those who have not followed through with their responsibilities in waste management can be embarrassed. So a range of increased penalties and additional penalties have been put in place.

The government further encapsulated the principles of ecologically sustainable development through the Environment Protection (Liveable Neighbourhoods) Act of 2001. Through that act it developed the concept

of neighbourhood environment improvement plans, which involve neighbourhood groups coming together to look at waste management and environmental issues that are pertinent to their particular neighbourhoods and developing solutions. In the bill before us the government is taking a further step forward in enshrining in our legislation several very important aspects of waste management that need to be so enshrined.

Although environmental issues were once considered by industry and parts of the community to be impediments to social and economic development opportunities, we are now seeing that there are great opportunities for industry in recognising that by incorporating environmental goals within their product development and other activities they can achieve economic and social gains.

The first cornerstone of this legislation relates to sustainability covenants. These covenants recognise that many innovative companies are seeing environment protection as a vehicle for the development of new markets for products, and that means being able to sell into overseas markets as well as into domestic markets. Many of the leading companies that see the benefits in incorporating environmentally friendly activities can ensure by adopting these covenants that they gain extra opportunities to sell their product into a whole range of additional markets. That will in turn provide great economic development opportunities for them and the communities in which they are located.

The community is recognising that environmental activities are no longer impediments to economic activity but rather the reverse. These progressive companies are working hard to explore ways in which they can maximise these environmental gains in terms of their economic activity. These companies are asking the government whether there are ways to enshrine and recognise in legislation the activities they are engaging in. The sustainability covenants provided for in the bill will enable that to happen, because companies will be able to work with the Environment Protection Authority and be accredited as having established sustainable covenants, and they can then sell that aspect of their businesses.

When companies have an environmental covenant signed by the EPA they can go out and show the marketplace that they have a badge, or a label, that is recognised by the Victorian government. That will enable them to sell their products, as the covenant will recognise that they engage in a range of innovative

environmental management activities in producing whatever they produce.

The plastics industry is at the forefront of this initiative, and many other industries are looking to involve themselves in these sustainability covenants. The bill before the house will enable the government to set in place the legislative frameworks under which these covenants can be recognised.

It is also important to realise that these covenants are not being pushed from on high by the EPA or by this government but that they are voluntary. Those innovative companies that are out there at the moment can see the benefits in working voluntarily with the EPA to establish their particular covenants. Hopefully once they are successful in badging their products with these sustainability covenants, many other companies will look to do likewise.

These changes in waste management strategies are at the forefront of innovations across the country, and they are being led by the Bracks government. I am always very pleased to see the Bracks government enshrine in leading-edge legislation wherever it can triple-bottom-line objectives that show that we are looking to the future and maintaining sustainability in doing so.

This legislation responds to recommendations from an inquiry the government commissioned Cheryl Batagol to conduct into the waste management programs of regional waste management groups around the state. She was asked to report back to this government on how they are operating and on how the waste management strategies within the state can be further improved. Through the Batagol report the government has been able to further negotiate with waste management bodies, with the Municipal Association of Victoria and other peak municipal bodies, with local councils and with industry to ensure that we can further improve those waste management activities. As well as providing for the sustainability covenants, the bill provides for the incorporation of improved waste management strategies.

In addition, by progressively increasing the existing landfill levy the government is encouraging the community and industry to recognise that they need to be more vigilant in looking at ways of recycling waste to reduce the amount that is going into landfill. On the other hand, though — —

Mr Delahunty interjected.

Mr HOWARD — There are a range of ways of recycling waste, and we keep seeing more and more

innovative ways of using material which for years was just put into a hole in the earth, resulting in all sorts of problems. We have seen how we can recycle plastics and glass, and we keep finding ways of recycling other products that we had previously never thought of recycling.

Through this increase in the waste management levy further funding will be available for publicity campaigns on innovations in waste management. In the past few years publicity campaigns have made individuals far more aware of how they can recycle their household waste. Not only do the members of our community know they can and should recycle, they know how to recycle, and further systems will be put into place to ensure it continues.

We all know there are many opportunities still out there to improve our ability to recycle, and the government needs to ensure that when new projects come forward Victorians are able to latch onto them and follow them through. Through the funding from the increased levy we will be able to improve our waste management and reduce the amount of waste going into landfill.

The government recognises that while large organisations have been in a position to fund projects that provide for recycling and minimising waste, there are many small businesses, small communities and local government bodies and so on that do not have that level of funding. The levy provides a means by which we can target the way assistance can be provided to small and large operators to ensure that all can afford to look at projects to provide for recycling and waste minimisation.

The government has consulted widely on the bill as it relates to littering, waste management and covenants. The consultation around the state through local government bodies, community organisations and industry has helped the government to develop the bill now before the house. The government has consulted right to the end, and it will continue to consult.

Mr Ingram interjected.

Mr HOWARD — Comments are still being made about recycling and about more opportunities, even within Parliament, for us to further recycle. We need to follow up on those matters. While some paper recycling is taking place, we need to find a use for the recycled product and to ensure that more paper is recycled. Some of the funding we gain through the mechanism will ensure we are able to do that.

The final aspect of the bill concerns littering, which has been raised in the media recently. The littering

provisions basically are meant to ensure a concept whereby we have stewardship over materials produced, so if any company produces a material that is likely to be a waste product and cause litter it needs to be responsible for that and to recognise it has a responsibility.

We hope that the provisions in the bill, particularly concerning littering, will ensure that a lot of advertising material does not go to where it will only become litter — for example, letterboxes that display notices saying the owners do not want junk mail should not have advertising material placed in them. Where littering occurs those companies responsible for that litter must find ways through their product stewardship of reducing litter.

The example I gave was of not putting advertising material into letterboxes that are labelled ‘No junk mail’. There is a whole range of ways to encourage producers of paper waste and other waste to know they have a responsibility to ensure the material can be disposed of properly without causing litter. I will not go into more of that aspect because other honourable members may wish to comment on it.

In short, companies must embrace the concept of product stewardship. This legislation starts the process through the Litter Act review, but we will be working on many other things in a voluntary and consultative way with a range of organisations and companies to ensure this concept is followed.

The government is bringing into place regulations to protect those who conform with voluntary industry standards. This integrated legislation follows pieces of legislation that have been brought forward earlier with regard to the Environment Protection Authority and further embody the concept of sustainability that the government has been driving at from every angle.

The Bracks government can hold its head high with regard to the innovations it has brought forward through its legislative program. I certainly commend this bill to the house.

Ms GARBUTT (Minister for Environment and Conservation) — I thank all honourable members who have made contributions to the debate on this very important bill. I reiterate that the legislation provides a means for all sectors of the Victorian community to make a difference in reducing the amount of waste we generate and release into the environment, which has an impact on the environment, and it also provides a chance for the whole community to be involved in improving resource use efficiency.

The legislation seeks to motivate industry so that it will innovate and develop new ideas not only for reducing waste but also for treating it by other means so that it becomes a resource we can use. Through the sustainability covenants the bill provides a way for industry to demonstrate it is doing that, that it is innovative and provides leadership, and that it has environmental credentials that are recognised formally and can be used to promote its activities and its own environmental credentials.

The level of support the bill has received across the state has been very solid. It has boosted the government's policy aims. We have had public support expressed for the legislation from many local government representative bodies: the Municipal Association of Victoria, the Victorian Local Governance Association — which has supported it very publicly — and the Association of Victorian Regional Waste Management Groups, which has specifically supported the changes we are making to regional waste management, including the funding that will flow from increases in levies.

Environment groups have also supported the bill as a major innovation and a big step forward. Environment Victoria has written to me with its support, particularly for the sustainability covenants. Companies such as Visy and BP and the Plastics and Chemicals Industry Association have already approached the government offering to assist in developing sustainability covenants for their companies and industries.

These companies are already recognising the great value of the sustainability covenants and the recognition and encouragement they will afford to them for signing up to these covenants with the Environment Protection Authority. I am delighted to have received those offers. I look forward to working with those companies and the industry association to develop the proposals further.

That level of interest has demonstrated that the government has struck the right balance between regulating industry, which can be heavy-handed at times, but shifting that towards supporting industry innovation and encouraging those that show leadership and want to set out in the direction of sustainability covenants.

The government has been conscious of the need to be open and transparent and to provide the appropriate checks and balances in the legislation. Those checks and balances are there. The requirement for public consultation prior to any declaration of an industry is fundamental to ensuring that the industry itself has the

opportunity to provide comment and input into debate. That means reasonable decisions can come out of that. Evidence to back up the need to declare the industry must be publicly debated so that any reasons supporting recommendations have to be thorough, scientifically based and out there for public comment. There are appeal rights on any notices that may flow to a company with a declared interest. Those appeal rights exist, which is an important safeguard.

In practice, checks and balances will be part of the entire regulatory model. There will certainly not be any quick decision to declare an industry. That sort of decision cannot and will not be made lightly.

The purpose of the legislation is not to lead with the stick but to foster product stewardship at the individual company/sector-wide supply chain level across the state. Through the sustainability agenda the government is committed to assisting businesses to take advantage of the opportunities to find new ways to treat waste, to create new jobs, and for new ideas and leaders to emerge.

The legislation also demonstrates that this government is committed to seeing the moneys that flow from the landfill levies returned in programs that will reduce waste, encourage innovation and improve our resource-use efficiency. We believe that this will encourage many jobs throughout regional Victoria and that we will regain the leadership position we used to have in this field. Once again, there are checks and balances on the use of that public money to ensure that it is open and transparent, and they are built into the bill.

I take this opportunity to thank many people who helped to develop this major piece of legislation. In particular I thank the members of the independent panel which reviewed the regional waste management groups. The panel was led by its chair, Cheryl Batagol, and the members, Cr Noel Harvey and Professor Alan Seale. Thanks very much to those people. I also thank the Municipal Association of Victoria, the Victorian Local Governance Association and the Association of Regional Waste Management Groups, and especially Mr Don Chambers, Mr Bob Beynon and Mr Peter Lyon who were all heavily involved and very active in the development of this bill. I pass on my thanks to those people.

Many companies and industry associations provided their views and expertise, including the Plastics and Chemicals Industries Association, Visy, BP, Vicsuper, the Victorian Employers Chamber of Commerce and

Industry and the Australian Industry Group. Thanks to those people for their comments and their assistance.

Members of the environment movement have been supportive and have provided comments, insights and assistance into the sustainability debate, particularly Marcus Gadino from Environment Victoria and Mike Krockenberger from the Australian Conservation Foundation. Members of the Environment Protection Authority sustainability network, which comprises a number of leaders of companies from the environment movement and from government agencies have also been very supportive, and I have used its members to test out ideas and to receive feedback. I thank them as well for their assistance. I also thank the Environment Protection Authority for its dedication to the environment and its improvement and its very diligent approach to ensuring that this legislation will deliver the triple-bottom-line outcomes for the state.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

Mr THOMPSON (Sandringham) — I will make a few general remarks in relation to the purposes clause of the bill. It has been said there is a new industrial revolution taking place throughout the world where enterprises are endeavouring to cut their environmental impacts. However, it is said that more people need to take sustainability more seriously. It has to take place not just at the government and industry level but at the household level so that at every place where waste is generated or processed the impact upon the environment is minimal.

Yesterday the chamber heard about the views of the past, and comment was made of an attitude that might be reflective of FJ Holdens and barn dances. In those days there was an attitude that waste was what you took to the tip, but these days waste is more about looking at the lifecycle of products and the processing of particular products following the effluxion and completion of its lifespan.

There are other elements of sustainability that relate to an example that was given to me a few days ago about a craftsman who built a very fine dwelling out of oak. Near the dwelling he planted another oak tree, so that when the timbers needed replacing there would be more material at hand to complete the structure. This

particular issue traverses a number of very important areas of community life.

The bill itself amends the Environment Protection Act and looks at promoting the establishment of voluntary sustainability covenants. These were matters that the shadow minister had looked at a number of years ago in the area of alternative compliance mechanisms, where you work with industries and enable them to come to their own conclusions as to how things could be better regulated.

There was the example in Canada, where there was an objective of reducing greenhouse gas emissions. In the case of a petrochemical company, rather than being bound by the regulatory requirements of the government of the day the company thought it could achieve a more efficient outcome through changing the techniques by which fuel and gas were transferred at the final outlet point. So rather than being bound by government regulation it is able to get a better outcome by using its own ingenuity and its own thought processes to achieve an acceptable outcome.

The debate is being led by industry on a range of frontiers. I will make some comments that were alluded to in an industry group letter. Some of the issues which the minister has referred to in her summing up are issues which will be proposed in the committee stage rather than issues that are extant in the bill as it stands and has been debated already.

The Australian Industry Group has alluded to the importance of the intergenerational eco-legacy that is to be passed on. It has sought:

... reassurance that the legislation and the processes impose the same checks and balances on the authority that corporate law expects of companies in Victoria. As there is the potential for a less responsible authority to act on insufficient evidence. The corporate governance principles which form the basis for the boards of Australian companies to so readily accept legislation of this type demands accountability and transparency in their processes.

It goes on:

No less should be required of the statutory authorities whose stakeholders cover an even broader spectrum of the community.

A specific fund needs to be established so that all funds go to it rather than to the general purpose environment protection fund.

...

AI group needs to be confident that there are adequate checks and balances which ensure that the implementation of these positive initiatives will be conducted in a fair and cost-effective manner.

The other elements of the bill relate to dealing with waste management and resource recovery and the repeal of the Litter Act. I place strong emphasis on the fact that waste management sustainability needs to be conducted not just within the walls of this chamber in terms of community discussions and understanding, but at the local level — in schools, homes, industry and the wider community — so that there is ownership of and responsibility for the principles of sustainability by all people rather than it being driven by the bureaucracy. The objective of the bill of sustainability governance goes some way to giving industry ownership of the issues, subject to the safeguards that the Australian Industry Group has sought.

Mr DELAHUNTY (Wimmera) — I am pleased to speak on the bill. I will not go through all its details. Five councils in my area have raised concerns about the legislation, as have the Grampians Regional Waste Group, the Desert Fringe Regional Waste Management Group and Motorway Tyres Pty Ltd — which is one of the important industries in Stawell.

I heard the minister talk about stewardship. The reality is that even in the Grampians they are taking litter bins away and expecting councils to pick up the litter, so I do not believe the government is doing its fair share in relation to stewardship of national parks.

There has been no dialogue between local government and waste management groups, particularly in my area. Local governments were notified about the bill only two or three weeks ago and I know the minister has received letters from many of them asking for some time to look at the long-term costs of the implementation of the bill. They believe they have been marginalised.

Council representation will be left off the waste management groups even though they pay a lot and have every right to have some say in those groups. In other words, 'If you pay, you get some say'. Councils and waste management groups in my electorate want the bill delayed and I have many letters that highlight that fact.

Councils and other groups have not raised the issue because they believe that they are wearing two or three hats. The president of the Municipal Association of Victoria (MAV) is one of the heads of the Environment Protection Authority (EPA). The head of the Victorian Local Governance Association (VLGA) is also on the Ecorecycle Victoria board. At a meeting in Nhill a couple of weeks ago, a summary of the bill was given to the councils who were made aware of the legislation

only when a good local member — myself — sent it out.

Honourable members interjecting.

Mr DELAHUNTY — It's true! The reality is that it was not until I gave them the bill that they had a copy of it; they have not had a lot of time to look over it. They have said that they believe very strongly that there has been a conflict of interest between some members of the MAV, the VLGA and the bill. They believe, as do I, that Ecorecycle Victoria and particularly the EPA will be the big winners. They have been told that councils and waste management groups will get some money back. That is true, but the money has to be put in at the other end. The councils are concerned to protect the project funding, and they know that this year there will be none. Ararat Rural City Council has written to the minister for 18 months without receiving a reply, and I know the honourable member for Warrnambool will be talking about that later.

Changes in the bill will cover litter and I heard the honourable member for Ballarat East talk about that. It will put a lot more responsibility on councils. The Department of Natural Resources and Environment is pulling out of its responsibilities and that, too, will throw much more onto local government.

It has been brought to my attention that there is a major concern that the legislation could stop stubble burning. I raise some of these concerns so that they can hopefully be addressed by the minister while the bill is between this house and the other place.

An honourable member interjected.

Mr DELAHUNTY — Well, the reality is that that is what has been raised with me. The Minister for Agriculture is at the table. There is a problem with white snails, and a lot of people are stubble burning to remove those pests.

An honourable member interjected.

Mr DELAHUNTY — It is about waste management, because this legislation can stop stubble burning.

The key issues are the centralisation of planning power to the EPA and Ecorecycle Victoria and the distinction between municipal and industrial waste. It is easy to do in Melbourne and it is not a problem in big centres like Horsham, but some of the small communities that I represent will have a major problem distinguishing between municipal and industrial waste. How will that work with some of the small councils? There is also the

problem of the interface with the borders of South Australia and New South Wales, where there are no levies like this. There are other matters I could cover.

I know that other honourable members want to speak on the bill but I have a letter from the Horsham Rural City Council. I will not read the whole letter but it states that the council resolved to ask the minister to hold over the bill:

... to allow for Victorian councils and the Municipal Association of Victoria to be given further time for a consultation period to examine the full financial costs and implications for local government of the legislation.

I also have a copy of a letter from the council sent to the minister, which is dated 22 May and states:

Council considered this matter at its meeting on Monday, 20 May 2002 ...

Council believes that the bill will fundamentally alter the responsibility for waste management planning in Victoria and would like the opportunity to examine this issue in more detail.

I think that is a reasonable request. It states further that:

The proposal to significantly increase basic landfill levies —

is a major worry to this council. I will not go further because of the time.

Motorway Tyres Pty Ltd has also written to the minister, and I do not believe she has responded to them. This organisation in Stawell produces 70 per cent of the recycled tyres for taxi services in Brisbane. They are very important recyclers. However, the company is in a global economy and with world competition putting pressure on it this bill could make it uncompetitive and lead to the loss of jobs in Stawell.

I will finish by referring to this article from the *Wimmera Mail-Times* of 24 May headed 'City blasts new waste cost hike'. It states:

Horsham Rural City Council has hit the roof over soaring local government liability for waste management.

Councillors believe that under the new legislation before state Parliament, landfill costs will skyrocket by up to 650 per cent.

I have not heard a whisper about that but the reality is costs could rise by up to 650 per cent.

Ms Garbutt interjected.

Mr DELAHUNTY — I am just telling the Minister for Environment and Conservation that these people have accountants and everything working on it and —

Ms Garbutt — It has nothing to do with the bill.

Mr DELAHUNTY — It has got something to do with the bill — landfill levies will be increasing over six years. The article continues:

Mayor Kevin Dellar rapped the Bracks government for lack of openness after an election promise of open government.

He said Horsham was 'lucky to find a piece of paper' detailing the new EPA changes.

...

Cr Dellar said the city's waste costs had doubled from \$700 000 to \$1.4 million.

Waste management and recycling in the Wimmera and western Victoria have made quantum leaps in the past 5 to 10 years but there is a limit to the cost. In Melbourne people do not have any options in the disposal of waste and have to take it to a landfill or a transfer station. However, in country areas councils are worried that if the costs get too high waste will end up sitting on the sides of roads or at the back of farmyards. I raise those concerns with the Minister for Environment and Conservation while she is at the table. As I say, they are major concerns for councils and groups in my part of the state, western Victoria.

Mr PLOWMAN (Benambra) — In following the honourable member for Wimmera I support what he has just said, but only so far. We have a shadow minister for conservation and environment who is on the ball. He advised the Victorian Farmers Federation what was in the legislation. Had he not done that, the VFF would not have made contact with the Minister for Environment and Conservation. The VFF wanted parliamentary disallowance, and what it achieved was total revocation. The part of the bill that affects primary industry will now be removed. That is an important fact that country members should be very aware of. I commend the shadow minister for his activity.

It is all in proposed section 49AD, inserted by clause 5 of the bill — that is, the declaration that industry may have a significant impact on the environment. My friend the honourable member for Wimmera talked about stubble burning being stopped and said that that provision might be implemented as a means of doing it. To the credit of the honourable member for Wimmera, that is one thing.

The other thing is that in our area, which is predominantly a cattle-grazing area, there is always this issue of cattle passing methane gas. It sounds like a joke but it is a very serious thing. We cannot place the power to deny the legitimate operation of a rural industry into the hands of a bureaucracy. I am delighted that the Minister for Environment and Conservation has seen sense, but I am equally delighted to say that that would

not have happened without the work of the shadow minister in making that contact with the Victorian Farmers Federation to ensure this change was introduced.

Clause agreed to; clauses 2 to 4 agreed to.

Clause 5

Mr PERTON (Doncaster) — I move:

1. Clause 5, page 4, lines 12 to 16, omit all words and expressions on these lines and insert —

“sustainability covenant for an industry if—

 - (a) in the opinion of the Authority, the covenant is, or is likely to be, effective in increasing the resource use efficiency, or reducing the ecological impact, of the industry; and
 - (b) the covenant is readily accessible to the public and has been published on the Internet; and
 - (c) the covenant authorises the copying of all or any part of the covenant by any person who wishes to do so and also authorises the use by such a person of any copies made by the person.
- (2) If the Authority agrees or undertakes to provide any benefit to a person or body because the person or body is a signatory to a sustainability covenant, the Authority must publish a copy of the agreement or undertaking on the Internet within 3 days after entering into the agreement or undertaking.
- (3) For the purposes of sub-section (2), a benefit includes the allowance of a licence variation or an undertaking to not prosecute a breach of the Act.”.

As I stated in the second-reading debate — and I see in the gallery there are a number of people who have complained about the lack of consultation in respect of this bill — —

The CHAIRMAN — Order! Members are not to refer to people in the gallery.

Mr PERTON — Some four years ago a number of parliamentarians, including the Deputy Premier and the Leader of the Government in the upper house, worked on the regulatory efficiency legislation report of the Law Reform Committee. Had those members looked at this bill and its provisions appropriately they would have realised that many safeguards that should be in place are not in place.

This area of private law is extremely complex. The Liberal Party is moving some amendments to try to bring some of the principles of that report into the bill. Even given the time the Liberal Party has had to do that and the resources that were available to it, I believe it

has not done it as well as it could have been done. Had the opposition been given the time and had organisations like the Horsham city council — —

Mr Vogels — The Rural City of Ararat.

Mr PERTON — Had the Rural City of Ararat and a lot of the industrial groups been able to be involved it would have been a much better piece of legislation.

In my own poor effort and in order to comply with the terms of the report on regulatory efficiency legislation this amendment introduces transparency. It requires a sustainability covenant to be published, to be readily accessible to the public and to be available on the Internet. Paragraph (c) of proposed section 49AC(1) states:

the covenant authorises the copying of all or any part of the covenant by any person who wishes to do so and also authorises the use by such a person of any copies made by the person.

That takes away any right of intellectual property to a sustainability covenant so it can be used by other companies in the industry and by other industries.

Another important provision that was not in the bill but is included in proposed section 49AC(2) as set out in the amendment is that if the authority agrees to provide any benefit to a person or body because it is a signatory to a sustainability covenant then the authority’s undertakings to that organisation must be made very clear. Otherwise we would have not only private law in this state but secret private law, and that would be totally inappropriate.

Proposed section 49AC(3) is included because it was advised by parliamentary counsel. I understand that the Minister for Environment and Conservation has foreshadowed an amendment to remove that proposed subsection, and I will accept that.

Ms GARBUTT (Minister for Environment and Conservation) — I move the following amendments to amendment 1 moved by the honourable member for Doncaster:

1. Omit paragraph (b) in proposed sub-section (1) and insert —

“(b) the covenant will be readily accessible to the public and will be published on the Internet; and”.
2. Omit proposed sub-section (3).

The first of these amendments to the amendment moved by the honourable member for Doncaster omits paragraph (b) and inserts a new paragraph (b) which

says the covenant will be readily accessible to the public and will be published on the Internet. The honourable member for Doncaster's amendment reads that it is readily accessible and has been published on the Internet. It is a matter of the tense of the clause. Clearly you cannot publish something that has not been agreed to. This amendment just fixes up that tense problem.

My second amendment seeks to omit proposed subsection (3) which, for the purposes of proposed subsection (2), talks about a benefit including the allowance of a licence variation or an undertaking not to prosecute a breach of the act. Proposed subsection (2) is already comprehensive. It requires the authority to publish any benefit, so this proposed subsection (3) does not add anything but rather might lead to a reading down of the potential benefits that need to be published due to its specificity. The Environment Protection Authority (EPA) will be publishing the benefits in the sustainability covenants on its Internet sites so their contents, including any benefits, will be readily accessible to the public.

The covenant has not been designed to remove any industry's existing obligations under the act and therefore it is quite inappropriate for the EPA to undertake not to prosecute a breach of the act. For those reasons I seek to amend the amendments moved by the honourable member for Doncaster.

Mr INGRAM (Gippsland East) — I would like to make a brief contribution to debate on this clause. The sustainability covenants are a good proposal and I can see some real benefits in including them. I would like to direct the attention of the Minister for Environment and Conservation to the fact that for these types of measures to work it is essential that government takes the lead.

Considering that we in the Parliament use a great deal of paper and currently basically none of the paper generated in this place is recycled, I would like to ask the minister whether a sustainability covenant could be imposed on a government agency or a body like the Parliament to ensure that it leads the field in recycling. Bodies like Parks Victoria could use recycled plastic products for all their signs — currently Parks Victoria uses sawn timber for its park benches and signs. Maybe governments should lead the way in these things and show that there are real benefits in using these products, reducing resource use and promoting recycling.

Mr THOMPSON (Sandringham) — There are opportunities for the suggestion of the honourable member for Gippsland East to be taken up. A number of members of Parliament already recycle their

parliamentary material, be it magazines, documents or paper. The shadow minister and a number of other opposition members have visited the Visy recycling plant and have an understanding of how the process of sorting hard waste and paper works.

Ms GARBUTT (Minister for Environment and Conservation) — I accept the point that the government needs to lead by example. Honourable members will be aware that yesterday, for example, out in the gardens the Parliament was switched to green power. A switch was thrown by the Speaker and the President and the Premier making that change for the Parliament.

Recycling is also a matter for the Speaker and President. I am sure they will consider the opportunities that are presented by this legislation for a voluntary sustainable covenant. I point out that these covenants are voluntary, and I will draw those to the attention of the Speaker and President.

Amendments on amendment agreed to; amended amendment agreed to.

Ms GARBUTT (Minister for Environment and Conservation) — I move:

1. Clause 5, page 5, after line 4 insert —

“(6) The Authority may not recommend to the Governor in Council that a declaration under this section be made in respect of a primary production industry.

- (7) For the purposes of sub-section (6), a primary production industry is an industry that is solely or substantially engaged in agricultural, horticultural, viticultural, fishing or similar activities.”.

The amendment provides an exception for primary producers from becoming a declared industry. We have negotiated this amendment with the Victorian Farmers Federation, and we believe it is a sensible approach.

Mr Plowman — Hear, hear!

Ms GARBUTT — There has been some comment in the house already about the so-called lack of consultation with the VFF. In fact there was a meeting scheduled with the VFF before the bill came into the house on 6 May, and the VFF was unable to keep that appointment. We have subsequently followed that up and have negotiated this sensible approach.

The primary purpose of the bill is to establish voluntary sustainability covenants. The Victorian Farmers Federation has advised the government that farmers who want to enter into voluntary sustainability covenants will be able to, but they would be reluctant to

do so if they thought there was a prospect of regulation. Any push or the use of any big stick would not be acceptable. Under this amendment farmers can choose to enter sustainability covenants, but the covenants will remain voluntary. We have listened to what was said by the VFF, and we are prepared to provide that exemption for the farming community.

Mr PERTON (Doncaster) — As the honourable member for Benambra rightly pointed out, the Victorian Farmers Federation is one of the largest employers and one of the largest small business organisations in this state, yet it has been completely left out of the loop on this legislation. It is completely unacceptable that it was invited to a meeting at the beginning of May yet was not a part of this at all.

After we had written to the VFF sending it the links to the legislation and other materials, the federation wrote back on 22 May saying that it was strongly opposed to the legislation. The reason the VFF said it was opposed makes a lot of sense:

The Victorian Farmers Federation remains opposed to this big stick approach to make people or industries comply with the aims and objectives of the bill. The ideal way to achieve sustainable natural resource management is through a voluntary bottom-up approach rather than through legislative means. Landcare and the federal government's environment management systems (EMS) are two perfect examples of such an approach. The VFF believes that sustainability covenants as outlined by this proposed legislation will undermine the introduction and development of EMS and have a negative influence on industry. Furthermore, the VFF has strong objections to section 49A clause 4 contained in the bill.

I rang the VFF and suggested that it contact the ministerial adviser, who is present in the chamber, and ultimately a resolution was reached that led to this amendment being moved. But it seems pretty ridiculous, as the honourable member for Benambra said, that we have this rather large amendment exempting many thousands of business from the ambit of this legislation being moved at 3.45 p.m. on the last day of sitting before the guillotine trigger at 4.30 p.m. Confirmation of what the honourable member for Benambra said is contained in a letter from Mr Clayton Manners from the VFF, who wrote:

This is to confirm that the government has indicated to us that it will insert new clauses in the proposed section 49AD preventing a declaration under that section being made in respect of a primary production industry.

Mr Manners goes on to say:

We are pleased with the government's response about the concerns raised regarding this section of the bill. Thank you for alerting the VFF to this legislation and its potential impact on agriculture.

How extraordinary! The VFF and a whole range of companies and industries right across this community were not aware of this bill until it was introduced. We will support this amendment, but it is a bad process that has brought to us this point!

Amendment agreed to.

Mr PERTON (Doncaster) — I move:

2. Clause 5, page 5, after line 4 insert —

“49ADA. Declaration may be disallowed

- (1) On or before the 6th sitting day after a declaration made under section 49AD is published in the Government Gazette, the Minister must ensure that a copy of the declaration is laid before each House of the Parliament.
- (2) A failure to comply with sub-section (1) does not affect the operation or effect of the declaration but the Scrutiny of Acts and Regulations Committee of the Parliament may report the failure to each House of the Parliament.
- (3) A declaration may be disallowed in whole or in part by either House of Parliament.
- (4) Part 5 of the **Subordinate Legislation Act 1994** applies to a declaration as if —
 - (a) a reference in that Part to a “statutory rule” was a reference to the declaration; and
 - (b) a reference in section 23(1)(c) of that Part to “section 15(1)” was a reference to sub-section (1).”.

This amendment again is essentially in line with recommendations of the Law Reform Committee. It makes a declaration a disallowable instrument and allows the Parliament to disallow a declaration either in whole or in part.

Although the bill facilitates the making of voluntary sustainability covenants, many of those who have written to me about it have been deeply concerned that it could be used to impose harsh conditions on people who are not the original signatories to a covenant. A very good letter from a CSIRO scientist, Dr Barrie Hunt, said this:

Section 49AI talks about imposing requirements by the EPA. The possibility exists that one section of industry may enter into a voluntary covenant to limit waste, et cetera, where the burden on it is incidental. But by having this precedent the EPA may well impose this requirement on another section of the industry where the costs of meeting the requirement are prohibitive.

This is indeed of great concern. However, this amendment would require a copy of the declaration to

be tabled in Parliament, and it would enable the declaration to be disallowed by either house of Parliament. Most importantly it would require the all-party Subordinate Legislation Subcommittee of the Scrutiny of Acts and Regulations Committee to analyse the declaration as if it were a subordinate instrument, so all the ordinary principles that have been applied over a long time can be applied to this instrument. Again, it is something that ought to have been in the bill before it came into the house, but I am pleased that the government will now accept this amendment.

Ms GARBUTT (Minister for Environment and Conservation) — The government is happy to accept this amendment. It has no problems with tabling a declaration in Parliament.

Amendment agreed to.

Mr PERTON (Doncaster) — I move:

3. Clause 5, page 5, line 11, after “statement,” insert “on the Authority’s Internet site and”.

Amendment 3 relates to the publication of the statement. In order to ensure that these statements are not just available in an EPA office or a central government office, they should be readily accessible to the public on the Internet site, and it places that requirement into the legislation.

Ms GARBUTT (Minister for Environment and Conservation) — The government is happy to accept this amendment. I point out to the honourable member for Doncaster that the bill already has a requirement that the statement be published in a newspaper circulating generally throughout Victoria, but we accept that this broadens that scope.

Amendment agreed to.

Ms GARBUTT (Minister for Environment and Conservation) — I move:

2. Clause 5, page 6, line 7, omit “has been made” and insert “is in force”.

This amendment clarifies that an order of the Governor in Council declaring an industry is in force, not just ‘has been made’. Once an order has been made it can be revoked, so it must still be in force.

The CHAIRMAN — Order! Before voting on that, I indicate that I should have invited the honourable member for Doncaster to move amendment 4 in his name. I ask him to do so now, and the committee will vote on amendment 2 in the minister’s name in a moment.

Mr PERTON (Doncaster) — I move:

4. Clause 5, page 5, after line 3 insert —
 - “(3) The Authority must publish on its Internet site a copy of any comment that it receives in response to an invitation made under sub-section (1) unless —
 - (a) in making the comment, the person who made the comment requested that the comment not be published; or
 - (b) the Authority believes it is not in the public interest to publish the comment.
 - (4) The Authority must, on request, provide a copy of any comment that it receives in response to an invitation made under sub-section (1) to any member of Parliament.
 - (5) Any person may apply to the Tribunal for a review of a decision by the Authority under sub-section (3)(b) not to publish a comment.”.

Clause 4 requires that before a declaration can be made certain procedures are set in place. It is important that both industry and the public know that the sorts of comments and commentaries that have been made in order to be able to make a fair assessment of the Environment Protection Authority’s decision, especially in relation to the Governor in Council, have the authority and support of the community.

That requires publication of comment, unless the person asks that the comment not be published or the authority believes it is not in the public interests to publish the comment — for instance, if it was possible that it would lay the EPA open to an defamation action or something similar. However, in those instances there will still be a possibility for a member of Parliament who has an interest in the matter to ask for a copy of that comment and to receive it under the provisions of the bill.

The CHAIRMAN — Order! I now invite the minister to move the three proposed amendments to the amendment moved by the honourable member for Doncaster.

Ms GARBUTT (Minister for Environment and Conservation) — I move the following amendments to amendment 4 moved by the honourable member for Doncaster:

1. Omit proposed sub-section (3) and insert —
 - “(3) The Authority must publish on its Internet site —
 - (a) a summary of the submissions it receives in response to an invitation made under sub-section (1); and

(b) its response to those submissions.

(4) The Authority must also give a copy of its response to each person who lodged a separate submission (or in the case of a submission made on behalf of a number of people, to a nominated representative of those people)."

2. In proposed sub-section (4), omit "(4)" and insert "(5)".
3. Omit proposed sub-section (5).

I am suggesting that what the authority must publish in this case is a summary of submissions that it receives in response to an invitation and its response. This is consistent with the approach currently taken by the Environment Protection Authority in respect of comments received on its statutory policy developed under the act. It is also consistent with what it does under its regulatory impact statement (RIS) protocol. So it goes a long way to accepting the intent of the honourable member for Doncaster in his amendments. However it brings it into line with what the EPA does in other areas.

Amendments on amendment agreed to; Mr Perton's amended amendment agreed to; Ms Garbutt's amendment agreed to.

Mr PERTON (Doncaster) — I move:

5. Clause 5, page 7, after line 10 insert —

"(4) If the Authority makes a requirement under this section, the Minister must cause to be tabled in each House of the Parliament on the first sitting day of the House after the making of the requirement notice that the requirement has been made.

- (5) A failure to comply with sub-section (4) does not affect the operation or effect of the requirement but the Scrutiny of Acts and Regulations Committee of the Parliament may report the failure to each House of the Parliament."

Amendment 5 requires that if the authority exercises its powers under proposed section 49AF, it is required to table that requirement in the Parliament on the first day of sitting after the making of a requirement notice.

Ms GARBUTT (Minister for Environment and Conservation) — The government is opposing this amendment. I point out that anyone in this position can take an appeal to the Victorian Civil and Administrative Tribunal. Also, the authority is already required to prepare an annual report of its activities which must be tabled in Parliament

Amendment negated.

Ms GARBUTT (Minister for Environment and Conservation) — I move:

3. Clause 5, page 7, line 14, omit "has been made" and insert "is in force".

This is the same as amendment 2 and says that the declaration has to be in force.

Amendment agreed to.

Mr PERTON (Doncaster) — I move:

6. Clause 5, page 8, after line 16 insert —

"(5) If the Authority makes a requirement under this section, the Minister must cause to be tabled in each House of the Parliament on the first sitting day of the House after the making of the requirement notice that the requirement has been made.

- (6) A failure to comply with sub-section (5) does not affect the operation or effect of the requirement but the Scrutiny of Acts and Regulations Committee of the Parliament may report the failure to each House of the Parliament."

This relates to a requirement under proposed section 49AG of the bill, and the same matters apply. I understand that the government will oppose it. It has argued that a party to such an action has a right of appeal and that if they are disturbed about it they can bring it to the attention of a member of Parliament. The opposition will not request a division on this matter.

Ms GARBUTT (Minister for Environment and Conservation) — As indicated, this is the same sort of amendment, and we reject it for the same reasons.

Amendment negated.

Mr PERTON (Doncaster) — I move:

7. Clause 5, page 14, after line 17 insert —

"(4) Before publishing a guideline under this section, the Authority —

- (a) must advertise, in a newspaper circulating generally throughout Victoria, that it has prepared a draft guideline; and
- (b) must include in the advertisement —
 - (i) an outline of the draft guideline; and
 - (ii) advice as to where a copy of the draft guideline can be obtained or examined; and
 - (iii) a statement inviting anyone with an interest in the matter to make comments to the Authority within 21 days after the

- date of publication of the advertisement;
and
- (c) must publish on the Authority's Internet site a copy of the draft guideline and a copy of the statement required by paragraph (b)(iii); and
- (d) must consider any comments that are made in response to the invitation made under paragraph (b)(iii) and (c).
- (5) Sub-section (4) does not apply to a guideline —
- (a) that revokes an existing guideline; or
- (b) that amends an existing guideline if the amendment is of a machinery or administrative nature.
- (6) A guideline has no effect until notice of its making is published in the Government Gazette.
- (7) On or before the 6th sitting day after notice of the making of a guideline is published in the Government Gazette, the Minister must ensure that a copy of the guideline is laid before each House of the Parliament.
- (8) A failure to comply with sub-section (7) does not affect the operation or effect of the guideline but the Scrutiny of Acts and Regulations Committee of the Parliament may report the failure to each House of the Parliament.
- (9) A guideline may be disallowed in whole or in part by either House of Parliament.
- (10) Part 5 of the **Subordinate Legislation Act 1994** applies to a guideline as if —
- (a) a reference in that Part to a "statutory rule" was a reference to the guideline; and
- (b) a reference in section 23(1)(c) of that Part to "section 15(1)" was a reference to sub-section (7)."

This is an important amendment relating to transparency. The guidelines that are to be published under proposed section 49AM really do have the force of law and are very similar to a regulation or similar instrument. Therefore, it is appropriate that those guidelines have scrutiny by the Parliament and that people have the opportunity to be involved in the determination of them. Essentially what the draftsman has prepared under my direction is a set of provisions that brings the provisions of the Subordinate Legislation Act pretty much to bear on the preparation of these guidelines.

Ms GARBUTT (Minister for Environment and Conservation) — The government accepts this amendment, which simply formalises in legislation the consultation requirements that the Environment

Protection Authority would have been undertaking anyway. We are agreeable to those being tabled in Parliament.

Amendment agreed to.

Mr PERTON (Doncaster) — I move:

8. Clause 5, page 15, line 5, omit "readily accessible to the public" and insert "published on its Internet site".

This is a proposed requirement that documents be made available on the Internet site.

Ms GARBUTT (Minister for Environment and Conservation) — The government accepts this change. However, what we are effectively doing is providing that something will be put on the Internet instead of providing that it should be readily accessible to the public. I would have thought the Internet was fairly readily accessible. Nevertheless, the government is prepared to accept the amendment and will publish the information as far and wide as it can.

Amendment agreed to; amended clause agreed to; clauses 6 to 12 agreed to.

Clause 13

Mr LUPTON (Knox) — This clause is about the function of recycling. We need to look at how garbage collection and recycling has altered in Victoria over the last 15 years or so.

As a former member of the Knox City Council, which was probably one of the leading councils for recycling in Victoria, if not the one that started it, I can remember that when we went from small bins to big bins our rubbish holes started filling up quite dramatically. Recycling has now taken over because, in Knox in particular, with the building downturn, we were running out of tipping space. It was essential to introduce, publish and push recycling in such a way that it became an important part of our society.

I have a concern about current styles of living. In our house, for example, two people generate more rubbish than we ever did when we had three kids at home. It appears that the way Mr and Mrs Victoria live generates more and more rubbish, and that causes me a great deal of concern.

At a demonstration I attended the other day the burning or incineration of industrial waste was discussed. I found the discussion extremely interesting and the method very effective. There is no doubt that it is something that will take place in the future. I do not know how far away we are now from spending the

\$10 million on building that incinerator, but that is a road I believe we have to go down.

One thing that really gets up my nose as far as recycling and garbage is concerned is disposable nappies. They are being sold in greater and greater numbers and as they do not break down well in the soil they fill up our tipping space; they will probably be there for the next 100 years. Our kids and grandchildren all grew up wearing nappies that were washed; maybe that was old-fashioned but we were not generating rubbish that fills up tips. Watching young mothers today taking out disposable nappies for their kids I see a hell of a problem ahead of us in a few years.

Recycling has to be promoted more than it has been. Industrial incineration is something we have to look at and our normal garbage should go into ground fill. The City of Knox is, for some stupid reason, considering burying green waste. I find that absolutely reprehensible! There must be a way to utilise green waste and dispose of it back into our community — onto our gardens, for example.

I have visited a place in Rosebud where they turn into mulch just about everything — from trees to anything else that grows. I express my concern at the fact that the City of Knox, which formerly, 10 to 15 years ago, was one of the leaders in recycling, cannot accept that they can do the same thing because of the smell. What a load of rubbish!

We have to push recycling and ecorecycling can be part of it — as long as it gets government assistance. The government must look to the future.

Clause agreed to; clauses 14 to 16 agreed to.

Clause 17

Ms GARBUTT (Minister for Environment and Conservation) — I move:

4. Clause 17, page 26, line 20, omit “21” and insert “28”.

This is simply correcting a typographical area. The bill provides only 21 days for the statewide plan to be consulted on; it should have been 28 days. The proposed amendment brings the bill into line with consultation periods for regional plans.

Ms BURKE (Pahran) — I have no difficulty with the proposed change from 21 to 28 days. It is probably a very good idea to give those outside bodies more time to consult. The area that I wanted to bring to attention is the result of the south-east regional waste management arbitration panel report which came out in April 2000, and we are now having the amendments in June 2002.

But it was an important panel and it did a very good job. Proposed section 49R(1) is really about a good governance issue.

I want to congratulate the minister for taking action on that panel report. The problem in the early days of the South-East Regional Waste Management Council was that it did a five-year plan, but there was not a lot of public consultation at that time, and transparency is more important than ever. All these amendments add to that transparency. There were too many conflicts of interest and governance issues at that time, with people having dual roles, and it was very difficult for them to manage and also police themselves. So I am very pleased to see that provision in there.

Amendment agreed to; amended clause agreed to; clauses 18 to 24 agreed to.

Clause 25

Ms BURKE (Pahran) — This issue has been brought to my attention by two councils in particular. One is the Frankston City Council, which is unhappy about the changes to the regional waste management groups, and particularly the Mornington Shire Council, which feels that its area is very coordinated and similar in its waste management collection, whereas areas like the City of Dandenong, et cetera, have different types of problems. The council has brought this to my attention as it really feels it should stay the same. I know it will be covered under regulations if anything is changed, but the council is very unhappy about that proposed change and would like to be left where it is.

The other point I wanted to mention with the issue of all these boards under this clause is that in many of the rural councils one of the big problems is that they have come in later to the process of waste restructuring and understanding of waste management. They have only had a levy over the last few years and the levies are continuing to increase. One of the problems they face is that when we get the funds from these levies and return them to the local government authorities, what generally happens is it is done on a \$1-for-\$1 basis, and these councils cannot afford that dollar.

The principles are sound but the practicalities are not really possible. If we are going to win on this issue of waste management there is going to have to be some assistance for those councils that have a very large land base but very few people living in those areas so consequently do not have the economic viability to do the projects that we are going to need them to do if the funding is provided on a \$1-for-\$1 basis. I wanted to bring that to the attention of the minister.

Ms GARBUTT (Minister for Environment and Conservation) — In response first to the Mornington Shire Council issue about boundaries, it is not my intention to rush into that process without talking to councils. Obviously we will make that an open consultation process and take on board what they say. I appreciate the honourable member for Prahran raising that matter here.

On the matter of levies, this reform will provide further financial relief to the councils. The regional waste management groups will now be funded through the levy rather than through councils, so councils will have that relief, and there will be more funding to access for projects — more than there would have been before this bill went through. It does provide some further financial assistance to councils through this process.

Clause agreed to.

Clause 26

Ms GARBUTT (Minister for Environment and Conservation) — I move:

5. Clause 26, line 21, before “Despite” insert “(1)”.
6. Clause 26, after line 26 insert —

“(2) For the purposes of sub-section (1) and section 50P, the leasing or renting out of any land owned or controlled by a regional waste management group does not constitute the undertaking of a waste management activity.”.

The bill will remove the potential conflict of interest for regional waste groups between their planning role and any commercial activities they might be undertaking and ensure that they do not hold any land or assets for the purposes of carrying out these activities. The purpose of these amendments is to clarify that leasing or renting out of any land by a regional waste management group does not fall within the definition of a waste management activity, so they will be able to lease land as long as the only benefit they derive from it is the rent payable on that lease.

Mr PERTON (Doncaster) — Very briefly, this change has come about because of the submission made by Leastwaste and its managing director, Graeme Stewart, and its board, including Cr Bob Beynon. They raised this point and we raised it with the minister in consultation, so this amendment can really be attributed to Leastwaste and we should be grateful to it for raising the matter.

Amendments agreed to; amended clause agreed to; clauses 27 to 29 agreed to.

Clause 30

Ms BURKE (Prahran) — This comes back to that report coming out of the South-East Regional Waste Management Council arbitration panel. It was also an important issue relating to the fact that some people were trying to cut corners in works on a waste site or a landfill, in the Clayton area in particular, where there is the pie crust at the bottom and there are different requirements for the leachate and fences, et cetera. This stops them from heading off to the Victorian Civil and Administrative Tribunal to get a faster approval than they would get by going through the Environment Protection Authority, as these sites cost them millions of dollars. They were trying to cut corners. It is important to mention this because the whole process of having dialogue with these people helps in our outcome of wanting to have a better environment as far as waste management is concerned. I think that has been a very good outcome.

Clause agreed to; clause 31 agreed to.

Clause 32

Mr PLOWMAN (Benambra) — This clause deals with the landfill levy and the amount payable. Frankly, I find it an extraordinary increase where under schedule D, the levy for non-schedule C premises municipal waste goes from \$2 a tonne to \$7 a tonne. Understandably, that will increase over the period up to 1 July 2007, but it still is a 250 per cent increase in what is effectively a shire rate. For some of the smaller country shires where the rates collected for rubbish are considerable, particularly in some of the small towns where the average income is low, this is a charge that is going to be felt by those ratepayers.

It is doubly of concern to me to understand that only 10 per cent of this money will come back to the shires. In the bigger country shires we have the City of Wodonga where the landfill is about 50 000 tonnes. That is an increase of \$250 000, and that is going to come back as a charge to the ratepayers. Frankly, I think that is unacceptable unless those ratepayers can see something in their own area. My understanding is that only 10 per cent is coming back.

Mr Rob Joy, who is an old friend of mine, as I understand it is acting chairman of the EPA — forgive me if I have got that wrong, but I think it is correct — would probably disagree with me and say that there is justification for these funds to go there. But I have always been of the opinion that when an increase in a levy or a rate is as excessive as this, there has to be absolute justification mounted before we should accept that sort of rate increase in this Parliament. I hate to say

it, but this often leads to additional bureaucracy which once having been implemented will never disappear; it might even lead to what is seen by outsiders to be empire building, and I would object to that.

I ask the minister to explain the reasons and justification for this level of increase, but more importantly to advise us on this side of the house why more of these funds are not coming back into those areas where the funds are being generated from.

Mr VOGELS (Warrnambool) — I also need to make a comment on the extraordinary increases in the landfill levy payments for municipal waste in rural Victoria from \$2 to \$7 per tonne — a more than 300 per cent increase ; and to \$13 per tonne for industrial waste. How do you distinguish between municipal and industrial waste in rural Victoria, where the collections are mostly done along roadsides or in the towns? When someone brings waste to a transfer station you can distinguish which is industrial and which is municipal, but it is very difficult for rural councils to distinguish. I do not know how they are going to do that.

I am concerned as are rural councils that this legislation effectively makes local councils the funding source for Ecorecycle Victoria, the Environment Protection Authority and so on because only about 10 per cent of this money will ever go back to regional waste management committees. Rates and charges will have to be increased enormously to cover these extra charges, at the same time as the Minister for Local Government is writing to councils asking them not to increase their rates or charges above the consumer price index.

I do not know how they are going to manage to juggle this. If you were really serious about waste management you would do it like you do with the water authority or the catchment management authorities — that is, you would set up a separate authority, put it in charge and let it raise the levies and charges, and not expect councils to do it. They have to set the charges, cop all the flak and then hand the money on to other organisations.

Clause agreed to.

Clause 33

Mr PERTON (Doncaster) — I move:

9. Clause 33, page 38, after line 3 insert —

(3) In section 50SAB(2) of the **Environment Protection Act 1970**, in the formula, for “15” substitute “30”.

This is an important amendment. The private landfill operators were another group that was not consulted with adequately before this bill came in. I will read very quickly from a letter dated 22 May 2002 to Ms Kerri Erler, adviser to the minister. It is signed by all the major landfill operators: Altona North Landfill, Baxter Group, Boral Landfill and Waste, Bulla Tip and Quarry, Calleja Transport, Clayton Road Joint Venture, Cleanaway, Epping Waste, Grosvenor Lodge, Pioneer Australia Waste Management, Soiltech Australia, Twigg Group and Western Recycle. The letter states:

Following on from our meeting with yourself and Phil Martin on 13 May and our subsequent meeting with Carsten Osmer and Bruce Dawson of the EPA, the private landfill operators listed below request you ask the minister to consider the following submission.

The private landfill operators of Victoria support the new Environment Protection (Resource Efficiency) Bill, however the changes to landfill levy amounts payable as detailed in schedule will have a significant impact on the cost of daily cover material for landfills. The group requests that the Environment Protection Act 1970 be altered to change the rebate for cover material — section 50SAB from 15 per cent to 30 per cent.

Cover material is required by a landfill's EPA licence condition to cover the daily waste intake to:

- minimise odours;
- control litter;
- prevent the spread of fire;
- control disease vectors such as birds, flies, mosquitoes and rodents; and
- ensure that the landfill is trafficable.

Cover material is required to be placed to a depth of 0.3 metres at the end of each day's operation ...

Cover material used by landfill operators is not a waste product, it is clean earth, clay or sand that can be disposed of to any site where the owner needs fill material ...

I shall not take up much more time of the Parliament at this late stage of the sitting, but they also submit that:

At present a landfill accepting 1000 tonne per day is losing approximately \$862 a day because of the inadequate rebate. The coming increases in levies will compound these losses.

I thank Brian Fox-Lane from Boral Landfill and Waste, Mike Ellsmore from Pioneer Australia Waste Management and Tom Buxton for their strong advocacy in this matter. I believe the argument they put is right.

I understand that the minister has had some discussions with the landfill operators, as has Ms Erler. I put the

amendment to the house but I understand the minister has something to tell the house in respect of the meeting and some undertakings to be given.

Ms GARBUTT (Minister for Environment and Conservation) — The government is not accepting the amendment. This is a request for an increased refund from a group of private operators. The government believes that this cost should be borne by the operators, not by the government through the levy funds. An automatic refund of 30 per cent would give one-third of the levy money to the landfill operators without any possibility of verification.

However, the Environment Protection Authority has agreed to work with the landfill operators, including local government, to examine the existing arrangements. That will require the landfill operators to provide to the EPA comprehensive data to ensure that there can be effective audits of the claims.

Amendment negatived; clause agreed to; clause 34 agreed to.

Clause 35

Ms GARBUTT (Minister for Environment and Conservation) — I move:

7. Clause 35, line 24, omit “70(7)(a)” and insert “70(7)(b)”.
8. Clause 35, page 39, line 5, after “applied in” insert “one or more of”.
9. Clause 35, page 39, line 17, omit “(6A)” and insert “(6B)”.

These amendments do not have any impact on the intention of the clause; they make small changes to clause 35 which detail the proposals for distribution of landfill levies. Two of the amendments — 7 and 9 — correct a typographical error, and amendment 8 provides clarification on how funds flowing from non-hazardous levies will be applied.

Mr VOGELS (Warrnambool) — As the minister said, this amendment specifies how the increased levies are to be allocated. At present \$12.4 million is collected annually from landfill levies. This will increase to about \$42 million in 2007–08. Ecorecycle receives about 70 per cent of that, the Environment Protection Authority 20 per cent and regional management groups about 10 per cent. The argument in rural Victoria is that probably most of the 10 per cent that will come back to regional waste management groups will be used for more staff and empire building and will not be spent on the ground for better outcomes.

There is also a concern that only the licensed landfill operators have to pay the levy, while the EPA is still allowing unlicensed tips to operate. Surely this undermines the thrust of getting waste into properly managed land fills? With a 300 per cent increase in levies you will find more and more waste being dumped illegally.

Mr PLOWMAN (Benambra) — Just to follow up the comments from the honourable member for Warrnambool, it is of interest to me to note that money paid into the environment protection fund under proposed new section 70(3)(aba) of the Environment Protection Act might be used for the purposes of fostering environmentally sustainable uses, et cetera, and to advance the social and economic development of Victoria. This strikes me as being extraordinarily broad.

I suggest that to meet the needs of country councils it would be far better if there were a system of capital grants that go back to those councils for recycling facilities, better landfill facilities, country-based education campaigns, and improved transfer stations, et cetera. But then you would have to ask the question: why would you take the levy in the first place and then give it back? As the levy is going to go through I would dearly like to see a system of capital grants coming back to local councils.

When I informed my councils as to the increase — which the honourable member for Warrnambool has rightly pointed out is 300 per cent, not 250 per cent — they told me they believed that the levy was likely to go up to \$4 and they were all quite shocked by the vast increase that it will go up by.

If something like capital grants could be made part of this process, I think the councils and the ratepayers would accept it far more readily.

I note that the minister did not answer my question when I asked her to give details as to how the money might be spent, and I wonder whether she might comment on that.

Ms GARBUTT (Minister for Environment and Conservation) — In regard to illegal dumping, it is illegal, of course, and this government increased the penalties substantially two years ago in a bill that it brought in. It was the first time that those penalties had been increased in 10 years. The question should be asked of the former government. Why did it not tackle illegal dumping?

The moneys from the Environment Protection Authority levy will fund enforcement activities, and this bill assists in that regard. As for the questions raised by

the honourable members for Benambra and Warrnambool, the bill clearly sets out how those funds will be distributed. It includes providing assistance to councils, because regional waste management groups will have funding for their administration costs and their education officers, which are currently being borne in part by local councils.

That will provide some financial relief for local councils. The funds that are raised will be available for grants to assist with sustainability measures, cleaner production measures and so on. Local government will have access to those funds. That is the point of a large slab of the bill.

Mr PLOWMAN (Benambra) — The minister said the grants will be made, but I asked her about the indication that only 10 per cent will come back into country areas, from where the levies will come. Will the minister say whether a greater amount than that will be transferred back to country shires, because they want to know?

Mr PERTON (Doncaster) — There are a number of people in the gallery today, including Don Chambers and the liaison officer from Environment Victoria, who worked to improve this provision. Clearly people have been deeply concerned.

The CHAIRMAN — Order! For the second time I remind the honourable member for Doncaster that he is not to refer to the public gallery.

Mr PERTON — Those groups among others have been deeply concerned that this has the potential to be a whiteboard fund for the Treasurer and the Minister for Environment and Conservation. A great deal of work has been done on improving the drafting of this part of the legislation. It staggers me that the second-reading speech on this issue is so different from the clause.

When summing up the second-reading debate the minister said, ‘The bill has a number of safeguards and contains a whole lot of matters’. It is clear that the minister has caught Delahunty disease — that is, she reads the second-reading speech — —

An honourable member interjected.

Mr PERTON — Yes, syndrome.

An Honourable Member — She is far too grand for a disease.

Mr PERTON — She has read the second-reading speech but has not read the bill. I am indebted to her and her advisers, because when we have raised issues

they have said that they make sense, that the issues raised by the Victorian Farmers Federation make sense and that the fears raised by a number of parties about this clause and the allocation of the fund are legitimate.

The minister’s acceptance that this area needs amending is an indication of a lack of preparation on her part and the part of her officers regarding the actual terms of the legislation and the second-reading speech. I note that the minister’s amendments will rectify those issues to a great extent. But whether it be the Horsham City Council or the shires represented by the honourable members for Benambra or Warrnambool, the matters raised earlier by those members and the Leader of the National Party are of concern to local government.

Amendments agreed to; amended clause agreed to; clauses 36 to 38 agreed to.

Clause 39

Ms GARBUTT (Minister for Environment and Conservation) — I move:

10. Clause 39, page 48, line 27, omit “premises.” and insert “premises; or”.
11. Clause 39, page 48, after line 27 insert —
 - “(d) a place that is in a building and that is suitable for the deposit of the document.”.

These amendments allow advertising material to be left in bulk at an apartment block in a suitable spot, so it would not be an offence to do that.

Mr PERTON (Doncaster) — The Distribution Standards Board is extremely concerned about this. In the second-reading debate I talked about the DSB having met with the Environment Protection Authority only a week before the bill was introduced and about its not being informed of this case. The DSB, with its many members including Spotlight Stores and the like, has raised a number of concerns, and this was obviously one.

When we raised this with the government’s representatives they said, ‘This looks like the New South Wales clause’. We said, ‘If New South Wales has got it wrong, why should we get it wrong?’. I am pleased that the amendments are being moved to meet the needs of the DSB. A typical situation applies when newspapers are left in a particular spot in an apartment building. That sort of distribution will be permitted in those places rather than that action being made criminal.

The DSB is extremely upset that other aspects that it raised with the government have not been addressed. In a briefing note the DSB gave to the minister and me it wrote that it represents the manufacturers and distributors of advertising catalogues and promotional material. The implications of the drafting of the clause are set out in its submission, which states, in part:

Implications of the current drafting of s 45M.

6. Very briefly the implications include:

work in letterbox industry jeopardised: more than 45 000 people in Victoria including 23 000 delivery walkers many of whom are students, pensioners, single parents

major impediment to commercial freedom (e.g. for major retailers)

loss of economic activity in Victoria (currently more than \$500 m p.a.)

difficulty and cost in policing and enforcement by local government authorities

restriction of trade for DSB members (as newspapers are exempt under s 45L)

inconvenience for consumers ...

The DSB refers to some research it has given to the minister. The chief executive officer of the DSB, Chris Lee-Brown, sent me an email only minutes ago in which he states:

There are two critical issues that we would like you to bring up for amendment.

1. The addition of 'individually addressed' to the Australia Post exemption ...

...

2. A clarification in the wording of 45M to ensure that individual householder rights are protected as to access to advertising material.

I indicated that I would bring the matter before Parliament, and I think its arguments are sound.

Debate interrupted pursuant to sessional orders.

The SPEAKER — Order! Pursuant to the resolution of the house on Tuesday, 4 June 2002, in relation to the government business program, the time has come for me to interrupt the business of the house.

Amendments agreed to; amended clause agreed to; clauses 40 to 52 agreed to; circulated government amendment 12 as follows agreed to:

12. Insert the following new clause to follow clause 35 —

'AA. Insertion of section 70A — 70D

After section 70 of the **Environment Protection Act 1970** insert —

'70A. Restrictions concerning the distribution of money derived from the general landfill levy

Despite section 70(6B)(b), the Minister and the Treasurer must not apply any money under that section unless —

- (a) there is in existence a statement produced and published in accordance with section 70B setting out, in order of priority, the matters in respect of which they intend to apply money under that section in the relevant period; and
- (b) there are in force guidelines as to how they will exercise their powers under that section and those guidelines have been publicly published; and
- (c) there exists an advisory panel appointed by them under section 70D to make recommendations to them in relation to the application of money under that section.

70B. Priority statement

- (1) The statement required by section 70A(a) is produced and published in accordance with this section if the following steps are taken —
 - (a) a draft statement is produced; and
 - (b) notice of the production of the draft statement is advertised in a newspaper circulating generally throughout Victoria; and
 - (c) the advertisement includes —
 - (i) an outline of the draft statement; and
 - (ii) advice as to where a copy of the draft statement can be obtained or examined; and
 - (iii) a statement inviting anyone with an interest in the matter to make comments to the Minister or the Treasurer within 21 days after the date of publication of the advertisement; and
 - (d) there is published on the Authority's Internet site a copy of the draft statement and a copy of the statement required by paragraph (c)(iii); and
 - (e) the Minister and the Treasurer consider any comments that are made in response to the invitations made under paragraphs (c)(iii) and (d) before signing and publishing the statement; and
 - (f) notice of the signing of the statement is published in the Government Gazette.
- (2) It is not necessary to comply with this section in the case of a statement —

- (a) that only revokes an existing statement; or
- (b) that only amends an existing statement if the amendment is of a machinery or administrative nature.

70C. Restrictions concerning section 70A(b) guidelines

- (1) A guideline made for the purposes of section 70A(b) has no effect until notice of its making is published in the Government Gazette.
- (2) On or before the 6th sitting day after notice of the making of a guideline is published in the Government Gazette, the Minister must ensure that a copy of the guideline is laid before each House of the Parliament.
- (3) A failure to comply with sub-section (2) does not affect the operation or effect of the guideline but the Scrutiny of Acts and Regulations Committee of the Parliament may report the failure to each House of the Parliament.
- (4) A guideline may be disallowed in whole or in part by either House of Parliament.
- (5) Part 5 of the **Subordinate Legislation Act 1994** applies to a guideline as if —
 - (a) a reference in that Part to a “statutory rule” was a reference to the guideline; and
 - (b) a reference in section 23(1)(c) of that Part to “section 15(1)” was a reference to sub-section (2).

70D. Advisory panel in relation to section 70A(c)

- (1) For the purposes of section 70A(c), the Minister and the Treasurer may appoint up to 8 people to form the advisory panel at any one time.
- (2) In appointing advisory panel members, the Minister and the Treasurer must attempt to ensure that the members of the panel collectively have skills, expertise or knowledge relating to —
 - (a) environment protection and conservation;
 - (b) issues relating to industry;
 - (c) economics and business management;
 - (d) local government;
 - (e) rural and regional affairs.
- (3) The Minister and the Treasurer are to determine the terms of appointment (including the remuneration (if any) and the allowances (if any)) of the members of the advisory panel.
- (4) The advisory panel must give the Authority a copy of all the recommendations it makes to the Minister and the Treasurer.

- (5) The Authority must include a copy of the recommendations in its annual report for the financial year in which the recommendations were made together with a list of all the grants that were made under section 70(6B)(b) in that financial year.

- (6) The Authority must also publish a copy of the recommendations and the lists of grants on its Internet site within 3 days after the annual report is tabled before a House of the Parliament.”’.

Reported to house with amendments.

Remaining stages

Passed remaining stages.

**LIQUOR CONTROL REFORM
(PACKAGED LIQUOR LICENCES) BILL**

Second reading

Debate resumed from 5 June; motion of Mr BRUMBY (Treasurer).

The SPEAKER — Order! As the bill requires to be passed by an absolute majority of the house and there are not more than 45 members present in the chamber, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

House divided on motion:

Ayes, 75

Allan, Ms	Leighton, Mr
Allen, Ms	Lenders, Mr
Asher, Ms	Lim, Mr
Ashley, Mr	Lindell, Ms
Baillieu, Mr	Loney, Mr
Barker, Ms	Lupton, Mr
Batchelor, Mr	McArthur, Mr
Beattie, Ms	McCall, Ms
Bracks, Mr	McIntosh, Mr
Brumby, Mr	Maddigan, Mrs
Cameron, Mr	Maxfield, Mr
Campbell, Ms	Mildenhall, Mr
Carli, Mr	Mulder, Mr
Clark, Mr	Naphine, Dr
Cooper, Mr	Nardella, Mr
Davies, Ms	Overington, Ms
Dean, Dr	Pandazopoulos, Mr
Delahunty, Ms	Paterson, Mr
Dixon, Mr	Perton, Mr
Doyle, Mr	Peulich, Mrs
Duncan, Ms	Phillips, Mr
Fyffe, Mrs	Pike, Ms
Garbutt, Ms	Richardson, Mr
Gillett, Ms	Robinson, Mr
Haermeyer, Mr	Rowe, Mr

Hamilton, Mr	Savage, Mr
Hardman, Mr	Seitz, Mr
Helper, Mr	Shardey, Mrs
Holding, Mr	Smith, Mr (<i>Teller</i>)
Honeywood, Mr	Stensholt, Mr
Howard, Mr	Thompson, Mr
Hulls, Mr	Thwaites, Mr
Ingram, Mr	Treize, Mr
Kosky, Ms	Viney, Mr
Kotsiras, Mr	Vogels, Mr
Langdon, Mr (<i>Teller</i>)	Wilson, Mr
Languiller, Mr	Wynne, Mr
Leigh, Mr	

Noes, 6

Delahunty, Mr (<i>Teller</i>)	Maughan, Mr (<i>Teller</i>)
Jasper, Mr	Ryan, Mr
Kilgour, Mr	Steggall, Mr

Motion agreed to by absolute majority.

Read second time.

Circulated amendments

Circulated government amendments as follows agreed to:

1. Clause 4, lines 30 to 33, omit paragraph (a) and insert —
 - “(a) a related entity as that term would be defined in section 9 of the Corporations Act if the words “or member” were omitted from paragraphs (d), (e) and (f) of that definition; or”.
2. Clause 4, page 5, after line 14 insert —
 - “(f) another body corporate —
 - (i) in which the subject body corporate, or a related body corporate of the subject body corporate, has any interest that gives the subject body corporate or related body corporate voting power of not less than 1% in the other body corporate, or entitles the subject body corporate or related body corporate to a dividend or distribution of profits in, or distribution of property on the winding up of, the other body corporate that is not less than 1% of the total dividend, distribution or property; or
 - (ii) in relation to which the subject body corporate, or a related body corporate of the subject body corporate, has an option or right to acquire an interest referred to in sub-paragraph (i); or
 - (g) another body corporate in circumstances where any other person has an option or right to require the subject body corporate, or a related body corporate of the subject body corporate, to acquire an interest referred to in paragraph (f)(i) in the other body corporate; or”.
3. Clause 4, page 5, line 15, omit “(f)” and insert “(h)”.
4. Clause 4, page 5, line 22, omit “(g)” and insert “(i)”.

5. Clause 9, page 11, after line 12 insert —
 - “(b) the transfer, before 1 September 2002, of a packaged liquor licence to a body corporate from any of its related bodies corporate; or”.
6. Clause 9, page 11, line 13, omit “(b)” and insert “(c)”.
7. Clause 9, page 16, line 16, omit “licensee” and insert “prospective applicant”.
8. Clause 9, page 18, line 6, omit “licensee” and insert “prospective applicant”.

Third reading

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

NATIONAL PARKS (MARINE NATIONAL PARKS AND MARINE SANCTUARIES) BILL (No. 2)

Committee

The SPEAKER — Order! The question is:

That government amendments 1 and 2 be agreed to, that the bill be read a third time and that the bill be transmitted to the Legislative Council and their concurrence desired therein.

House divided on question:

Ayes, 79

Allan, Ms	Lenders, Mr
Allen, Ms	Lim, Mr
Asher, Ms	Lindell, Ms
Ashley, Mr	Loney, Mr
Baillieu, Mr	Lupton, Mr
Barker, Ms	McArthur, Mr
Batchelor, Mr	McCall, Ms
Beattie, Ms	McIntosh, Mr
Bracks, Mr	MacLellan, Mr
Brumby, Mr	Maddigan, Mrs
Burke, Ms	Maxfield, Mr
Cameron, Mr	Mildenhall, Mr
Campbell, Ms	Mulder, Mr
Carli, Mr	Naphine, Dr
Clark, Mr	Nardella, Mr
Cooper, Mr	Overington, Ms
Davies, Ms	Pandazopoulos, Mr
Dean, Dr	Paterson, Mr
Delahunty, Ms	Perton, Mr
Dixon, Mr	Peulich, Mrs
Doyle, Mr	Phillips, Mr
Duncan, Ms	Pike, Ms
Elliott, Mrs	Plowman, Mr
Fyffe, Mrs	Richardson, Mr
Garbutt, Ms	Robinson, Mr

Gillett, Ms	Rowe, Mr
Haermeyer, Mr	Savage, Mr
Hamilton, Mr	Seitz, Mr
Hardman, Mr	Shardey, Mrs
Helper, Mr	Smith, Mr (<i>Teller</i>)
Holding, Mr	Spry, Mr
Honeywood, Mr	Stensholt, Mr
Howard, Mr	Thompson, Mr
Hulls, Mr	Thwaites, Mr
Kosky, Ms	Trezise, Mr
Kotsiras, Mr	Viney, Mr
Langdon, Mr (<i>Teller</i>)	Vogels, Mr
Languiller, Mr	Wilson, Mr
Leigh, Mr	Wynne, Mr
Leighton, Mr	

Noes, 6

Delahunty, Mr (<i>Teller</i>)	Maughan, Mr (<i>Teller</i>)
Jasper, Mr	Ryan, Mr
Kilgour, Mr	Steggall, Mr

Question agreed to.

Circulated amendments

Circulated government amendments as follows agreed to:

SCHEDULES

- Schedule 1, page 70, line 2, omit "3050" and insert "2770".
- Schedule 1, page 70, line 3, omit "4/1" and insert "4/2".

Remaining stages

Passed remaining stages.

**AGRICULTURAL INDUSTRY
DEVELOPMENT (FURTHER
AMENDMENT) BILL**

Second reading

Mr HAMILTON (Minister for Agriculture) — I move:

That this bill be now read a second time.

This bill implements the government's response to the national competition policy review of the Murray Valley Citrus Marketing Act 1989 of Victoria and New South Wales, which was jointly commissioned by the Victorian and New South Wales governments in 1998. Each act establishes the Murray Valley Citrus Marketing Board, which is based in Mildura and provides a range of research and market development services to the industry in the Victorian and New South Wales areas of the Murray Valley. While the two boards are legally two separate entities, they have effectively operated as a single entity.

The national competition policy review recommendations reflected the key conclusions that the boards should continue to be underpinned by legislation and compulsory levies but that direct market intervention powers of the boards should be repealed because they are anticompetitive and no longer relevant and that other elements of the legislation should be changed to make the boards more accountable to producers.

Following extensive consultation with the citrus industry, both governments accepted and agreed to implement all recommendations of the review. To implement the changes in the most appropriate legislative framework, it has been agreed that the Agricultural Industry Development Act 1990 of Victoria and the Agricultural Industries Services Act 1998 of New South Wales will be amended to enable either act to reconstitute the existing boards as a single entity which can exercise its functions in defined areas of both states.

The proposal to establish a single board recognises that, while the citrus industry in the Murray Valley is artificially divided by state boundaries, participants in the citrus industry have common needs and business interests on both sides of the Murray River and have always worked together effectively on industry activities. This legislation assists in relation to statutory support to foster cooperative industry development activities in the region.

Reconstitution of the citrus boards under the Agricultural Industry Development Act 1990 or Agricultural Industries Services Act 1998 has significant benefits. Both acts provide for the establishment of committees to administer compulsory charges collected from producers for research and market development services. The acts do not confer direct market intervention powers on committees and both have been amended recently to provide for increased accountability of committees to producers. As such, they provide a more appropriate legislative framework than the current citrus acts, which are obsolete and would require substantial amendment to comply with national competition policy obligations. Four committees are currently operating successfully under the Agricultural Industry Development Act 1990 for the wine grape, strawberry and tomato industries. Reconstitution of the boards under this act will bring all Victorian committees collecting compulsory charges under one act.

The proposal to reconstitute the two current citrus boards as a single entity in one state with extraterritorial operation in the production area of the other state

represents a significant step forward in interstate cooperation to achieve administrative efficiencies and deliver cost savings to both government and industry.

Legal advice to both the Victorian and New South Wales governments confirmed that state parliaments have legislative power to make laws of extraterritorial operation and that complementary legislative provisions are needed in both jurisdictions permitting the relevant government to consent to the formation of a committee with extraterritorial application and creating a mechanism for the government to give such consents.

The proposed process and indicative timetable for amending the legislation in both states and reconstituting the citrus boards are as follows:

The Victorian and New South Wales governments propose to achieve passage of legislation in 2002 to amend the Agricultural Industry Development Act 1990 of Victoria and the Agricultural Industry Services Act 1998 of New South Wales to introduce complementary provisions for extraterritorial committees, provide transitional arrangements relating to the citrus boards and provide for the repeal of the citrus acts following reconstitution of the boards.

Two intergovernmental agreements will specify certain administrative arrangements associated with the proposed extraterritorial arrangements. A generic agreement, proposed to be signed prior to commencement of the amending acts, will cover a process for resolving disputes between governments, provision of information to ministers about the operations of extraterritorial committees and obligations of governments before amending corresponding acts or extraterritorial instruments. A second agreement will cover specific issues relating to the proposed extraterritorial citrus order.

Following the passage of the amending legislation in both states, a poll of producers will be conducted in both states on the proposed reconstitution of the boards by an order made under the Agricultural Industry Development Act 1990. The citrus industry in both states has recommended that the boards be reconstituted under the Victorian act because the board office and the majority of both producers and citrus production are in Victoria. The poll will ensure that producers are fully informed of the consequences of their vote. The poll process could commence in November 2002 and be completed by March 2003.

If the polls in both states support the proposed extraterritorial order, the Victorian minister will make the order and it would be brought into operation when recognised by the New South Wales government. If the proposed reconstitution is rejected by either or both polls, both governments would consult with the industry to decide whether the existing boards should be dissolved or reconstituted under the Agricultural Industry Development Act 1990 of Victoria and Agricultural Industry Services Act 1998 of New South Wales on an intrastate basis.

I now turn to the main provisions in the bill.

The bill provides for extraterritorial operation of committees by amending the Agricultural Industry Development Act 1990 (the act) to make provision:

for committees established under the act to perform functions and exercise powers outside Victoria;

for committees established under corresponding legislation in another jurisdiction to perform functions and exercise powers in certain areas of Victoria; and

for the law of the jurisdiction under which the committee is established and certain associated laws to apply outside that jurisdiction.

To give effect to the proposed arrangements, most of the extraterritorial provisions in the bill will be mirrored in the amending legislation in New South Wales. The bill provides that the associated laws that would apply in the production area of the participating jurisdiction are those relating to the jurisdiction and procedures of courts and tribunals, judicial review of administrative decisions, jurisdiction of the Ombudsman, access to information held by public officials, protection of whistleblowers, protection of privacy of personal information and provision of financial and annual reports.

The bill empowers the Governor in Council, on the recommendation of the Minister for Agriculture, to declare:

another state or internal territory to be a participating jurisdiction;

an act of a participating jurisdiction to be a recognised act; and

an order, regulation or other instrument made under a recognised act to be a recognised instrument.

This establishes the basis for the application of laws in relation to producers of a commodity in specified production areas of Victoria and the participating jurisdiction.

While the bill provides that New South Wales is the only participating jurisdiction initially and that citrus is to be the first commodity to be covered by an extraterritorial order, the generic extraterritorial provisions could potentially apply to other jurisdictions and commodities in the future.

The interests of Victorian producers are protected in relation to an extraterritorial instrument made in another jurisdiction by providing that the minister must not recommend the declaration of a recognised instrument to apply in Victoria unless a poll of producers of the relevant producers has been held and the majority of votes cast by Victorian producers are in favour of the proposed instrument. Orders in council can also be disallowed by resolution of either house of Parliament.

The bill empowers the minister to make an extraterritorial order under the act to apply to producers of particular commodities in specified production areas of Victoria and a participating jurisdiction. The current general provisions of the act apply in relation to the preparation of a detailed report on the proposed order and the public consultation process conducted prior to a poll of producers in the proposed production area.

The interests of the government and producers in the participating jurisdiction are protected by providing that the minister must not direct that a poll be conducted unless the minister in the participating jurisdiction has agreed to the content of both the proposed order and report distributed during the public consultation process and the question to be put in the poll.

The minister can make the proposed order only if the majority of votes cast by producers in Victoria are in favour of the proposed order and the poll result in the participating jurisdiction would enable the minister in that jurisdiction to recommend that the proposed order be declared a recognised instrument. Provision is also made that the order does not take effect until it is declared to be a recognised instrument in the participating jurisdiction.

The bill makes special provisions for polls for proposed extraterritorial orders. The minister may authorise the conduct of a poll in the production areas of both Victoria and the participating jurisdiction. In the first poll to establish an extraterritorial committee, some poll provisions of the corresponding legislation in the participating jurisdiction must apply in the participating

jurisdiction. However, Victorian provisions apply in subsequent polls to continue the committee for the same commodity and production area.

The bill also provides that if a poll is conducted and the proposed extraterritorial order receives majority support in Victoria but does not receive sufficient support in the participating jurisdiction, the minister may make an order in substantially the same form to apply only in the Victorian production area without conducting a further poll.

The bill makes provision for a poll of citrus producers to be held within six months after the amending legislation receives royal assent on the question of whether the citrus board should be reconstituted by an extraterritorial order made under the act. Voting entitlements and the poll outcome needed to enable the minister to make the order are specified.

The bill provides that the Murray Valley Citrus Marketing Act 1989 will be repealed on 1 July 2004 or an earlier date to be proclaimed when the boards are reconstituted or dissolved. This will ensure that national competition policy obligations are met.

The bill also inserts a number of transitional and savings provisions relating to the operation of the proposed new reconstituted board. Some provisions of the Murray Valley Citrus Marketing Act 1989 are included in the bill as a transitional measure for the four-year term of the order establishing the new board. This maintains the obligation of approved receivers to collect and pay to the board the charges imposed on producers.

Transitional provisions relating to the appointment and obligations of approved receivers, the transfer of assets and liability of the current boards, membership of the new board and the successor in law of the current boards will apply when the current boards are reconstituted at a future date.

While not part of the response to the national competition policy review, the government recognised that the search and entry powers of authorised officers appointed by committees under the act are wider than required and in some cases are inappropriate. The bill inserts a number of new provisions to:

- enable orders to be able to restrict the powers of authorised officers to those required by the particular order; and

- require an authorised officer to obtain the consent of the occupier, or obtain a search warrant, before entering premises.

The bill provides a contemporary framework to enable Victorian primary producers with direct industry links to their neighbouring growers in another state to participate in industry development activities where they believe regional initiatives are appropriate. As a first step, the bill will provide a way of unifying the industry development activities of citrus growers in the Victorian and New South Wales areas of the Murray Valley.

I commend the bill to the house.

Debate adjourned on motion of Mr McARTHUR (Monbulk).

Debate adjourned until Thursday, 20 June.

COUNTY COURT JUDGES

Annual report

Mr HULLS (Attorney-General) presented, by command of the Governor, report for 2000–01.

Laid on table.

Remaining business postponed on motion of Mr HAMILTON (Minister for Agriculture).

ADJOURNMENT

Mr HAMILTON (Minister for Agriculture) — I move:

That the house do now adjourn.

Schools: class sizes

Mr HONEYWOOD (Warrandyte) — I call on the Minister for Education and Training to investigate and take action immediately on the release of data by her department relating to secondary school class sizes.

On the last day of February each year the Bracks government requires every primary and secondary school to provide it with actual class sizes. This information must be totally accurate as government schools receive their funding per student for the rest of the year purely on the basis of this census.

Each year for the past three years the government has provided the actual primary school class size information to the media within days of the department of education receiving the data from the schools. The government spin doctors massage the information to make it a good-news story. However, each year for the past three years this open and transparent government

has been curiously silent on secondary school class size data.

Last year, despite a freedom of information request from the opposition being submitted the day after the census day, it took nine months for this secretive government to release the information. It was finally released at 4.00 p.m. on the Friday afternoon of an Australian Football League semifinal. This was only after the state Ombudsman personally intervened and interviewed senior departmental personnel to ascertain why the information was not forthcoming.

We are now in June, some four months after the 2002 February class size census, and the Department of Education and Training has still not released the secondary school class size data to the opposition. The government does not seem to be interested in observing the 45-day statutory time limit applied to freedom of information requests.

Every year the Kennett government provided this same information within two months to the then Labor opposition. This information is obviously too sensitive for the Bracks government; otherwise, it would not be withholding it.

My reason for raising this issue tonight is to ask the minister why this information is being withheld. Does this minister, who is meant to be an improvement on the previous minister, have any intention of giving the opposition this data, or should I go straight to the state Ombudsman again to ensure that the information is handed over?

While we are well aware that the Bracks government has not provided one dollar to bring high school class sizes down in number, it should not be allowed to hide this important information from Victorian parents.

Echuca Adult Literacy Group

Mr MAUGHAN (Rodney) — I wish to raise a matter for the attention of the Minister for Education and Training concerning funding for the Echuca Adult Literacy Group. This group is a voluntary organisation that has been operating in Echuca for the last 21 years.

The volunteer tutors undertake a day's training at the Campaspe College of Adult Education and then give freely of their time, usually in a one-to-one situation, to assist people who want to improve their literacy. I pay tribute to those volunteers who have devoted an enormous amount of time over many years to providing adult literacy training in Echuca.

Over the years this group has made a significant contribution to improving literacy in the Echuca community and has built up a very valuable collection of books that are housed in the community library. Last year, for example, these books were accessed a total of 321 times. They are accessed by a wide range of groups, including the Echuca campus of Bendigo TAFE, teachers, Campaspe college tutors, Echuca Secondary College, volunteers for the Make a Difference program, carers from Murray Human Services and members of the public. As I said, 321 items were loaned last year.

In 2001–02, 21 voluntary tutors provided assistance and training for 22 students. These are adults, including some mature-age people, who are getting literacy training for the first time. So 21 voluntary tutors catered for 22 students in the year just past — a very significant contribution to the lives of those people.

Until this year, Campaspe College of Adult Education had received the measly but very significant sum of \$1000 per annum from the adult, community and further education board to assist the literacy group. So for \$1000 a year the government has been getting one-to-one literacy training for a group of 20-odd adults in the Echuca community. Unfortunately, that funding has now ceased and the Echuca Adult Literacy Group, with a record of long and valuable service to the community at a negligible cost to the government, can no longer continue to operate.

I therefore ask the minister to review the decision of the adult, community and further education board so that this very valuable and cost-effective service to the community can continue until there are sufficient fully trained and accredited tutors available to attract funding under the new guidelines.

Calder Highway: funding

Ms ALLAN (Bendigo East) — I raise for the Minister for Transport the matter of funding for the Calder Highway to Bendigo. I ask the minister to take urgent steps to progress the completion of the Calder Highway duplication between Melbourne and Bendigo, and specifically the works on the Kyneton–Faraday section.

I ask him also to take up with the federal government the matter of outstanding funding for this part of the duplication. The 2006 deadline set by the Bracks government for the completion of the highway has been put at risk by the federal budget handed down one week after the state budget, which failed to match the state's

contribution of \$70 million needed to complete that section of the Calder Highway.

Under the roads of national importance (RONI) agreement the federal and state governments contribute on a fifty-fifty basis. In the state budget brought down last month the Treasurer announced a contribution of \$70 million for the Calder Highway; however, just one week later the federal government again refused to fund the highway duplication to Bendigo. We also note that this is a highway that had City Link tolls placed on the end of it by the former state government.

The federal Minister for Transport released a plan just after the tabling of the federal budget to shake up the way transport projects around the nation are funded. His plan is called Auslink. I now fear for the future of the Calder Highway duplication under this new Auslink plan, because there is certainly no commitment in it by the federal government for further duplication of the road.

I was horrified to read on the AAP news service that federal Minister Anderson, in talking about his Auslink plan, stated that he did not rule out road tolls and that shadow tolls may be considered and introduced as part of the Auslink package. I am very worried that Calder Highway motorists will again be slugged with tolls — slugged again by a Liberal government — on this important road link to Melbourne. It is a double whammy: whacked at the state level by City Link tolls, and now the potential for Calder motorists to have their highway duplication to Bendigo also subject to tolls. The commonwealth is turning its back on the RONI agreement, which has been in place for a number of years.

The Calder Highway duplication is vital. Consider the importance to road safety, particularly after the past three tragic weeks on our Victorian country roads, as well as to economic links between Melbourne, Bendigo and points beyond Bendigo for the movement of freight. It is a vital link between our regional centre of Bendigo and the capital city of Melbourne.

We are tired of the federal government refusing to meet its commitment under the RONI agreement to fund the Calder Highway duplication.

Yarra Ranges: Upper Yarra

Mrs FYFFE (Evelyn) — My request to the Minister for Planning for action concerns an issue I raised with the previous Minister for Planning — the reclassification of the Upper Yarra region from urban to rural.

On 30 October 2001 I tabled a petition in this house signed by 2545 residents of the Upper Yarra Valley. I wrote and sent copies of the petition to the Premier, the Minister for State and Regional Development, the Minister for Local Government and the former Minister for Planning. The Premier and the Minister for State and Regional Development, as well as the Minister for Planning, advised me that it was the responsibility of the Minister for Local Government and forwarded my correspondence to him. The Minister for Local Government advised me it was the Minister for Planning's responsibility and referred it to the then Minister for Planning.

Eight months later I am still waiting to hear. I am really concerned about this matter because it appears that no-one seems to know who has responsibility for this area, and no-one is responding to the letters. Does anyone have any idea which minister is responsible for what in this government? It is nearly eight months now since we wrote the letters and the petition was tabled in good faith. The residents of the Upper Yarra Valley are still waiting for some response from the government.

A clear response could assist the residents in accessing important programs in health, emergency services, rural industries and tourism; yet again they are left waiting. I urge the Minister for Planning to take action and respond to my letter and to the 2545 people who showed their concern. They have waited patiently for a response to their position.

Excuses are given that it is an interface council. That excuse seems to be given to nine councils around Melbourne. We are missing out on funding that is supplied by the government to rural councils and not to Upper Yarra, which is a rural area. I urge the minister to respond to the petition and to my letter.

Disability services: advocacy

Mr VINEY (Frankston East) — I raise a matter for the attention of the Minister for Community Services. As a member of the Bracks government I am proud to be part of a government that strongly supports advocacy and recognises its importance in protecting the rights of people, particularly those with disabilities. The action I seek is for funding support of advocacy groups involved in disability rights and services, especially in Frankston and on the Mornington Peninsula.

Advocacy for vulnerable people works on a number of levels, including strengthening communities, improving access to infrastructure and transport, meeting the housing needs of people with a disability, strengthening

access to work and employment, and providing accessible information to people with disabilities in our community. These are examples of the numbers of issues that were raised when I conducted consultations during the development of the state disability plan.

I remember well the consultations in the Frankston community, which in excess of 100 people attended. Advocacy for people with a disability emerged out of those consultations as one of the two or three top priority issues, along with housing and respite services.

Advocacy groups had a tough time under the former government because they were defunded — indeed, a number of them were decommissioned and destroyed by the former Kennett government. I am committed as a member of this government to seeing that there is a redevelopment of strong and effective advocacy programs for people throughout Victoria with disabilities and particularly, of course, people in my electorate of Frankston East and further down the Mornington Peninsula and the wider Frankston region.

I will continue to work with people with disabilities to ensure that local communities are opened up and that community services are made accessible to people with disabilities. I believe that if the minister is able to provide additional support to some groups in the community who are focused on advocacy services this work will be much easier. At present the government funds a number of statewide advocacy organisations. What I am seeking from the minister is for this to be extended to those organisations that have a local base in supporting people with a disability and helping them to achieve their potential in life and to achieve their aspirations and goals.

Boisdale Consolidated School

Mr INGRAM (Gippsland East) — I raise an issue with the Minister for Gaming for the attention of the Minister for Education Services in another place in relation to the Boisdale Consolidated School and the school's catchment area for bussing students to that school. As a consolidated school — and I understand there are only two in the state — it relies heavily on school buses to deliver its students to the school.

The action I seek is for the minister to review the guidelines that currently exist that say basically that school buses are provided to the nearest school. I would like to see that changed and special circumstances considered because of the make-up of the area and the combination of the number of schools, so that traditional bus routes are maintained because of the nature of the population there.

The schools that were consolidated to make the Boisdale school are Boisdale State School, Boisdale Estate School, Llowalong Primary School, Tinamba Primary School, Newry Primary School, Upper Maffra West Primary School and Valencia Creek Primary School. Upper Maffra West Primary School, which was the original school, is now closer to the Maffra Primary School, so every time a family grows older or the share farmers on a particular farm get old and the kids do not necessarily go to the primary school, when a new farmer comes in with young children, because the closest school then is at Maffra, they are losing their catchment area.

The action that the community and the school council are seeking is to have the area of the original site for the school that was consolidated to the new site made the centre of the nearest school. This is a dairy farming area. There are large numbers of roads that go through and from there. There are currently buses going from Maffra to the Boisdale Consolidated School. There are also buses in that area going to Maffra.

As the Minister for Education Services has recently given the go-ahead for an upgrade of the Boisdale Consolidated School, the last thing we need is for the catchment area and the number of students that can go to that school to be diminished, because the parents, the teachers and the students are very happy with the area. It is a lovely site in an agricultural area. It has a good outlook. It was originally an agricultural school. The parents are very keen to make sure their students can have the best education at the school of their choice and that they can honour the original agreement of the Boisdale Consolidated School decision.

Warrnambool Regional Rifle Range

Mr VOGELS (Warrnambool) — Through the Minister for Gaming I seek action from the Minister for Sport and Recreation in the other place with regard to the Warrnambool regional rifle range facilities at Lake Gilliar. The action I seek is for the minister to ask his department to have another look at the funding application made by the rifle range, acting on the minister's advice.

I would like to read from a letter I have received from Doug Clark, the secretary of that rifle association, which states:

It is with regret that I have to advise you that an application from this association with endorsement from the Warrnambool City Council, and forwarded to the Department of Sport and Recreation, has not been successful. This association, at the invitation of the Minister for Sport and Recreation, the Honourable Justin Madden, MP, sought a

grant of \$100 000 payable in two instalments of \$50 000 (in 2002–2003 and 2003–2004).

The grant was to assist in bringing the current facilities at the new rifle range up to Commonwealth Games competition standards in order that Australian and overseas teams from commonwealth countries could come to Warrnambool for training and practice purposes prior to the 2006 Commonwealth Games in Victoria.

During a visit of state cabinet to Warrnambool in October last year, the minister ... seemed very impressed with the new facilities and agreed that by adding the required components to comply with Commonwealth Games shooting standards, that pre-Commonwealth Games trials could readily be accommodated at Warrnambool.

Mr Clark states that this is a 'major setback to both Warrnambool City Council's and this association's plans'.

I ask the minister to take action to get his department to have another look at this application and see if it can be reassessed because it is a fantastic facility which, when the minister was down there and had a look at, he agreed should be funded and would be funded, and it has not happened, so I am asking the minister to have another look.

Geelong: ethnic community facilities

Mr LONEY (Geelong North) — The matter I wish to raise is for the attention of the Minister assisting the Premier on Multicultural Affairs. I draw to the minister's attention the many fine ethnic community groups and facilities within my electorate and seek his action to give support to a number of those that are seeking to improve their facilities at the current time.

Within the Geelong North electorate there are at last count around 80 different groups of various ethnic backgrounds, representing a wonderful tapestry in our community and giving vast service to it. We also have the services of the Geelong Ethnic Communities Council, which has been very valuable in the area. People like Jordan Mavros and Michael Martinez from that organisation have been valuable servants over many years.

Throughout the Geelong North area there are many communities that have established their own facilities — many some years back — and those facilities have generally been established with volunteer labour and fundraising from within those organisations, things these groups go through as a matter of course. A number of the buildings are now ageing somewhat and they need to fund improvements to them. Among them are the Hellenic orthodox community in Geelong, which is seeking to upgrade its community hall and its car park and to give some attention to its floor boards

and improve its coolroom facilities. The Association of Ukrainians in my area is seeking to install reverse cycle airconditioning, improve the security lighting in its car park and do a little bit of work to its kitchen benches. Similarly, the German Karneval Society and the Filipino Australian Friendship Association are seeking funding for improvements to their facilities.

I ask the minister to take action quickly to ensure that these facilities are allowed to be improved by ensuring that funding is available from the government so that these works can go ahead.

Payroll tax: small business

Dr NAPHTHINE (Leader of the Opposition) — I wish to raise a matter for the attention of the Treasurer, and in his absence the Minister for Gaming, who is at the table. The action I seek from the Treasurer is that he adopt Liberal Party policy to reduce payroll tax to 4.95 per cent to make Victoria a more attractive place for investment and to help retain jobs in the state of Victoria.

The reason I raise this today is because I have just received a letter from Rod Kaye, the managing director of Senselle Foods Pty Ltd in Northcote. The letter reads as follows:

This morning when I went to work I was employing 23 people in full-time positions. By the end of the day I had told three of the staff they were to be made redundant. Two of these staff members were retrenched due to a slow-down in business but the third staff member was retrenched because this year for the first time we are liable to pay payroll tax of approximately \$37 000.

This figure represents the cost of employing one full-time person and the state government through this tax has entered the payroll as a phantom employee. In order to sustain the viability of my company I have no alternative but to make redundant a real employee in order to accommodate the government's phantom.

Today has been personally very difficult for me, and it is made worse by the fact that one person will be unemployed solely because of a lazy and regressive government tax.

They are pretty harsh words from this employer, but I am sure it is nothing compared to how the employee who has lost his job must feel. He is losing his job simply because this government has failed to adopt Liberal Party policy to significantly reduce payroll tax in this state.

The Bracks Labor government is now collecting \$578.3 million more in payroll tax than was collected when it came to government — a 27 per cent increase. Indeed in next year's budget, even after the government's so-called reduced payroll tax — its

Clayton's tax cuts — people in Victoria will be paying 3.9 per cent more in payroll tax than they are paying this year.

Businesses in Victoria are paying far too much in payroll tax, and we are losing jobs and investment because of it. I urge the Treasurer and the Bracks Labor government to adopt the Liberal Party policy of a 4.95 per cent rate — a much more competitive payroll tax rate for the state of Victoria.

Employment: seniors

Mr STENSCHOLT (Burwood) — I ask the Minister for Senior Victorians to take action to help people over 45 in my electorate and the surrounding area get back into employment.

For some time I have been working with a local employment initiative — the 45Plus Workforce project — helping local people who are unemployed. This grew out of the community jobs program, which provides \$50 million over three years to create new jobs. I launched this project in September last year, and it was supported by the City of Boroondara, the City of Maroondah, Jobs East, and the Swinburne University of TAFE.

The original project provided training packages for some 12 participants over 45, with the aim of producing a best practice manual to assist other workers in their job searches throughout the eastern region. It was a great success. Once started, the idea grew into setting up a matching self-help employment service for those over 45. The City of Boroondara has agreed to provide office space in Camberwell. Seed funding is necessary to get the new service going, and those involved are looking to make it a self-funding service in the longer term. It has now turned to me for help.

John Kerr, the chairman of 45Plus Workforce, wrote to me in March this year, just after an application for funding under the commonwealth regional assistance program had been rejected. Everyone had said it was a good idea — they had even talked to federal Liberal ministers and members — but no action was taken. The Abbot and Costello show had knocked them back. In the letter he said to me that this program:

... has proved that a determined, resourceful and experienced group of unemployed and underemployed workers do have the ability to define and respond to their own support needs and to effectively promote their capacity to employers.

He also said in the letter:

Many experts believe that 45Plus Workforce Inc. will develop and promote a model that other areas with a similar

age demographic will be able to replicate. A model that relies on empowering the unemployed to draw on their own skills, experiences, qualifications and networks to further their own unemployment opportunities —

and administer self-help. The letter goes on:

Late last week, our application for 'seed' funding under the commonwealth regional assistance program ... was rejected. Unless we find alternative and immediate financial assistance it is likely the centre will not proceed and many of the estimated thousands of 'hidden unemployed' in the region will not get the type of help that they really need. This innovative self-help model will be unlikely to ever reach its potential — a wasted opportunity.

I call upon the minister to support this initiative and get out there and help unemployed people over 45 — the difficult ones, the ones who have been cast on the slagheap of unemployment by the Liberal federal government and by the Kennett government as well. I still see lots of teachers — —

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

Walwa and District Bush Nursing Hospital

Mr PLOWMAN (Benambra) — I wish to raise a matter for the attention of the Minister for Health. I must say that the little town of Walwa in the far north-eastern part of the Upper Murray is certainly extraordinarily busy today. They have got *A Current Affair*, *This Day Tonight*, and the *7.30 Report* up there, and today Mr Ronald Walker flew up there and offered, on behalf of his wife Barbara, a gift of \$150 000, which is an extraordinarily generous gift to that little community and its hospital.

An article on the front page of today's *Herald Sun* and the editorial both spelt out the story that this hospital is desperate and is about to close.

The federal government press release from Kay Patterson, the federal Minister for Health and Ageing, states:

When an agreement was signed with the management committee of the Walwa Bush Nursing Hospital on May 28 to change the operation of the facility to ensure its long-term viability and continue to meet the health care needs of local residents, I instructed my department to take steps to ensure that Mrs Peacock —

who is an 83-year-old lady suffering from cancer —

was able to remain at the hospital and to receive care and treatment.

I am delighted to hear that news, as is everyone at Walwa.

I have written to the Minister for Health — I have been communicating with him for the past three or four months about this matter — and I received a response from him in which he said:

I assure you ... of my commitment ... to ensure Walwa has local emergency-stabilisation services ... and access to aged accommodation ...

I ask the minister to meet that commitment. I ask him to make that commitment publicly and I ask him to do it today. I also ask if he will make that commitment to the 24-hour accident emergency service which is required by that community because it is so isolated.

I also ask that he agree to meet the deputation of people from the hospital board and the community support group who wish to come down next week to meet with him.

Electricity: special payment

Mr SEITZ (Keilor) — I refer to the Minister for Energy and Resources in another place the issue of the special power payment of \$180 million for equalisation for regional Victoria and I ask her to ensure that the full benefit goes to the consumers and not to those privatised companies to use as a further reason to increase power prices in regional Victoria. After all, the government has met its obligation and I congratulate the minister for having made the \$180 million available for that equalisation of electricity prices for regional Victorians. The consumers should have the benefit of that funding and I do not want the energy suppliers to utilise it for their benefit.

The DEPUTY SPEAKER — Order! The honourable member's time has expired and the time for raising matters in the adjournment debate has expired.

Responses

Mr PANDAZOPOULOS (Minister for Gaming) — The honourable member for Geelong North raised again the importance to Geelong of ethnic communities. It has been a strongly multicultural area from its earliest days. The first non-indigenous migrant to the area was William Buckley, who escaped from custody on the Mornington Peninsula. He found his home with local indigenous communities and was probably the first white person to appreciate the need for reconciliation and for an understanding of our indigenous communities.

It has been a very multicultural community since the gold rush years and in particular during the postwar years as the community serviced the many wonderful

manufacturing operations in Geelong, including the Ford Motor Company. That period is a key date in the establishment of many ethnic community organisations in Geelong. The honourable member mentioned a number of those organisations whose members — as is usual for ethnic communities — put their hand in their pocket first, raise their own dollars, buy their land and build their community buildings to service and support their community members.

Until the election of the Bracks government there was no financial support to help renovate buildings that needed upgrades because of wear and tear, et cetera. Many are ageing communities which developed their facilities a few years ago, and it is very hard to fundraise for kitchen upgrades, floor upgrades and those sorts of things.

The Bracks Labor government did commit in the election campaign to introducing a \$250 000 program of capital works to help communities that own their buildings. I am pleased to be able to announce to the honourable member and to the house that four groups in the City of Greater Geelong who applied for funding have been successful and will receive upgrades.

The total amount of funding is in the order of about \$18 000 for the four groups. The largest amount of \$7500 goes to the Association of Ukrainians in Victoria, Geelong branch, out at Lovely Banks in the honourable member's electorate — that is certainly a nice-sounding name for a local area. I congratulate the Ukrainian community in that area for the wonderful work they do. I have met many of them on different occasions.

The second-highest grant of \$6500 goes to the German Karneval Society of Norlane. I have visited them with the honourable member for Geelong. They have a wonderful building and when you walk through it you certainly get that great German feel, but there are things they need to do and they will be putting their own resources into those as well, as all the multicultural communities do.

The third group that applied for funding is the Hellenic Orthodox Community of Geelong in Bell Park and they get a grant of \$3000 for their upgrades. It was wonderful to see a whole busload of members of the Geelong Greek community at the Royal Exhibition Building the other night to welcome the President of the Hellenic Republic, Mr Stephanopoulos, and I congratulate them on being awarded their grant.

The Filipino Australian Friendship Association of Geelong at Norlane received a grant of \$1000, and I

have visited them as well in the past. I congratulate all of those community groups for the great and wonderful work they are doing.

Other members have raised issues — —

Mr Honeywood — On a point of order, Deputy Speaker, three very important education issues have been raised in the house today and yet again this education minister is hiding down in her office and is not willing to come up and address members on the last day of the sitting. We will now have to wait many, many months to have these issues addressed, if ever, by way of letter from the minister. I call on the Minister for Education and Training to come out from skulking in the corridors and come up and answer the three very important education issues that affect children in the state of Victoria, rather than leaving them to be flick-passed to a minister who will never follow through so we will never hear another thing about the issues again.

The DEPUTY SPEAKER — Order! There is no point of order.

Mr PANDAZOPOULOS — The honourable member for Warrandyte raised a matter for the Minister for Education and Training in relation to the release of the secondary school class sizes data. I will pass that request on to the minister.

The honourable member for Rodney also raised a matter for the Minister for Education and Training, seeking a review of a decision, as in the past the Echuca Adult Literacy Group has received funding from adult, community and further education. I will pass that on to her.

The honourable member for Bendigo East raised for the Minister for Transport the matter of the Calder Highway to Bendigo upgrade, with a particular focus on the Kyneton–Faraday section and cash-flow issues with the federal government in relation to ensuring that that project opens on time. It was wonderful to see improvements on the Calder Highway when I went up to Geelong for the Easter Fair for the first time ever and attended the opening of — —

An Honourable Member — You went along the Calder?

Mr PANDAZOPOULOS — Sorry, in Bendigo. I took the long way around. The opening of the Woodend bypass has certainly meant that you can get from Bendigo to Dandenong in a couple of hours. I do not know how long it takes to go via Geelong, though.

The honourable member for Bendigo East also raised her great concern about a letter of response she has received from the Deputy Prime Minister and about him raising the possibility of tolls or shadow tolls on the Calder Highway. There is no doubt that after having been hit with tolls to get into Melbourne, the last thing the people from Bendigo, Echuca and beyond want is additional tolls. I will pass the matter on to the Minister for Transport.

The honourable member for Evelyn raised a matter for the Minister for Planning concerning classifications of the Upper Yarra region from urban to rural. I am not sure whether it was a planning issue or an issue about its formal classification as part of metropolitan Melbourne or non-metropolitan Melbourne. I often see letters that may have got a bit of a run-around between different ministers because the letters are not always clear about what the issue is and where it sits in government. Interface issues are obviously important and the government has many new programs that regional Victoria can benefit from. These issues have been raised with government in the past. I will pass that on to the Minister for Planning.

The honourable member for Frankston East raised a matter for the attention of the Minister for Community Services. He rightly argued for support for advocacy groups for disability rights, not only for statewide organisations but also for locally based organisations such as those in the Frankston and Mornington Peninsula area that he services. I will pass that matter to the minister.

The honourable member for Gippsland East raised a matter for the Minister for Education Services in another place about reviewing guidelines about the Boisdale Consolidated School catchment area. Buses are provided to the nearest school. The honourable member was asking for special consideration and for a review of the guidelines. I will pass on that matter to the minister.

The honourable member for Warrnambool raised a matter for the Minister for Sport and Recreation in the other place about Warrnambool's regional rifle range at Lake Gilliar. I thank the honourable member for raising the matter. He asks for a review of the application process and argues that the Warrnambool area would be a great area for athletes to train for the Commonwealth Games. I will pass that to the minister.

The Leader of the Opposition raised a matter for the Treasurer about accepting Liberal Party policy — I'm pleased there is one! — to reduce payroll tax to 4.9 per cent. He referred to a letter to him from a business person in Northcote.

He talked about lazy, regressive taxes. It is not a tax that this government introduced; in fact, it has reduced payroll tax and overall taxes to business have been reduced by \$1 billion over four years.

We are reducing payroll tax and other taxes. Our tax regime ensures Victoria is highly competitive in Australia. He also said we are earning more tax. That is what happens when you have a strong economy. Again today Victoria has recorded a 5.7 per cent unemployment rate.

Dr Napthine — Thank you, John Howard.

Mr PANDAZOPOULOS — He says, 'Thank you, John Howard'! Victoria has had the lowest unemployment rate in Australia for two months in a row. We have put 14 007 people into work in the last month, with an increased participation rate of 5.3 per cent. If you have more people in jobs, you collect more payroll tax and taxes overall. I suppose that is not good enough for the opposition — to be able to have a strong economy. When you reduce taxes, as we have, you reduce them in a fiscally responsible way rather than in a grab bag of promises that the opposition would never deliver.

Dr Napthine interjected.

Mr PANDAZOPOULOS — Thank you very much. I will pass that on to the Treasurer.

The honourable member for Burwood raised a matter regarding senior Victorians — something I am aware of — concerning the 45Plus Workforce project that is a self-help employment service. He said they needed seed funding and referred to the community jobs program for which I, as the Minister for Employment, am responsible, and to the success of that project.

The group members worked out that to be able to have seed funding they needed to be able to provide a service to unemployed people aged over 45 in many communities in the eastern suburbs region. There may be the perceived view that because the eastern suburbs do not have an unemployment rate as high as that of other areas, the eastern suburbs do not have pockets or areas about which we should not be concerned.

There are many people to service in the over-45 community who unfortunately have found themselves unemployed. I know they sought federal government assistance, but as usual, unfortunately, they have been rejected.

I am pleased to announce to the honourable member that a joint project between me, as Minister for

Employment, and the Minister for Senior Victorians will provide matching funding of \$22 000 each to the organisation so that the seed funding they could not get from the federal government they will get from us. It is strongly supported by regional councils. The City of Boroondara is to provide considerable in-kind support in the use of facilities. There are a lot of hidden unemployed in the area.

Mr Stensholt — What about Mitcham?

Mr PANDAZOPOULOS — Hang on, I'll tell you about it. The City of Boroondara is doing a great favour for all the eastern suburbs councils because it is actually intending to service and be supported by Whitehorse, Manningham, Knox and Maroondah councils, and the Shire of Yarra Ranges. We thank them very much for their perseverance. I am disappointed the federal government is not supporting them. I thank the honourable member for Burwood for taking the baton for them and pursuing the matter. As the Minister for Employment I am pleased to be joining with the Minister for Senior Victorians to be able to jointly fund and provide the seed funding for the project.

The honourable member for Benambra raised a matter for the Minister for Health about Walwa and District Bush Nursing Hospital. It is good to see that the publicity that has been occurring for a long time about Walwa seems to be gaining momentum. He has raised issues about the Minister for Health supporting emergency funding for Walwa and wishes to have the minister meet a deputation next week.

I will pass the request to the minister, but it is pleasing, if I have heard it correctly, that the federal government has finally responded.

Honourable members interjecting.

Mr PANDAZOPOULOS — We thank Ron Walker for the contribution he has been making, and I will pass on that matter to the minister.

The honourable member for Keilor raised a matter for the attention of the Minister for Energy and Resources in the other place about the special power equalisation payments of \$118 million. He said he wanted to ensure through assurances that the full amount goes to consumers. I will pass that to the minister.

In closing, I wish all members well over the winter break, and I will see you all in September.

Motion agreed to.

House adjourned 5.50 p.m.

QUESTIONS ON NOTICE

*Answers to the following questions on notice were circulated on the date shown.
Questions have been incorporated from the notice paper of the Legislative Assembly.
Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.
The portfolio of the minister answering the question on notice starts each heading.*

Tuesday, 4 June 2002

Premier: ministerial officers

555. MR KOTSIRAS — To ask the Honourable the Premier — what are the names of each ministerial officer employed by the Premier and the date that each ministerial officer employed by the Premier — (a) commenced employment; and (b) signed a pecuniary interest form.

ANSWER:

I am informed that:

Ministerial officers currently sign a pecuniary interest form at the point of employment.

This pecuniary interest form is generally updated on an annual basis.

Police and emergency services: drug testing of drivers

728. MR WELLS — To ask the Honourable the Minister for Police and Emergency Services —

- (1) How many drivers were detected and charged for driving while under the influence of drugs in 2001.
- (2) Of those drivers, how many were detected in each of metropolitan Melbourne and rural and regional Victoria.
- (3) How many drivers were convicted for driving while under the influence of drugs during 2001.
- (4) How many alleged offenders still remain unconvicted within the prosecution system as at 31 December 2001.

ANSWER:

I am informed as follows:

- (1) 185 drivers were detected and charged for driving while under the influence of drugs from 1 January to 31 December 2001.
- (2) Of those drivers, 154 were detected in metropolitan Melbourne and 31 were detected in rural Victoria.
- (3) 35 drivers were convicted of driving while under the influence of drugs during 2001. 5 drivers died before the court hearing and 8 were referred for driver licence review on medical grounds.
- (4) 137 alleged offenders are within the prosecution system.

Transport: complaints about taxidriviers

745. MR LEIGH — To ask the Honourable the Minister for Transport — how many complaints were reported to the Victorian Taxi Directorate, for each year between 1994 and 2001 inclusive, regarding each of illegal taxidriviers, rude behaviour, lack of knowledge of destination and/or routes, sexual assault, overcharging and the taxi industry generally.

ANSWER:

The number of complaints reported to the Victorian Taxi Directorate relating to the taxi industry for each year between 1996 and 2001 is provided in the attached spreadsheet.

Data relating to taxi industry complaints was not collected prior to 1996.

Number of taxi industry complaints reported to the Victorian Taxi Directorate between **1996 and 2001

Code Description	1996	1997	1998	1999	2000	2001
Illegal taxi drivers	3	8	3	1	1	4
Taxi Driver behaviour/conduct: Description: e.g. rude, aggressive, uncooperative behaviour towards passengers and acting in an unprofessional manner	200	293	201	163	363	484
Lack of knowledge of destination and/or routes	102	105	136	157	154	151
Assault by driver (sexual)	27	0	0	0	0	0
Assault by driver (non sexual)	35	30	33	26	56	31
Overcharging	66	43	64	88	144	151
Vehicle condition	10	28	2	23	24	16
Drinking	5	9	9	5	8	6
Drugs	1	1	0	0	6	4
Complaints against Wheelchair Accessible Taxi drivers	3	5	8	31	31	26
Multi Purpose Taxi Program voucher Fraud	29	38	27	45	33	41
Non arrival of booking	32	13	29	20	74	23
Refuse to pick up passenger	74	93	61	78	97	86
Smoking	12	11	11	25	12	14
Theft against passenger	17	11	6	10	17	17
Out of Uniform	3	0	4	5	5	5
General complaints *	10	14	10	8	10	13
TOTAL	629	702	604	685	1035	1072

* General includes complaints regarding a range of matters other than those above; e.g. arson, carrying animals, passenger evades paying fare and taxi rank incidents.

** Data relating to taxi industry complaints was not collected prior to 1996.

Transport: penalties issued by the Victorian Taxi Directorate

746. MR LEIGH — To ask the Honourable the Minister for Transport with reference to penalties issued by the Directorate, for each year between 1994 and 2001 inclusive, regarding each of illegal taxi drivers, rude behaviour, lack of knowledge of destination and/or routes, sexual assault, overcharging and the taxi industry generally —

- (1) What was the total number of penalties issued in each category for each year.
- (2) What was the total financial or other penalties (eg suspension of licence) issued in each category for each year.

ANSWER:

The total number and financial amount of the penalties issued by the Victorian Taxi Directorate relating to the taxi industry for each year between 1996 and 2001 is provided in the attached spreadsheet.

Data relating to taxi industry penalties was not collected prior to 1996.

**What was the total number of penalties and financial or other penalties
(eg suspension of licence) in each category for each year**

From 1996–2001 inclusive

	Offence Code	Description	Penalty amount \$	1996 Penalties	1996 \$ Total	1997 Penalties	1997 \$ Total	1998 Penalties	1998 \$ Total	1999 Penalties	1999 \$ Total	2000 Penalties	2000 \$ Total	2001 Penalties	2001 \$ Total
	0525	Causing undue obstruction	60		0		0		0		0		0		0
	0530	Leave vehicle on footpath	60	1	60		0		0		0		0		0
	0538	Within 9 metres of intersection	100		0		0		0		0		0		0
	0550	Contrary to signs associated with area	60		0		0		0		0		0		0
	0714	Stopped in a no parking area	20		0		0		0		0		0		0
	0726	Stopped in a taxi zone (non-taxi)	60		0		0		0	2	120	43	2,580	106	6,360
	0727	Stopped in a bus zone (non-taxi)	60		0		0		0			3	180	5	300
	0783	Stopped – obstruct access to a passageway	60		0		0		0			1	60		0
	0793	Stopped in a no stopping area	100		0		0		0	2	200	6	600	14	1,400
	1908	Use unsafe large vehicle – does not comply with Standards	325		0		0		0		0		0		0
	2001	Exceeding Speed Limit (15-30km)	165	16	2,640	21	3,465	18	2,970	16	2,640	18	2,970	5	825
	2002	Exceeding Speed Limit (0-15km)	105	11	1,155	29	3,045	16	1,680	29	3,045	15	1,575	15	1,575
	2005	Exceeding Speed Limit (40km)	300		0		0		0		0		0		0
S	2006	Exceeding Speed Limit (45km)	360		0		0		0		0	1	360		0
S	2007	Exceeding Speed Limit (50km)	360		0		0		0		0	1	360		0
	2011	Fail to give way to pedestrian	165		0		0		0		0	2	330		0
	2024	Fail to stop/remain stationary at level crossing	165		0		0		0		0		0		0

**What was the total number of penalties and financial or other penalties
(eg suspension of licence) in each category for each year**

From 1996–2001 inclusive

Offence Code	Description	Penalty amount \$	1996 Penalties	1996 \$ Total	1997 Penalties	1997 \$ Total	1998 Penalties	1998 \$ Total	1999 Penalties	1999 \$ Total	2000 Penalties	2000 \$ Total	2001 Penalties	2001 \$ Total
2032	Driving on wrong side of divided highway	165		0	1	165		0		0	6	990	12	1,980
2037	Fail to keep as far left as practicable	105		0				0		0	5	525	1	105
2038	Fail to stay within lane markings	105		0		0		0		0	2	210		0
2039	Diverge when unsafe	135	1	135		0		0		0		0		0
2041	Pass to right or left of tram	165				0		0		0	3	495	3	495
2043	Overtake vehicle on left/at unsafe distance	165				0	1	165	1	165		0		0
2051	Fail to give signal	105	1	105		0	2	210	5	525	7	735	1	105
2062	Make incorrect left/right turn	75				0	2	150	1	75	4	300	3	225
2063	Enter roundabout from wrong marked lane or line of traffic or disobey traffic lane arrows	75				0					1	75		0
2071	Fail to have headlights	135				0			3	405	1	135		0
2073	Fail to dip headlights	135				0							1	135
2078	Use hand held communication equipment while driving	135	10	1,350	17	2,295	17	2,295	28	3,780	33	4,455	31	4,185
2090	Drive or Travel with Part of Body Protruding	75	1	75	1	75	1	75		0	2	150		0
2091	Driver – fail to wear seat belt	135	1	135		0		0		0		0		0
2092	Passenger – fail to wear seat belt	135		0		0		0		0		0		0
2101	Fail to obey traffic control signal (up to \$200 07/01)	165	8	1,320	18	2,970	21	3,465	25	4,125	18	2,970	13	2,145
2102	Fail to obey traffic sign at an intersection	165	10	1,650		0	1	165		0		0		0

**What was the total number of penalties and financial or other penalties
(eg suspension of licence) in each category for each year**

From 1996–2001 inclusive

Offence Code	Description	Penalty amount \$	1996 Penalties	1996 \$ Total	1997 Penalties	1997 \$ Total	1998 Penalties	1998 \$ Total	1999 Penalties	1999 \$ Total	2000 Penalties	2000 \$ Total	2001 Penalties	2001 \$ Total
2103	Fail to obey traffic sign not at an intersection	105	2	210		0	1	105		0		0		0
2106	Unlicensed driving – fail to renew	250		0		0		0		0		0		0
2107	Unlicensed driving (use in circumstances other than those referred to in 2105 & 2106)	500		0		0		0	1	500		0	1	500
2108	Fail to produce licence, learner permit or DC	50	20	1,000	51	2,550	31	1,550	59	2,950	19	950	54	2,700
2113	Unlicensed driving	110		0		0		0		0		0		0
2116	Fail to notify Corporation of change of name or address	50	2	100	4	200	1	50	6	300	3	150		0
2118	Number plate penalty	110	1	110		0	1	110		0		0	8	880
2119	Registration label not fixed/obscured	50	1	50	3	150	1	50	7	350	7	350	9	450
2120	Fail to return number plates	50		0		0		0		0		0		0
2124	Own or use unregistered motor cycle or trailer	110		0		0		0		0		0		0
2125	Use unregistered motor vehicle	500	2	1,000	9	4,500	6	3,000	7	3,500	12	6,000	15	7,500
2133	Driving on footpath	75					2	150		0	1	75		0
2135	Leave vehicle unattended with keys in ignition etc.	75							2	150		0	1	75
2141	Driving unlawfully in bus/transit/bicycle/truck lane	75		0		0		0		0		0		0
2142	Use/permit/cause use of motor vehicle when prohibited by notice	135		0		0		0		0		0		0
2143	Use vehicle that does not comply	165	20	3,300	68	11,220	59	9,735	44	7,260	34	5,610	55	9,075

**What was the total number of penalties and financial or other penalties
(eg suspension of licence) in each category for each year**

From 1996–2001 inclusive

Offence Code	Description	Penalty amount \$	1996 Penalties	1996 \$ Total	1997 Penalties	1997 \$ Total	1998 Penalties	1998 \$ Total	1999 Penalties	1999 \$ Total	2000 Penalties	2000 \$ Total	2001 Penalties	2001 \$ Total
2145	Remove unroadworthy label without authority	165		0		0		0		0		0		0
2148	Use of permit use of vehicle in breach of minor vehicle defect notice	135		0		0		0		0	1	135		0
2361	Uncertificated Driving	150	20	3,000	17	2,550	24	3,600	9	1,350	7	1,050	12	1,800
2362	Breach of Certificate Conditions	100	2	200	7	700	6	600	2	200	72	7,200	93	9,300
2366	Allow Uncertificated Driving	150	5	750	5	750	9	1,350	1	150	1	150		0
2377	Fail to comply with vehicle standards	200			3	600	5	1,000	1	200	1	200		0
2398	Inoperative air-conditioner	100	57	5,700	80	8,000	24	2,400	22	2,200	1	100	1	100
2399	Fail to Produce Vehicle for Inspection	200	2	400	5	1,000		0	2	400	5	1,000	2	400
2400	Use taxi-cab when prohibited	200	4	800	2	400	4	800	2	400	2	400	4	800
2401	Fail to produce inspection details	200							110	22,000	131	26,200	155	31,000
2403	Fail To Carry Passengers	100	19	1,900	27	2,700	21	2,100	48	4,800	47	4,700	10	1,000
2404	Fail to fulfil hiring	100	1	100	4	400	7	700	5	500	6	600	2	200
2405	Incorrect route	100	2	200	4	400	13	1,300	14	1,400	4	400	4	400
2406	Fail to take nominated route	100	1	100	2	200	2	200		0	2	200	3	300
2407	Touting Taxi	100	10	1,000	10	1,000	14	1,400	3	300		0		0
2408	Absent from taxi-cab	50	10	500	23	1,150	6	300	14	700	11	550	2	100
2409	Fail to wear uniform	50	62	3,100	203	10,150	232	11,600	312	15,600	259	12,950	200	10,000
2412	Smoke in taxi-cab	200	99	19,800	122	24,400	51	10,200	76	15,200	69	13,800	44	8,800
2413	Unauthorised carry of animals	50	1	50		0		0		0		0		0
2416	Refuse to carry passenger	50	3	150	3	150	6	300	5	250	17	850	10	500
2417	Fail to assist passenger	50	2	100	1	50	3	150		0	2	100		0

**What was the total number of penalties and financial or other penalties
(eg suspension of licence) in each category for each year**

From 1996–2001 inclusive

Offence Code	Description	Penalty amount \$	1996 Penalties	1996 \$ Total	1997 Penalties	1997 \$ Total	1998 Penalties	1998 \$ Total	1999 Penalties	1999 \$ Total	2000 Penalties	2000 \$ Total	2001 Penalties	2001 \$ Total
2421	Incorrect use of taxi stand	50	1	50		0	4	200	1	50	3	150		0
2423	Improper Use of taxi stand	50	2	100	2	100		0	1	50		0	2	100
2424	Fail to take next position on taxi stand	50	3	150	1	50		0		0	2	100	1	50
2425	Fail to accept hiring	50						0	1	50	3	150	4	200
2427	Overcharging	100			2	200	3	300	4	400	1	100	7	700
2436	Unsealed Meter	100	16	1,600	14	1,400	22	2,200	11	1,100		0		0
2441	Fail to start meter when taxi cab hired	100	3	300	2	200	7	700	8	800	6	600	2	200
2447	Uncertificated driving	150	1	150		0	1	150	2	300	3	450	3	450
2448	Breach of Certificate condition	100				0					6	600		0
2471	Touting Hire Car	2000			1	2,000		0		0	6	12,000	14	28,000
2480	Operating outside conditions of licence	100	4	400	2	200	6	600	21	2,100	8	800	25	2,500
2501	Disobey turn prohibition sign	105	9	945	44	4,620	16	1,680	66	6,930	8	840	8	840
2502	Fail to obey one way or do not enter sign	165		0		0		0		0		0		0
2507	Fail to obey emergency stopping lane only sign	165		0		0		0	2	330	4	660	4	660
2765	Deposit Litter	20	1	20	1	20	1	20		0	1	20		0
	TOTAL \$ AMOUNT FOR EACH YEAR FROM 1996–2001		448	55,960	809	94,025	668	69,775	981	107,850	937	120,245	965	139,415

S Suspensions

Ports: purchase of paintings

836(c). MR LEIGH — To ask the Honourable the Minister for Transport (for the Honourable the Minister for Ports) — how many paintings has the Department of Infrastructure purchased since October 1999 and what has been the cost of these on a monthly basis.

ANSWER:

This information has previously been provided to an Opposition Member of Parliament on 2 May 2002 under Freedom of Information.

Transport: purchase of paintings

836(d). MR LEIGH — To ask the Honourable the Minister for Transport — how many paintings has the Department of Infrastructure purchased since October 1999 and what has been the cost of these on a monthly basis.

ANSWER:

This information has previously been provided to an Opposition Member of Parliament on 2 May 2002 under Freedom of Information.

QUESTIONS ON NOTICE

*Answers to the following questions on notice were circulated on the date shown.
Questions have been incorporated from the notice paper of the Legislative Assembly.
Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.
The portfolio of the minister answering the question on notice starts each heading.*

Wednesday, 5 June 2002

Transport: Blackburn bus services

559. MR WILSON — To ask the Honourable the Minister for Transport —

1. Whether the ‘Smart Bus’ project along Blackburn Road is proceeding.
2. Why did the Minister’s media release of 28 October 2001 headed ‘Historic Agreement’ refer to a ‘feasibility study’ for ‘improved bus services on Blackburn roads’.
3. When will any improvement to Blackburn Road Ventura bus services occur and what increases in frequency will occur on each day of the week.
4. What amount has been spent to date in 2001–2002 on the — (a) Blackburn Road; and (b) Springvale Road ‘Smart Bus’ projects and what amount is expected to be spent for each in — (i) 2001–2002; and (ii) 2002–2003.

ANSWER:

The SmartBus project is proceeding with work on making all 191 bus stops accessible as opposed to the 9 stops to be made accessible under the previous Kennett Government. In addition, real-time information has been installed at various stops along both Springvale and Blackburn Roads, as well as the introduction of new technology which will enable bus drivers to send signals to traffic lights to give SmartBuses priority and remain consistent with the timetable. An announcement for the commencement of the trial is expected soon.

Feasibility studies are not specific to SmartBus but include other good initiatives, which may include additional services to the SmartBus program, and other bus initiatives.

As part of the SmartBus program the Ventura route 703 will be included in the trial of which an announcement is expected soon.

The amount budgeted for SmartBus for the 2001–2002 year for both Springvale and Blackburn Roads is \$2.8M. The amount allocated for 2002–2003 is \$300K.

Major projects and tourism: Melbourne Sports and Aquatic Centre

562. MS ASHER — To ask the Honourable the Minister for Major Projects and Tourism with reference to the Government’s advertisement calling for expressions of interest to provide architectural services for the Melbourne Sports and Aquatic Centre (Stage 2) — (a) what process does the Government intend to establish for the selection of architectural services; (b) what are the names of those on the selection panel; and (c) will the Government appoint an independent person to the selection panel.

ANSWER:

I am informed that:

- (a) The Government established a two stage tender process for the tender to provide architectural services to the Melbourne Sports and Aquatic Centre Stage 2 Project. The first stage of the tender process involved a public

call for Expression of Interest (EOI) submissions from interested and appropriately qualified architectural firms to which thirteen firms responded. Following assessment of the EOI submissions by the nominated Selection Panel, an assessment report including a recommended short-list of firms was forwarded to the Project Control Group (PCG members are Ross Kennedy — Executive Director Sport and Recreation Victoria, Simon Weatherill — CEO State Sport Centres Trust and Ian Hatfield — Deputy Director Major Projects Victoria), established for providing high level oversight and control of the Project, for review and acceptance. The Selection Panel's report and recommendation was accepted, and as a result six firms were short-listed.

The second stage of the tender process involved inviting the short-listed firms to respond to a more detailed Brief (Request for Tender) that amongst other things sought a fee proposal. The Selection Panel undertook interviews with all six short-listed firms, and following detailed evaluation of the submissions completed its assessment report including a recommendation for appointment of an architect. This assessment report/recommendation was then considered by the PCG. Upon agreement of the report and recommendation by the PCG, a brief was prepared from Major Projects Victoria to the Secretary, Department of State and Regional Development recommending approval of the architectural firm to provide the architectural services to the MSAC Stage 2 project. This has now been completed and Peddle Thorp is the successful firm.

- (b) The Selection Panel comprised Max Walker, representing the State Sport Centres Trust, Brian Mott, representing Sport and Recreation Victoria, and Stuart Thompson, representing Major Projects Victoria.
- (c) It was not considered necessary to appoint any additional persons to the Selection Panel on the basis that the independent Probity Auditor appointed to this Project "Ernst & Young" has been directly involved in the process and recently completed its report on this tender process certifying that probity had been maintained in accordance with the Government's requirements.

Transport: staffing levels of transit police

750(a). MR LEIGH — To ask the Honourable the Minister for Transport — for each year between 1985 and 2001 inclusive —

- (1) What was the staffing level under its various guises.
- (2) What was the total financial subsidy.
- (3) How many arrests have been made.
- (4) How many financial fines have been imposed.
- (5) How many non-financial penalties have been issued.

ANSWER:

The Honourable Member has placed a large number of questions on notice that relate to public transport and traffic offences. Most of the questions are unclear as to the specific information they are requesting and all require reconciliation of data held by separate agencies to prepare a reply. To answer the questions would represent an unreasonable diversion of time and resources.

If the Honourable Member focuses his question more closely I would be happy to reconsider it.

Transport: public transport use

753. MR LEIGH — To ask the Honourable the Minister for Transport —

- (1) What was the annual patronage of the public transport system under its various guises from 1985 to 2001 inclusive.
- (2) What was the percentage of freight transported by rail annually from 1985 to 2001 inclusive.

- (3) What is the current percentage of rail freight and will the Government's objective of 30 per cent rail freight be achieved in this parliamentary term.
- (4) What was the annual revenue collected by the Public Transport Corporation (including its predecessors and successors) from 1985 to 2001 inclusive.

ANSWER:

- (1) The annual patronage of the public transport system under its various guises from 1985 to 2001 is available from the following annual reports:
 - Metropolitan Transit Authority Annual Reports 1984/85 to 1987/88
 - The Met Annual Report 1988/89
 - State Transport Authority Annual Reports 1984/85 to 1988/89
 - Public Transport Corporation Annual Reports 1989/90 to 1997/98
 - Department of Transport Annual Reports 1993/94 to 1994/95
 - Department of Infrastructure Annual Reports 1995/96 to 2000/01
 - V/Line Corporation Annual Report 1999
 - Bayside Trains Annual Report 1999
 - Hillside Trains Annual Report 1999
 - Swanston Trams Annual Report 1999
 - Yarra Trams Annual Report 1999.

- (2) Historically, freight data has not been systematically recorded and reliable information in the form requested is not available for the majority of the period in question.

In 2001, the Department of Infrastructure commissioned the report, "*Assessment of the Victorian Freight Task*" which estimates that approximately 9% of Victoria's freight task was carried on rail in the year 2000.

- (3) It is important to note that the 30% rail target relates to the proportion of *port related freight* carried to and from Victoria's ports, and not the aggregate amount of rail freight as a proportion of the total freight task.

Based on 1996 data, the percentage of port related freight moved by rail was approximately 10 percent in that year. Preliminary survey data indicates that the rail mode share has increased to approximately 15 percent in 2000/01.

The Bracks Government's "Growing Victoria Together" policy sets a port rail mode share target of 30 percent to be achieved by 2010.

- (4) The annual revenue collected by the Public Transport Corporation (including its predecessors and successors) from 1985 to 2001 is available from the following annual reports:
 - Metropolitan Transit Authority Annual Reports 1984/85 to 1987/88
 - The Met Annual Report 1988/89
 - State Transport Authority Annual Reports 1984/85 to 1988/89
 - Public Transport Corporation Annual Reports 1989/90 to 2000/01.

Transport: weed infestation in Vicroads areas

- 813. MR PERTON** — To ask the Honourable the Minister for Transport — what protocols exist between VicRoads and the Department of Natural Resources and Environment to ensure weed infestation is controlled in areas within the responsibility of VicRoads.

ANSWER:

Regional Weed Action Plans are produced by each Catchment Management Authority throughout the State. VicRoads' regions prepare and implement Roadside Management Plans which comply with the appropriate Regional Weed Action Plan. In addition, weed control activities are coordinated with the Department of Natural Resources and Environment "Good Neighbour Program".

Transport: revenue raised by speeding fines in various speed limit zones

826(c). MR LEIGH — To ask the Honourable the Minister for Transport — how much revenue has been raised in fines for speeding since 22 January 2001 —

- (1) Above the 50km/h limit by each of the speed amounts 50–51km/h, 52–54km/h, 55–59km/h, 60–64km/h, 65–69km/h, 70–79km/h and over 80km/h.
- (2) Above the 60km/h limit by each of the speed amounts 60–61km/h, 62–64km/h, 65–69km/h, 70–74km/h, 75–79km/h, 80–89km/h and over 90km/h.
- (3) Above the 70km/h limit by each of the speed amounts 70–71km/h, 72–74km/h, 75–79km/h, 80–84km/h, 85–89km/h, 90–99km/h and over 100km/h.
- (4) Above the 80km/h limit by each of the speed amounts 80–81km/h, 82–84km/h, 85–89km/h, 90–94km/h, 95–99km/h, 100–109km/h and over 110km/h.
- (5) Above the 100km/h limit by each of the speed amounts 100–101km/h, 102–104km/h, 105–109km/h, 110–114km/h, 115–119km/h, 120–129km/h and over 130km/h.
- (6) Above the 110km/h limit by each of the speed amounts 110–111km/h, 112–114km/h, 115–119km/h, 120–124km/h, 125–129km/h, 130–139km/h and over 140km/h.

ANSWER:

This question does not fall within my portfolio responsibility and would be more appropriately answered by the Minister for Police and Emergency Services.

Transport: speeding during Easter 2002

828(b). MR LEIGH — To ask Minister for Transport — with reference to speeding offences over the Easter 2002 holidays booked at the San Remo bridge near Phillip Island and on Warrigal Road in the Oakleigh South area —

- (1) How many motorists were booked for speeding by speed cameras at each location.
- (2) How much revenue was raised at each location.
- (3) What were the speeds at which motorists were booked.

ANSWER:

This question does not fall within my portfolio responsibility and would be more appropriately answered by the Minister for Police and Emergency Services.

Transport: motorists booked in various speed limit zones

829(c). MR LEIGH — To ask the Honourable the Minister for Transport — how many motorists have been booked for speeding since 22 January 2001 —

- (1) Above the 50km/h limit by each of the speed amounts 50–51km/h, 52–54km/h, 55–59km/h, 60–64km/h, 65–69km/h, 70–79km/h and over 80km/h.
- (2) Above the 60km/h limit by each of the speed amounts 60–61km/h, 62–64km/h, 65–69km/h, 70–74km/h, 75–79km/h, 80–89km/h and over 90km/h.
- (3) Above the 70km/h limit by each of the speed amounts 70–71km/h, 72–74km/h, 75–79km/h, 80–84km/h, 85–89km/h, 90–99km/h and over 100km/h.
- (4) Above the 80km/h limit by each of the speed amounts 80–81km/h, 82–84km/h, 85–89km/h, 90–94km/h, 95–99km/h, 100–109km/h and over 110km/h.
- (5) Above the 100km/h limit by each of the speed amounts 100–101km/h, 102–104km/h, 105–109km/h, 110–114km/h, 115–119km/h, 120–129km/h and over 130km/h.
- (6) Above the 110km/h limit by each of the speed amounts 110–111km/h, 112–114km/h, 115–119km/h, 120–124km/h, 125–129km/h, 130–139km/h and over 140km/h.

ANSWER:

This question does not fall within my portfolio responsibility and would be more appropriately answered by the Minister for Police and Emergency Services.

Transport: fake driver licences

830(c). MR LEIGH — To ask the Honourable the Minister for Transport —

- (1) How many incidents of fake driver licences have been discovered annually since 1990.
- (2) What have been the penalties enforced annually since 1990.

ANSWER:

From 1 July 1990 to April 2002, 320 fake licences have been discovered. As a result, fines totalling \$86,550 have been applied.

YEAR	NUMBER OF FAKE DRIVER LICENCES*	FINES **
90/91	26	\$11,900
91/92	63	\$33,750
92/93	25	\$10,000
93/94	Not Available	Not Available
94/95	5	\$ 1,800
95/96	20	\$ 8,500
96/97	13	\$ 7,450
97/98	16	\$ 7,750
98/99	6	\$ 600
99/00	68	\$ 3,000
00/01	63	\$ 1,800
01/02	15	Not Available

*The total number of fake licences is derived from Court prosecutions for offences committed under section 71 of the Road Safety Act 1986. Such offences include;

1. Providing a false statement to obtain a licence/permit
2. Dishonest means to obtain a licence/permit

3. Unlawful possession of a licence/permit
4. Use false licence
5. Misrepresentation to obtain a licence/permit
6. Forgery of a licence

From 1999, Regulation 303 (1) (f) of the Road Safety (Drivers) Regulations 1999 allows VicRoads to cancel licences where the licence has been obtained fraudulently

** The fines vary in accordance with the offence ranging from \$250 to \$800.

Transport: Met public transport tickets

833. MR LEIGH — To ask the Honourable the Minister for Transport — how many Met public transport tickets have been sold annually since 1990 from each of train stations, on board trams, on board buses and retail outlets such as newsagents and milk bars.

ANSWER:

The following figures relate to the number of Metcard tickets sold on buses, at railway stations and on trams since 1998 and from retail sales outlets, such as newsagents and milk bars, since 1999. Figures prior to those provided have been archived and their recovery would require significant time and resources for retrieval.

1998 Sales:

Bus 19,479,058	Rail 24,524,736	Tram 10,495,668
----------------	-----------------	-----------------

1999 Sales:

Bus 20,494,407	Rail 27,238,345	Tram 15,557,754	Retail 6,933,396
----------------	-----------------	-----------------	------------------

2000 Sales:

Bus 20,076,304	Rail 28,183,400	Tram 14,991,916	Retail 7,083,229
----------------	-----------------	-----------------	------------------

2001 Sales:

Bus 19,729,580	Rail 27,063,304	Tram 14,035,970	Retail 7,787,298
----------------	-----------------	-----------------	------------------

The above figures were provided by Revenue Clearing House Pty Ltd.

Transport: industrial action

839. MR LEIGH — To ask the Honourable the Minister for Transport — how many hours were lost to industrial action on public transport in 2001.

ANSWER:

The number of lost hours due to industrial action on public transport in 2001 was:

– * Train & Tram	1433 hours
– + Bus	1545 hours

Note:

- * Refers to hours not worked by employees.
- + Refers to hours of service not provided by drivers.

Transport: state petrol taxes

840(a). MR LEIGH — To ask the Honourable the Minister for Transport — how much money has been raised annually since 1985 in state petrol taxes.

ANSWER:

This Question does not fall within my portfolio responsibility and would be more appropriately answered by the Honourable the Treasurer.

Transport: traffic levels on Manningham Road

846. MR PERTON — To ask the Honourable the Minister for Transport with reference to morning peak traffic flows on the road in the City of Manningham —

- (1) What are the measured traffic levels westbound in the hours between 7.00 am and 10.00 am.
- (2) Are there any measurements which indicate that traffic congestion has increased in each of 1999–2000, 2000–2001 and 2001–2002; if so, what are the details.

ANSWER:

- (1) Based on data recorded at High Street in February 2002, the volume of traffic travelling on Manningham Road, westbound, between the hours 7.00 am and 10.00 am is in the order of 3,500 vehicles.
- (2) Factors such as queue lengths and time delays, which indicate traffic congestion, have not been measured on Manningham Road. However, traffic volume data recorded at High Street indicates that the average morning peak hour volume for westbound traffic has increased from 1,200 vehicles in 1999 to 1,250 vehicles in 2002.

